From:	Lisa Stein
To:	Ryan Blackbyrne
Cc:	Sarah Harris; Jean-Francois Beaupre
Subject:	$120M Note - amending agreement no.7 (Lisa changes) rev1.docx
Date:	Wednesday, November 29, 2017 12:22:09 PM
Attachments:	$120M Note - amending agreement no.7 (Lisa changes) rev1.docx

---

Hi Ryan,

This draft looks good. I've made a couple of minor editorial tweaks. You may need to review formatting. I don't need to review this again unless we receive comments/amendments back from IESO.

Thank you,

Lisa

Lisa N. Stein
Legal Counsel
Ontario Financing Authority
416-325-2320

****
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****

AMENDING AGREEMENT NO. 6

This Amending Agreement is made as of the [DATE], 2017 between:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")

WHEREAS IESO and OEFC have entered into an agreement providing for the Issuance of a Note dated April 1, 1999 (the "Original Agreement");

AND WHEREAS pursuant to amending agreements dated March 23, 2000, April 23, 2009, May 1, 2011, May 1, 2013, April 30, 2014 and April 30, 2017 the parties amended the Original Agreement (as so amended, the "Agreement");

AND WHEREAS at the request of the IESO the parties wish to now amend the Agreement to accommodate IESO's role and obligations under the *Ontario Fair Hydro Plan Act*, 2017.

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and sufficiency of which are hereby acknowledged by each party), the parties agree as follows:

1.
The following definitions are added to Section 1.1 (Definitions) of the Agreement:

"Clean Energy Adjustment" has the same meaning as that term is defined in the ~~Ontario Fair Hydro Plan Act, 2017~~OFHP.

"OFHP" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

2. The definition of "Permitted Liens" in Section 1.1 (Definitions) of the Agreement is amended by deleting the word "and" at the end of subsection 1.1(j); replacing the "." at the end of subsection (1.1 (k) and replacing it with "and"; and adding the following subsection 1.1(l):

(l) Any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

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Commented [RB3]: Used same definition as the one used in IESO-OFA Revolving Credit Facility Agreement executed on Nov 6, 2017

Commented [LS4]: Add definition

Commented [RB5]: Added

.

IN ALL OTHER RESPECTS, the Agreement is confirmed by the parties.

IN WITNESS WHEREOF the parties have executed and delivered this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael D. Manning
Title: Executive Director and Chief Investment Officer

Commented [LS6]: Confirm title

Commented [RB7]: Confirmed

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To:	Ryan Blackbyrne
Cc:	Sarah Harris; Jean-Francois Beaupre
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and

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AND WHEREAS pursuant to amending agreements dated March 23, 2000, April 23, 2009, May 1, 2011, May 1, 2013, April 30, 2014 and April 30, 2017 the parties amended the Original Agreement (as so amended, the "Agreement");

AND WHEREAS at the request of the IESO the parties wish to now amend the Agreement to accommodate IESO's role and obligations under the *Ontario Fair Hydro Plan Act*, 2017.

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and sufficiency of which are hereby acknowledged by each party), the parties agree as follows:

1.
The following definitions are added to Section 1.1 (Definitions) of the Agreement:

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"OFHP" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

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Commented [LS4]: Add definition

Commented [RB5]: Added

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INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael D. Manning
Title: Executive Director and Chief Investment Officer

Commented [LS6]: Confirm title

Commented [RB7]: Confirmed

From:	Lisa Stein
To:	Ryan Blackbyrne
Cc:	Sarah Harris; Jean-Francois Beaupre
Subject:	$120M Note - amending agreement no.7 (blackline to no.6) rev.docx
Date:	Wednesday, November 29, 2017 10:48:44 AM
Attachments:	$120M Note - amending agreement no.7 (blackline to no.6) rev.docx

Hi Ryan,

Please see attached a black-lined version of AA no. 7 with my suggested amendments and comments. Please review and send me a revised version for review (black-lined from my version)

I have not yet reviewed the Amending Agreement for the $160M note – please use these amendments to update that amending agreement (where required) and then send me an updated version for review.

Please let me know if you would like to discuss.

Thank you,

Lisa

Lisa N. Stein
Legal Counsel
Ontario Financing Authority
416-325-2320

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AMENDING AGREEMENT NO. 6

This Amending Agreement is made as of the ~~[~~DATE~~]30th day of April~~, 2017 between:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")

WHEREAS IESO and OEFC have entered into an agreement providing for the Issuance of a Note dated April 1, 1999 (the "Original Agreement");

AND WHEREAS pursuant to amending agreements dated March 23, 2000, April 23, 2009, May 1, 2011, May 1, 2013, ~~and~~ April 30, 2014 and April 30, 2017 the parties amended the Original Agreement (as so amended, the "Agreement");

~~**AND WHEREAS** the parties wish to further amend the Agreement to increase the loan advanced to IESO from a principal amount of C$90 million to a principal amount of up to C$120 million and to extend the maturity date of the loan to June 30, 2020, all of which is to be evidenced through the the issuance of a Fifth Refinancing Note.~~

AND WHEREAS at the request of the IESO the parties wish to now amend the Agreement to ~~change the definition of "Permitted Liens" to~~ accommodate IESO's role and obligations under the Ontario Fair Hydro Plan Act ~~(OFHP)~~.

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and sufficiency of which are hereby acknowledged by each party), the parties agree as follows:

1. ~~Section 1.1 Definitions of the Agreement is amended as follows:~~

The following definitions ~~of Ontario Fair Hydro Plan "OFHP" is~~ are added ~~under~~to Section 1.1 (Definitions) of the Agreement:

"Clean Energy Adjustment" means…..

"OFHP" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

2. The definition of "Permitted Liens" in Section 1.1 (Definitions) of the Agreement is amended by deleting the word "and" at the end of subsection ~~(~~1.1(j)~~,J)~~; replacing the "." at the end of subsection (1.1 (k)~~,K)~~ and replacing it with "and"; and adding the following subsection ~~(~~1.1~~.~~(l)~~L)~~:

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(l) ~~"(1.1.L)~~ ~~A~~any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

~~**IN ALL OTHER RESPECTS**, the Agreement is confirmed by the parties.~~

~~**IN WITNESS WHEREOF** the parties have executed and delivered this Amending Agreement as of the date first written above.~~

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INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael Manning
Title: Chief Operating Officer

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Commented [LS2]: Add definition

Commented [LS3]: Confirm title

~~**SCHEDULE 1**~~

~~**FORM OF FIFTH REFINANCING NOTE**~~

~~**INDEPENDENT ELECTRICITY SYSTEM OPERATOR**~~

~~**NOTE**~~

~~Aggregate Principal Amount: $120 million, consisting of: a Part A amount of $90 million ("Part A"), whereon interest accrues commencing on April 30, 2017, and a Part B amount of $30 million ("Part B"), whereon interest accrues commencing on May 1, 2017.~~

~~Date: April 30, 2017~~

~~Interest Rate: (Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020 + 50 basis points)~~

Commented [LS4]: Delete schedule

Due: June 30, 2020

FOR VALUERECEIVED, the INDEPENDENT ELECTRICITY SYSTEMOPERATOR ("IESO") existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, PROMISES TO PAY to or to the order of ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC") at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of $120 million in lawful money of Canada, with interest on such amount at the rate, calculated in the manner and payable at the times specified in this Note.

The principal amount of this Note together with all interest accrued thereon shall become due and payable on June 30, 2020.

The principal amount of this Note remaining from time to time unpaid and outstanding shall bear interest from the date of this Note both before and after maturity and both before and after default at the rate per annum equal to the Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020, as determined by the Chief Executive Officer of OEFC or the Chief Operating Officer of OEFC, or by a person designated by either of them, plus fifty basis points (0.50%). Interest at such rate shall accrue daily and shall be payable in arrears in equal semi-annual instalments on June 30 and December 31 (each an "Interest Payment Date") commencing June 30, 2017, provided however that the calculation of the amount of the first such interest payment for Part A shall be in respect only of the period from and including April 30, 2017 to but excluding June 30, 2017, and for Part B in respect only of the period from and including May 1, 2017 to but excluding June 30, 2017.

For the purposes of disclosure pursuant to the Interest Act (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Note for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of an agreement providing for the issuance of a note dated April 1, 1999 between the IESO and OEFC and amended by an amending agreement dated March 23, 2000, an amending agreement dated April 23, 2009, an amending agreement dated May 1, 2011, an amending agreement dated May 1, 2013, an amending agreement dated April 30, 2014, and an amending agreement dated April 30, 2017 (as so amended, the "Agreement"), which Agreement provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment and notice of non-payment.

~~This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.~~

~~IN WITNESS WHEREOF IESO has executed this Note.~~

~~**INDEPENDENT ELECTRICITY SYSTEM OPERATOR**~~

~~**By:_____**~~
~~**Name: Kimberly Marshall**~~
~~**Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer**~~

From:	Lisa Stein
To:	Ryan Blackbyrne
Cc:	Sarah Harris; Jean-Francois Beaupre
Subject:	$120M Note - amending agreement no.7 (blackline to no.6) rev.docx
Date:	Wednesday, November 29, 2017 10:48:44 AM
Attachments:	$120M Note - amending agreement no.7 (blackline to no.6) rev.docx

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Hi Ryan,

Please see attached a black-lined version of AA no. 7 with my suggested amendments and comments. Please review and send me a revised version for review (black-lined from my version)

I have not yet reviewed the Amending Agreement for the $160M note – please use these amendments to update that amending agreement (where required) and then send me an updated version for review.

Please let me know if you would like to discuss.

Thank you,

Lisa

Lisa N. Stein
Legal Counsel
Ontario Financing Authority
416-325-2320

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AMENDING AGREEMENT NO. 6

This Amending Agreement is made as of the ~~[~~DATE~~]30th day of April~~, 2017 between:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")

WHEREAS IESO and OEFC have entered into an agreement providing for the Issuance of a Note dated April 1, 1999 (the "Original Agreement");

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By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

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~~**SCHEDULE 1**~~

~~**FORM OF FIFTH REFINANCING NOTE**~~

~~**INDEPENDENT ELECTRICITY SYSTEM OPERATOR**~~

~~**NOTE**~~

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~~Date: April 30, 2017~~

~~Interest Rate: (Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020 + 50 basis points)~~

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Due: June 30, 2020

FOR VALUERECEIVED, the INDEPENDENT ELECTRICITY SYSTEMOPERATOR ("IESO") existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, PROMISES TO PAY to or to the order of ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC") at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of $120 million in lawful money of Canada, with interest on such amount at the rate, calculated in the manner and payable at the times specified in this Note.

The principal amount of this Note together with all interest accrued thereon shall become due and payable on June 30, 2020.

The principal amount of this Note remaining from time to time unpaid and outstanding shall bear interest from the date of this Note both before and after maturity and both before and after default at the rate per annum equal to the Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020, as determined by the Chief Executive Officer of OEFC or the Chief Operating Officer of OEFC, or by a person designated by either of them, plus fifty basis points (0.50%). Interest at such rate shall accrue daily and shall be payable in arrears in equal semi-annual instalments on June 30 and December 31 (each an "Interest Payment Date") commencing June 30, 2017, provided however that the calculation of the amount of the first such interest payment for Part A shall be in respect only of the period from and including April 30, 2017 to but excluding June 30, 2017, and for Part B in respect only of the period from and including May 1, 2017 to but excluding June 30, 2017.

For the purposes of disclosure pursuant to the Interest Act (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Note for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

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~~IN WITNESS WHEREOF IESO has executed this Note.~~

~~**INDEPENDENT ELECTRICITY SYSTEM OPERATOR**~~

~~**By:_____**~~
~~**Name: Kimberly Marshall**~~
~~**Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer**~~

From:	William Tan
To:	Sarah Neville
Cc:	Sarah Harris
Subject:	$160M Revolving Credit Facility, Borrowing Notice Amending Agreement No. 6
Date:	Tuesday, August 28, 2018 6:08:18 PM
Attachments:	IESO FORM OF BORROWING NOTICE (WT).docx Rollover Notice.pdf Amending Agrt no.6 - Revolving Credit Facility - $160M, IESO_OFA(Signed).pdf

---

Hello Sarah N,

RE: IESO/OEFC 2010, $160M Revolving Credit Facility, Borrowing Notice Amending Agreement No. 6

As per conversation, IESO requires an new advance of $30M plus a roll-over amount of $30M and a repayment of interest in the amount of $57,008.22. Both loans advance on September 4, 2018. I have revised the Borrowing Notice (that was supposed to be attached in Amending Agreement No. 6) by modifying the wording to include "IESO Corporate Requirements" and a breakdown of the $60M loan.

Attached is IESO's original request, Revised Borrowing Notice and Amending Agreement No. 6 Please review and modify if required. Thanks again for all your help on such short notice.

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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SCHEDULE 1 TO AMENDING AGREEMENT NO. 6

FORM OF BORROWING NOTICE

Date:

Ontario Electricity Financial Corporation **("OEFC")**
c/o Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A1Y7

Attention: Cash Management
(Fax No. (416-204-7920)

Dear Sirs:

The undersigned, Independent Electricity System Operator ("IESO refers to the Revolving Credit Facility Agreement dated April 23, 2010 (as amended, supplemented or restated from time to time, the **"Agreement"**, the terms defined therein being used herein as therein defined) between IESO and OEFC, and gives you notice pursuant to Section 3.2 of the Agreement that IESO requests an Advance under the Agreement, and, in that connection, sets forth below the information relating to such Advance (the **"Proposed Advance"**) as required by Section 3.2 of the Agreement:

IESO proposes to borrow $60,000,000 as follows:

(a) $30,000,000 roll-over on September 4, 2018, repayable on October 1, 2018.

(IESO confirms advance due of $30,000,000 and payable on September 4, 2018. $30,000,000 is to be will be rolled-over and interest in the amount of $57,008.22 will be paid.)

(b) $30,000,000 new advance on September 4, 2018, repayable on October 1, 2018

~~(a) The date of the Proposed Advance, being a Business Day is •;~~
~~(a) The aggregate amount of the Proposed Advance is •;~~

~~**[IESO confirms that the $• Advance due and payable on • will be rolled.]**~~

Use of Funds

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The undersigned herby certifies that the funds requested under this notice will be used for the following purposes:

~~(1) <indicate amount and purpose of funds requested>~~
~~(2) <indicate amount and purpose of funds requested>~~IESO Corporate Requirements.

IESO hereby certifies that:

The representations and warranties of IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received previously as Advances under the Agreement have been expended or are being held solely for the purpose for which they were advanced; no part of said funds has been nor any part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Authorized Signature

Per: _____
Authorized Signature

*To be confirmed by telephone call to OEFC Cash Management (416) 325-8108

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ieso
Connecting Today.
Powering Tomorrow.

Independent Electricity System Operator
Station A, Box 4474
Toronto, ON M5W 4E5
t 905.403.6900
www.ieso.ca

SCHEDULE 1 TO AMENDING AGREEMENT NO. 5

FORM OF BORROWING NOTICE

August 28, 2018

Ontario Electricity Financial Corporation **("OEFC")**
c/o Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A1Y7

Attention: Cash Management
Fax No. 416-204-7920

Dear Sirs:

The undersigned, Independent Electricity System Operator ("IESO") refers to the Revolving Credit Facility Agreement dated April 23, 2010 (as amended, supplemented or restated from time to time, the **"Agreement"**, the terms defined therein being used herein as therein defined) between IESO and OEFC, and gives you notice pursuant to Section 3.2 of the Agreement that IESO requests an Advance under the Agreement, and, in that connection, sets forth below the information relating to such Advance (the **"Proposed Advance"**) as required by Section 3.2 of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is **September 4**, **2018;**
(b) The aggregate amount of the Proposed New Advance is **CAD$30,000,0000.00 (thirty million dollars);**

IESO confirms that the CAD$30,000,000.00 (thirty million) advance due and payable on September 4, 2018 will be rolled, and that interest in the amount of CAD$57,008.22 will be paid.

Use of Funds

The undersigned herby certifies that the funds requested under this notice will be used for the following purposes:

(1) **For liquidity purposes.**

IESO hereby certifies that:

The representations and warranties of IESO contained in the Agreement are true and correct as at the date hereof.

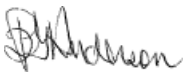
No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received previously as Advances under the Agreement have been expended or are being held solely for the purpose for which they were advanced; no part of said funds has been nor any part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR



Per: _____

Barbara Anderson
VP, Corporate Services & CFO

*To be confirmed by telephone call to OEFC Cash Management (416) 325-8108

AMENDING AGREEMENT NO. 6

This Amending Agreement is effective as of the 30 day of April, 2017.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011, Amending Agreement No. 3 dated April 30, 2013, Amending Agreement No. 4 dated April 30, 2014 and Amending Agreement No. 5 dated December 19, 2014 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $95 million.

AND WHEREAS IESO and OEFC wish to amend the Agreement to increase the revolving line of credit from a principal amount of CDN $95 million to a principal amount of up to CDN $160 million to provide funding for IESO Corporate Requirements (as defined herein);

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for an extension of the mandatory repayment date established in the Agreement to June 30, 2020;

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for the ability for Advances to be made on any business day up to a maximum of 12 times per year;

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. Section 1.1 Definitions of the Agreement is amended as follows:

   i) The definition of "Amalgamation" is deleted.

   ii) The definition of "Commitment" is deleted and replaced with:

   "Commitment" means, at any time, an amount equal to the principal amount of One Hundred and Sixty Million Dollars.

   iii) A definition of "IESO Corporate Requirements" is added as follows:

   "IESO Corporate Requirements" means any borrowing purposes authorized by O. Reg. 280/14 made under the *Electricity Act, 1998* (as such regulation may be amended or

replaced from time to time), other than for funding liquidity requirements relating to the settlement of the Ontario wholesale electricity markets.

iv) A definition of "Ontario's Fair Hydro Plan" is added as follows:

"Ontario's Fair Hydro Plan" means the plan announced March 2, 2017 by the Government of Ontario to affect the Ontario Energy Board's setting of electricity prices for certain Ontario consumers of electricity, which plan is referred to in the Ontario Energy Board's report dated April 20, 2017 and titled "Regulated Price Plan Price Report – May 1, 2017 to April 30, 2018", and including all relevant developments in or changes to such plan from time to time.

v) The definition of "New IESO" is deleted.

vi) The definition of "Note" is deleted and replaced with:

"Note" means the $160 Million Note issued pursuant to Section 2 of Amending Agreement No. 6 dated as of the 30th day of April, 2017.

vii) The definition of "OPA" is deleted.

viii) The definition of "Pre-Amalgamation IESO" is deleted.

2. IESO shall execute and deliver to OEFC a grid promissory note in the form attached as Schedule I hereto which shall be in an aggregate principal amount of up to One Hundred and Sixty Million Dollars (the "$160 Million Note") dated April 30, 2017 and on which shall be recorded the Advances Outstanding under the grid promissory note delivered pursuant to Amending Agreement No. 4. Upon receipt by OEFC of the $160 Million Note dated April 30, 2017, the $95 Million Note dated April 30, 2014 shall be of no further force and effect and shall be returned to the IESO marked "cancelled".

3. Section 2.3 of the Agreement is deleted and replaced by the following:

Section 2.3 Use of Proceeds

IESO shall use the proceeds of Advances for the funding of IESO Corporate Requirements.

4. Section 2.4 of the Agreement is deleted and replaced by the following:

Section 2.4 Mandatory Repayment.

Subject to Sections 3.5 and 5.2 of this Agreement, IESO shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, in full on or before June 30, 2020.

5. Section 3.1 of the Agreement is deleted and replaced by the following:

Section 3.1 Advances.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO under the Credit Facility on any Business Day in a month up to twelve (12) times per annum from and including May 1, 2017 to and including May 29, 2020

6. Paragraph 3.6(c) of the Agreement is deleted and replaced by the following:
   (c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO, provided however that any adverse change in IESO's financial condition related to or resulting from the discharge by IESO of its responsibilities under Ontario's Fair Hydro Plan shall be deemed not to be a material adverse change for the purposes of this Section; and

7. The Form of Borrowing Notice is deleted and replaced with the Form of Borrowing Notice attached hereto as Schedule 1.

8. This Amending Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO under the Credit Facility on any Business Day in a month up to twelve (12) times per annum from and including May 1, 2017 to and including May 29, 2020

6. Paragraph 3.6(c) of the Agreement is deleted and replaced by the following:
   (c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO, provided however that any adverse change in IESO's financial condition related to or resulting from the discharge by IESO of its responsibilities under Ontario's Fair Hydro Plan shall be deemed not to be a material adverse change for the purposes of this Section; and

7. The Form of Borrowing Notice is deleted and replaced with the Form of Borrowing Notice attached hereto as Schedule 1.

8. This Amending Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

SCHEDULE 1

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $160,000,000 Date: 30 April, 2017

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("**IESO**"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid **("Grid")** attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No. 1 dated July 21, 2010, by Amending Agreement No. 2 dated October 14, 2011, by Amending Agreement No. 3 dated April 30, 2013, by Amending Agreement No. 4 dated April 30, 2014, by Amending Agreement No. 5 dated December 19, 2014, and by Amending Agreement No. 6 dated April 30, 2017 (collectively the "Agreement").

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before June 30, 2020.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance or part of an Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be p*rima facie* evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Agreement. All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment, demand, protest, notice of dishonour and notice

of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

(Revolving Credit Facility April 30, 2017)

DATE	PRINCIPAL ADVANCED	RATE	REPAYMENT DATE	INTEREST AMOUNT	AMOUNT OF PAYMENT		UNPAID BALANCE			NOTATION MADE BY
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	REFINANCED (AMOUNT & DATE)	

From:	William Tan
To:	Sarah Neville
Cc:	Sarah Harris
Subject:	$160M Revolving Credit Facility, Borrowing Notice Amending Agreement No. 6
Date:	Tuesday, August 28, 2018 6:08:18 PM
Attachments:	IESO FORM OF BORROWING NOTICE (WT).docx Rollover Notice.pdf Amending Agrt no.6 - Revolving Credit Facility - $160M, IESO_OFA(Signed).pdf

---

Hello Sarah N,

RE: IESO/OEFC 2010, $160M Revolving Credit Facility, Borrowing Notice Amending Agreement No. 6

As per conversation, IESO requires an new advance of $30M plus a roll-over amount of $30M and a repayment of interest in the amount of $57,008.22. Both loans advance on September 4, 2018. I have revised the Borrowing Notice (that was supposed to be attached in Amending Agreement No. 6) by modifying the wording to include "IESO Corporate Requirements" and a breakdown of the $60M loan.

Attached is IESO's original request, Revised Borrowing Notice and Amending Agreement No. 6

Please review and modify if required. Thanks again for all your help on such short notice.

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

This message, including any attachments, is intended only for the use of the individual(s) to which it is addressed and may contain information that is privileged and confidential. Any other distribution, copying or disclosure is strictly prohibited. If you are not the intended recipient or have received this message in error, please notify us immediately by reply e-mail and permanently delete this message including any attachments, without reading it or making a copy. Thank you

SCHEDULE 1 TO AMENDING AGREEMENT NO. 6

FORM OF BORROWING NOTICE

Date:

Ontario Electricity Financial Corporation **("OEFC")**
c/o Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A1Y7

Attention: Cash Management
(Fax No. (416-204-7920)

Dear Sirs:

The undersigned, Independent Electricity System Operator ("IESO refers to the Revolving Credit Facility Agreement dated April 23, 2010 (as amended, supplemented or restated from time to time, the **"Agreement"**, the terms defined therein being used herein as therein defined) between IESO and OEFC, and gives you notice pursuant to Section 3.2 of the Agreement that IESO requests an Advance under the Agreement, and, in that connection, sets forth below the information relating to such Advance (the **"Proposed Advance"**) as required by Section 3.2 of the Agreement:

IESO proposes to borrow $60,000,000 as follows:

(a) $30,000,000 roll-over on September 4, 2018, repayable on October 1, 2018.

(IESO confirms advance due of $30,000,000 and payable on September 4, 2018. $30,000,000 is to be will be rolled-over and interest in the amount of $57,008.22 will be paid.)

(b) $30,000,000 new advance on September 4, 2018, repayable on October 1, 2018

~~(a) The date of the Proposed Advance, being a Business Day is •;~~
~~(a) The aggregate amount of the Proposed Advance is •;~~

~~**[IESO confirms that the $• Advance due and payable on • will be rolled.]**~~

Use of Funds

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The undersigned herby certifies that the funds requested under this notice will be used for the following purposes:

~~(1) <indicate amount and purpose of funds requested>~~
~~(2) <indicate amount and purpose of funds requested>~~IESO Corporate Requirements.

IESO hereby certifies that:

The representations and warranties of IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received previously as Advances under the Agreement have been expended or are being held solely for the purpose for which they were advanced; no part of said funds has been nor any part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Authorized Signature

Per: _____
Authorized Signature

*To be confirmed by telephone call to OEFC Cash Management (416) 325-8108

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ieso
Connecting Today.
Powering Tomorrow.

Independent Electricity System Operator
Station A, Box 4474
Toronto, ON M5W 4E5
t 905.403.6900
www.ieso.ca

SCHEDULE 1 TO AMENDING AGREEMENT NO. 5

FORM OF BORROWING NOTICE

August 28, 2018

Ontario Electricity Financial Corporation **("OEFC")**
c/o Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A1Y7

Attention: Cash Management
Fax No. 416-204-7920

Dear Sirs:

The undersigned, Independent Electricity System Operator ("IESO") refers to the Revolving Credit Facility Agreement dated April 23, 2010 (as amended, supplemented or restated from time to time, the **"Agreement"**, the terms defined therein being used herein as therein defined) between IESO and OEFC, and gives you notice pursuant to Section 3.2 of the Agreement that IESO requests an Advance under the Agreement, and, in that connection, sets forth below the information relating to such Advance (the **"Proposed Advance"**) as required by Section 3.2 of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is **September 4**, **2018;**
(b) The aggregate amount of the Proposed New Advance is **CAD$30,000,0000.00 (thirty million dollars);**

IESO confirms that the CAD$30,000,000.00 (thirty million) advance due and payable on September 4, 2018 will be rolled, and that interest in the amount of CAD$57,008.22 will be paid.

Use of Funds

The undersigned herby certifies that the funds requested under this notice will be used for the following purposes:

(1) **For liquidity purposes.**

IESO hereby certifies that:

The representations and warranties of IESO contained in the Agreement are true and correct as at the date hereof.

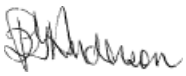
No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received previously as Advances under the Agreement have been expended or are being held solely for the purpose for which they were advanced; no part of said funds has been nor any part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR



Per: _____

Barbara Anderson
VP, Corporate Services & CFO

*To be confirmed by telephone call to OEFC Cash Management (416) 325-8108

AMENDING AGREEMENT NO. 6

This Amending Agreement is effective as of the 30 day of April, 2017.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011, Amending Agreement No. 3 dated April 30, 2013, Amending Agreement No. 4 dated April 30, 2014 and Amending Agreement No. 5 dated December 19, 2014 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $95 million.

AND WHEREAS IESO and OEFC wish to amend the Agreement to increase the revolving line of credit from a principal amount of CDN $95 million to a principal amount of up to CDN $160 million to provide funding for IESO Corporate Requirements (as defined herein);

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for an extension of the mandatory repayment date established in the Agreement to June 30, 2020;

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for the ability for Advances to be made on any business day up to a maximum of 12 times per year;

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. Section 1.1 Definitions of the Agreement is amended as follows:

   i) The definition of "Amalgamation" is deleted.

   ii) The definition of "Commitment" is deleted and replaced with:

   "Commitment" means, at any time, an amount equal to the principal amount of One Hundred and Sixty Million Dollars.

   iii) A definition of "IESO Corporate Requirements" is added as follows:

   "IESO Corporate Requirements" means any borrowing purposes authorized by O. Reg. 280/14 made under the *Electricity Act, 1998* (as such regulation may be amended or

replaced from time to time), other than for funding liquidity requirements relating to the settlement of the Ontario wholesale electricity markets.

iv) A definition of "Ontario's Fair Hydro Plan" is added as follows:

"Ontario's Fair Hydro Plan" means the plan announced March 2, 2017 by the Government of Ontario to affect the Ontario Energy Board's setting of electricity prices for certain Ontario consumers of electricity, which plan is referred to in the Ontario Energy Board's report dated April 20, 2017 and titled "Regulated Price Plan Price Report – May 1, 2017 to April 30, 2018", and including all relevant developments in or changes to such plan from time to time.

v) The definition of "New IESO" is deleted.

vi) The definition of "Note" is deleted and replaced with:

"Note" means the $160 Million Note issued pursuant to Section 2 of Amending Agreement No. 6 dated as of the 30th day of April, 2017.

vii) The definition of "OPA" is deleted.

viii) The definition of "Pre-Amalgamation IESO" is deleted.

2. IESO shall execute and deliver to OEFC a grid promissory note in the form attached as Schedule I hereto which shall be in an aggregate principal amount of up to One Hundred and Sixty Million Dollars (the "$160 Million Note") dated April 30, 2017 and on which shall be recorded the Advances Outstanding under the grid promissory note delivered pursuant to Amending Agreement No. 4. Upon receipt by OEFC of the $160 Million Note dated April 30, 2017, the $95 Million Note dated April 30, 2014 shall be of no further force and effect and shall be returned to the IESO marked "cancelled".

3. Section 2.3 of the Agreement is deleted and replaced by the following:

Section 2.3 Use of Proceeds

IESO shall use the proceeds of Advances for the funding of IESO Corporate Requirements.

4. Section 2.4 of the Agreement is deleted and replaced by the following:

Section 2.4 Mandatory Repayment.

Subject to Sections 3.5 and 5.2 of this Agreement, IESO shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, in full on or before June 30, 2020.

5. Section 3.1 of the Agreement is deleted and replaced by the following:

Section 3.1 Advances.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO under the Credit Facility on any Business Day in a month up to twelve (12) times per annum from and including May 1, 2017 to and including May 29, 2020

6. Paragraph 3.6(c) of the Agreement is deleted and replaced by the following:
   (c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO, provided however that any adverse change in IESO's financial condition related to or resulting from the discharge by IESO of its responsibilities under Ontario's Fair Hydro Plan shall be deemed not to be a material adverse change for the purposes of this Section; and

7. The Form of Borrowing Notice is deleted and replaced with the Form of Borrowing Notice attached hereto as Schedule 1.

8. This Amending Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO under the Credit Facility on any Business Day in a month up to twelve (12) times per annum from and including May 1, 2017 to and including May 29, 2020

6. Paragraph 3.6(c) of the Agreement is deleted and replaced by the following:
   (c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO, provided however that any adverse change in IESO's financial condition related to or resulting from the discharge by IESO of its responsibilities under Ontario's Fair Hydro Plan shall be deemed not to be a material adverse change for the purposes of this Section; and

7. The Form of Borrowing Notice is deleted and replaced with the Form of Borrowing Notice attached hereto as Schedule 1.

8. This Amending Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

SCHEDULE 1

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $160,000,000 Date: 30 April, 2017

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("**IESO**"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid **("Grid")** attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No. 1 dated July 21, 2010, by Amending Agreement No. 2 dated October 14, 2011, by Amending Agreement No. 3 dated April 30, 2013, by Amending Agreement No. 4 dated April 30, 2014, by Amending Agreement No. 5 dated December 19, 2014, and by Amending Agreement No. 6 dated April 30, 2017 (collectively the "Agreement").

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before June 30, 2020.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance or part of an Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be p*rima facie* evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Agreement. All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment, demand, protest, notice of dishonour and notice

of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

(Revolving Credit Facility April 30, 2017)

DATE	PRINCIPAL ADVANCED	RATE	REPAYMENT DATE	INTEREST AMOUNT	AMOUNT OF PAYMENT		UNPAID BALANCE			NOTATION MADE BY
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	REFINANCED (AMOUNT & DATE)	

From:	Lisa Stein
To:	Ryan Blackbyrne
Cc:	Sarah Harris
Subject:	$160M revolving credit - amending agreement no.7 -LS comments (004).docx
Date:	Wednesday, November 29, 2017 3:59:48 PM
Attachments:	$160M revolving credit - amending agreement no.7 -LS comments (004).docx

---

Hi Ryan,

I've made some additional amendments and added comments. Please see attached and let me know if you would like to discuss further.

I note that I will be away from the office tomorrow at a seminar; however I will be monitoring e-mails.

Thank you,

Lisa

Lisa N. Stein
Legal Counsel
Ontario Financing Authority
416-325-2320

****
This message, including any attachments, is intended only for the use of the individual(s) to which it is addressed and contains information that is privileged/confidential. Any other distribution, copying or disclosure is strictly prohibited. If you are not the intended recipient or have received this message in error, please notify the sender immediately by reply e-mail and permanently delete this message, including any attachments, without reading it or making a copy. Thank you.
****

AMENDING AGREEMENT NO. 7

This Amending Agreement is effective as of the • day of •, 2017.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIALCORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011, Amending Agreement No. 3 dated April 30, 2013, Amending Agreement No. 4 dated April 30, 2014, Amending Agreement No. 5 dated December 19, 2014 and Amending Agreement No. 6 dated April 30, 2017 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $160 million.

AND WHEREAS the *Ontario Fair Hydro Plan Act, 2017* came into force on [DATE].

AND WHEREAS at the request of the IESO the parties wish to now amend the Agreement to accommodate IESO's role and obligations under the *Ontario Fair Hydro Plan Act, 2017*.

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. The following definitions ~~is~~ are added to Section 1.1 (Definitions) of the Agreement:

   "Clean Energy Adjustment" has the same meaning as that term is defined in the OFHP.

   "OFHP" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

2. The definition of ~~"~~"Ontario's Fair Hydro Plan" ~~originally added to Section 1.1 (Definitions) in Amending Agreement No. 6 dated April 30, 2017~~ is deleted in its entirety. ~~and replaced with:~~

Commented [LS1]: Confirm and insert date. This provides context for subsequent deletion of definition of "Ontario's Fair Hydro Plan".

This can be added to the other amending agreement as well (for consistency)

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Commented [LS2]: NTD: Please confirm that there are no other references to this term in the agreement (other than as amended in s. 3.6 below)

Commented [LS3]: Definition of "Agreement" includes all amendments

~~"OFHP" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.~~

3. The definition of "Permitted Liens" in Section 1.1 (Definitions) of the Agreement is amended by deleting the word "and" at the end of subsection 1.1(j); replacing the "." at the end of subsection (1.1 (k) and replacing it with "and"; and adding the following subsection 1.1(l):

~~3.~~

(l) Any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

4. Paragraph 3.6(c) of the Agreement ~~which was deleted and replaced in Amending Agreement No. 6 dated April 30, 2017~~ is deleted and replaced ~~once more~~ by the following:

(c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO, provided however that any adverse change in IESO's financial condition related to or resulting from the discharge by IESO of its responsibilities under ~~*Ontario Fair Hydro Plan Act, 2017*~~OFHP shall be deemed not to be material adverse change for the purposes of this section; and

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael D. Manning
Title: Executive Director and Chief Investment Officer

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Commented [LS4]: NTD: Query whether IESO will request this amendment in the other agreement for the $120M note.

Commented [LS5]: NTD: Using new defined term.

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From: Ryan Blackbyrne
To: Sarah Harris
Subject: $160M revolving credit - amending agreement no.7 -LS comments.docx
Date: Wednesday, November 29, 2017 3:19:45 PM
Attachments: $160M revolving credit - amending agreement no.7 -LS comments.docx

AMENDING AGREEMENT NO. 7

This Amending Agreement is effective as of the • day of •, 2017.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIALCORPORATION ("OEFC")**

as Lender

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(l) Any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

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IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael D. Manning
Title: Executive Director and Chief Investment Officer

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To: Sarah Harris
Subject: $160M revolving credit - amending agreement no.7 -LS comments.docx
Date: Wednesday, November 29, 2017 3:19:45 PM
Attachments: $160M revolving credit - amending agreement no.7 -LS comments.docx

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BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIALCORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011, Amending Agreement No. 3 dated April 30, 2013, Amending Agreement No. 4 dated April 30, 2014, Amending Agreement No. 5 dated December 19, 2014 and Amending Agreement No. 6 dated April 30, 2017 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $160 million.

AND WHEREAS at the request of the IESO the parties wish to now amend the Agreement to accommodate IESO's role and obligations under the *Ontario Fair Hydro Plan Act, 2017*.

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

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(l) Any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

4. Paragraph 3.6(c) of the Agreement which was deleted and replaced in Amending Agreement No. 6 dated April 30, 2017 is deleted and replaced once more by the following:

   (c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO, provided however that any adverse change in IESO's financial condition related to or resulting from the discharge by IESO of its responsibilities under *Ontario Fair Hydro Plan Act*, 2017 shall be deemed not to be material adverse change for the purposes of this section; and

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael D. Manning
Title: Executive Director and Chief Investment Officer

From:	Lisa Stein
To:	Ryan Blackbyrne
Cc:	Sarah Harris; Jean-Francois Beaupre
Subject:	$160M revolving credit - amending agreement no.7 (Lisa Changes blackline) -LS comments.docx
Date:	Wednesday, November 29, 2017 12:45:18 PM
Attachments:	$160M revolving credit - amending agreement no.7 (Lisa Changes blackline) -LS comments.docx

Hi Ryan,

Please see my comments and suggested amendments, attached (similar to previous amending agreement). However, as per my earlier e-mail, before proceeding, we need to ensure that there were no relevant amendments under the previous amending agreements.

Thank you,

Lisa

Lisa N. Stein
Legal Counsel
Ontario Financing Authority
416-325-2320

****
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****

AMENDING AGREEMENT NO. ~~6~~7

This Amending Agreement is effective as of the •~~30~~ day of •~~April~~, 2017.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL ~~–~~CORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011, Amending Agreement No. 3 dated April 30, 2013, Amending Agreement No. 4 dated April 30, 2014~~, and~~ Amending Agreement No. 5 dated December 19, 2014 and Amending Agreement No. 6 dated April 30, 2017 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $~~95~~160 million.

Commented [LS1]: Please confirm that you have captured all amendments here.

~~**AND WHEREAS** IESO and OEFC wish to amend the Agreement to increase the revolving line of credit from a principal amount of CDN $95 million to a principal amount of up to CDN $160 million to provide funding for IESO Corporate Requirements (as defined herein);~~

~~**AND WHEREAS** IESO and OEFC wish to amend the Agreement to provide for an extension of the mandatory repayment date established in the Agreement to June 30, 2020;~~

~~**AND WHEREAS** IESO and OEFC wish to amend the Agreement to provide for the ability for Advances to be made on any business day up to a maximum of 12 times per year;~~

AND WHEREAS at the request of the IESO the parties wish to now amend the Agreement to accommodate IESO's role and obligations under the *Ontario Fair Hydro Plan Act, 2017*.

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THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as ~~–~~follows:

1.
The following definitions are added to Section 1.1 (Definitions) of the Agreement:

"Clean Energy Adjustment" has the same meaning as that term is defined in the ~~Ontario Fair Hydro Plan Act, 2017~~OFHP.

"OFHP" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

2. The definition of "Permitted Liens" in Section 1.1 (Definitions) of the Agreement is amended by deleting the word "and" at the end of subsection 1.1(j); replacing the "." at the end of subsection (1.1 (k) and replacing it with "and"; and adding the following subsection 1.1(l):

(l) Any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

Commented [LS2]: NTD: Delete from other amending agreement as well

~~1. Section 1.1 Definitions of the Agreement is amended as follows:~~

~~i) The definition of "Amalgamation" is deleted.~~

~~ii) The definition of" Commitment" is deleted and replaced with:~~

~~**"Commitment"** means, at any time, an amount equal to the principal amount of One Hundred and Sixty Million Dollars.~~

~~iii) A definition of **"IESO Corporate Requirements"** is added as follows:~~

~~"IESO Corporate Requirements" means any borrowing purposes authorized by 0. Reg. 280/14 made under the Electricity Act, 1998 (as such regulation may be amended or replaced from time to time), other than for funding liquidity requirements relating to the settlement of the Ontario wholesale electricity markets.~~

~~iv) A definition of "Ontario's Fair Hydro Plan" is added as follows:~~

~~**"Ontario's Fair Hydro Plan"** means the plan announced March 2, 2017 by the Government of Ontario to affect the Ontario Energy Board's setting of electricity prices for certain Ontario consumers of electricity, which plan is referred to in the Ontario Energy Board's report dated April 20, 2017 and titled "Regulated Price Plan Price Report – May 1, 2017 to April 30, 2018", and including all relevant developments in or changes to such plan from time to time.~~

~~v) The definition of "New IESO" is deleted.~~

~~vi) The definition of "Note" is deleted and replaced with:~~

~~"Note" means the $160 Million Note issued pursuant to Section 2 of Amending Agreement No. 6 dated as of the 30th day of April, 2017.~~

~~vii) The definition of "OPA" is deleted.~~

viii) The definition of "Pre-Amalgamation IESO" is deleted.

2. IESO shall execute and deliver to OEFC a grid promissory note in the form attached as Schedule I hereto which shall be in an aggregate principal amount of up to One Hundred and Sixty Million Dollars (the "$160 Million Note") dated April 30, 2017 and on which shall be recorded the Advances Outstanding under the grid promissory note delivered pursuant to Amending Agreement No. 4. Upon receipt by OEFC of the $160 Million Note dated April 30, 2017, the $95 Million Note dated April 30, 2014 shall be of no further force and effect and shall be returned to the IESO marked "cancelled".

3. Section 2.3 of the Agreement is deleted and replaced by the following:

Section 2.3 Use of Proceeds

IESO shall use the proceeds of Advances for the funding of IESO Corporate Requirements.

4. Section 2.4 of the Agreement is deleted and replaced by the following:

.

Subject to Sections 3.5 and 5.2 of this Agreement, IESO shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, in full on or before June 30, 2020.

5. Section 3.1 of the Agreement is deleted and replaced by the following:

Section 3.1 Advances.

OEFC agrees, on the tenns and conditions of this Agreement, to make Advances to IESO under the Credit Facility on any Business Day in a month up to twelve (12) times per annum from and including May 1, 2017 to and including May 29, 2020

6. Paragraph 3.6(c) of the Agreement is deleted and replaced by the following:
(c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO, provided however that any adverse change in IESO's financial condition related to or resulting from the discharge by IESO of its responsibilities under Ontario's Fair Hydro Plan shall be deemed not to be a material adverse change for the purposes of this Section; and

7. The Form of Borrowing Notice is deleted and replaced with the Form of Borrowing Notice attached hereto as Schedule 1.

8. This Amending Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael D. Manning
Title: Executive Director and Chief ~~Operating~~ Investment Officer

SCHEDULE 1

Commented [LS3]: Delete this Schedule

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $160,000,000 Date: 30 April, 2017

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid ("Grid") attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement dated April 23,2010, as amended by Amending Agreement No. 1 dated July 21, 2010, by Amending Agreement No. 2 dated October 14, 2011, by Amending Agreement No. 3 dated April 30, 2013, by Amending Agreement No. 4 dated April 30, 2014, by Amending Agreement No. 5 dated December 19, 2014, ~~and~~ by Amending Agreement No. 6 dated April 30, 2017, and by Amending Agreement No. 7 dated •, •, 2017 (collectively the "Agreement").

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before June 30, 2020.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance or part of an Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be prima facie evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Agreement. All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO. IESO waives presentment for payment, demand, protest, notice of dishonour and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

(Revolving Credit Facility April 30, 2017)

DATE	PRINCIPAL ADVANCED	RATE	REPAYMENT DATE	INTEREST AMOUNT	AMOUNT OF PAYMENT		UNPAID BALANCE			NOTATION MADE BY
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	REFINANCED (AMOUNT & DATE)	

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From:	Lisa Stein
To:	Ryan Blackbyrne
Cc:	Sarah Harris; Jean-Francois Beaupre
Subject:	$160M revolving credit - amending agreement no.7 (Lisa Changes blackline) -LS comments.docx
Date:	Wednesday, November 29, 2017 12:45:18 PM
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Thank you,

Lisa

Lisa N. Stein
Legal Counsel
Ontario Financing Authority
416-325-2320

****
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as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL ~~–~~CORPORATION ("OEFC")**

as Lender

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~~**"Commitment"** means, at any time, an amount equal to the principal amount of One Hundred and Sixty Million Dollars.~~

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~~**"Ontario's Fair Hydro Plan"** means the plan announced March 2, 2017 by the Government of Ontario to affect the Ontario Energy Board's setting of electricity prices for certain Ontario consumers of electricity, which plan is referred to in the Ontario Energy Board's report dated April 20, 2017 and titled "Regulated Price Plan Price Report – May 1, 2017 to April 30, 2018", and including all relevant developments in or changes to such plan from time to time.~~

~~v) The definition of "New IESO" is deleted.~~

~~vi) The definition of "Note" is deleted and replaced with:~~

~~"Note" means the $160 Million Note issued pursuant to Section 2 of Amending Agreement No. 6 dated as of the 30th day of April, 2017.~~

~~vii) The definition of "OPA" is deleted.~~

viii) The definition of "Pre-Amalgamation IESO" is deleted.

2. IESO shall execute and deliver to OEFC a grid promissory note in the form attached as Schedule I hereto which shall be in an aggregate principal amount of up to One Hundred and Sixty Million Dollars (the "$160 Million Note") dated April 30, 2017 and on which shall be recorded the Advances Outstanding under the grid promissory note delivered pursuant to Amending Agreement No. 4. Upon receipt by OEFC of the $160 Million Note dated April 30, 2017, the $95 Million Note dated April 30, 2014 shall be of no further force and effect and shall be returned to the IESO marked "cancelled".

3. Section 2.3 of the Agreement is deleted and replaced by the following:

Section 2.3 Use of Proceeds

IESO shall use the proceeds of Advances for the funding of IESO Corporate Requirements.

4. Section 2.4 of the Agreement is deleted and replaced by the following:

.

Subject to Sections 3.5 and 5.2 of this Agreement, IESO shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, in full on or before June 30, 2020.

5. Section 3.1 of the Agreement is deleted and replaced by the following:

Section 3.1 Advances.

OEFC agrees, on the tenns and conditions of this Agreement, to make Advances to IESO under the Credit Facility on any Business Day in a month up to twelve (12) times per annum from and including May 1, 2017 to and including May 29, 2020

6. Paragraph 3.6(c) of the Agreement is deleted and replaced by the following:
(c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO, provided however that any adverse change in IESO's financial condition related to or resulting from the discharge by IESO of its responsibilities under Ontario's Fair Hydro Plan shall be deemed not to be a material adverse change for the purposes of this Section; and

7. The Form of Borrowing Notice is deleted and replaced with the Form of Borrowing Notice attached hereto as Schedule 1.

8. This Amending Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael D. Manning
Title: Executive Director and Chief ~~Operating~~ Investment Officer

SCHEDULE 1

Commented [LS3]: Delete this Schedule

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $160,000,000 Date: 30 April, 2017

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid ("Grid") attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement dated April 23,2010, as amended by Amending Agreement No. 1 dated July 21, 2010, by Amending Agreement No. 2 dated October 14, 2011, by Amending Agreement No. 3 dated April 30, 2013, by Amending Agreement No. 4 dated April 30, 2014, by Amending Agreement No. 5 dated December 19, 2014, ~~and~~ by Amending Agreement No. 6 dated April 30, 2017, and by Amending Agreement No. 7 dated •, •, 2017 (collectively the "Agreement").

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before June 30, 2020.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance or part of an Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be prima facie evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Agreement. All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO. IESO waives presentment for payment, demand, protest, notice of dishonour and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

(Revolving Credit Facility April 30, 2017)

DATE	PRINCIPAL ADVANCED	RATE	REPAYMENT DATE	INTEREST AMOUNT	AMOUNT OF PAYMENT		UNPAID BALANCE			NOTATION MADE BY
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	REFINANCED (AMOUNT & DATE)	

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From:	Lisa Stein
To:	Ryan Blackbyrne
Cc:	Sarah Harris
Subject:	$160M revolving credit - amending agreement no.7 -LS comments (004).docx
Date:	Wednesday, November 29, 2017 3:59:48 PM
Attachments:	$160M revolving credit - amending agreement no.7 -LS comments (004).docx

---

Hi Ryan,

I've made some additional amendments and added comments. Please see attached and let me know if you would like to discuss further.

I note that I will be away from the office tomorrow at a seminar; however I will be monitoring e-mails.

Thank you,

Lisa

Lisa N. Stein
Legal Counsel
Ontario Financing Authority
416-325-2320

****
This message, including any attachments, is intended only for the use of the individual(s) to which it is addressed and contains information that is privileged/confidential. Any other distribution, copying or disclosure is strictly prohibited. If you are not the intended recipient or have received this message in error, please notify the sender immediately by reply e-mail and permanently delete this message, including any attachments, without reading it or making a copy. Thank you.
****

AMENDING AGREEMENT NO. 7

This Amending Agreement is effective as of the • day of •, 2017.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIALCORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011, Amending Agreement No. 3 dated April 30, 2013, Amending Agreement No. 4 dated April 30, 2014, Amending Agreement No. 5 dated December 19, 2014 and Amending Agreement No. 6 dated April 30, 2017 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $160 million.

AND WHEREAS the *Ontario Fair Hydro Plan Act, 2017* came into force on [DATE].

AND WHEREAS at the request of the IESO the parties wish to now amend the Agreement to accommodate IESO's role and obligations under the *Ontario Fair Hydro Plan Act, 2017*.

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. The following definitions ~~is~~ are added to Section 1.1 (Definitions) of the Agreement:

   "Clean Energy Adjustment" has the same meaning as that term is defined in the OFHP.

   "OFHP" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

2. The definition of ~~"~~"Ontario's Fair Hydro Plan" ~~originally added to Section 1.1 (Definitions) in Amending Agreement No. 6 dated April 30, 2017~~ is deleted in its entirety. ~~and replaced with:~~

Commented [LS1]: Confirm and insert date. This provides context for subsequent deletion of definition of "Ontario's Fair Hydro Plan".

This can be added to the other amending agreement as well (for consistency)

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Commented [LS2]: NTD: Please confirm that there are no other references to this term in the agreement (other than as amended in s. 3.6 below)

Commented [LS3]: Definition of "Agreement" includes all amendments

~~"OFHP" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.~~

3. The definition of "Permitted Liens" in Section 1.1 (Definitions) of the Agreement is amended by deleting the word "and" at the end of subsection 1.1(j); replacing the "." at the end of subsection (1.1 (k) and replacing it with "and"; and adding the following subsection 1.1(l):

~~3.~~

(l) Any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

4. Paragraph 3.6(c) of the Agreement ~~which was deleted and replaced in Amending Agreement No. 6 dated April 30, 2017~~ is deleted and replaced ~~once more~~ by the following:

(c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO, provided however that any adverse change in IESO's financial condition related to or resulting from the discharge by IESO of its responsibilities under ~~*Ontario Fair Hydro Plan Act, 2017*~~OFHP shall be deemed not to be material adverse change for the purposes of this section; and

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael D. Manning
Title: Executive Director and Chief Investment Officer

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Commented [LS4]: NTD: Query whether IESO will request this amendment in the other agreement for the $120M note.

Commented [LS5]: NTD: Using new defined term.

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From:	Ryan Blackbyrne
To:	Lisa Stein
Cc:	Jean-Francois Beaupre; Sarah Harris
Subject:	$160M revolving credit - amending agreement no.7
Date:	Wednesday, November 29, 2017 3:38:46 PM
Attachments:	$160M revolving credit - amending agreement no.7 -LS comments.docx

Hi Lisa,

Following our telephone conversation I raised the issue with Sarah and we agreed that we should move forward with deleting and replacing the definition of "Ontario's Fair Hydro Plan" with the definition of "OFHP" (Ontario Fair Hydro Plan Act, 2017). This will require also deleting and replacing paragraph 3.6(c) of the Agreement so it now references the Act rather than the Plan. When we send our draft amending agreement to IESO we will explain with a comment our reasoning behind the change (at the time of drafting Amending Agreement No. 6 in April 2017 the Act had not come into effect).

Please review the revised draft attached and let us know your comments.

Thank You,

Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M7A 1Y7
416-325-8143
ryan.blackbyrne@ofina.on.ca

AMENDING AGREEMENT NO. 7

This Amending Agreement is effective as of the • day of •, 2017.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIALCORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011, Amending Agreement No. 3 dated April 30, 2013, Amending Agreement No. 4 dated April 30, 2014, Amending Agreement No. 5 dated December 19, 2014 and Amending Agreement No. 6 dated April 30, 2017 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $160 million.

AND WHEREAS at the request of the IESO the parties wish to now amend the Agreement to accommodate IESO's role and obligations under the *Ontario Fair Hydro Plan Act, 2017*.

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. The following definition is added to Section 1.1 (Definitions) of the Agreement:

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By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael D. Manning
Title: Executive Director and Chief Investment Officer

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Capital Markets Division
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as Borrower

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IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael D. Manning
Title: Executive Director and Chief Investment Officer

From:	Lisa Stein
To:	William Tan
Cc:	Sarah Harris; Caroline Swerdlyk
Subject:	(draft) OFHP IESO waiver_.OFA legaldocx.docx
Date:	Thursday, March 08, 2018 3:46:38 PM
Attachments:	(draft) OFHP IESO waiver_.OFA legaldocx.docx

Hi Will,

Please see attached my suggested black-lined amendments and comments on the draft waiver.

In addition to the attached comments, have you considered how this daylight borrowing period will work from an operational point of view, for both the new Proposed Advance and the Continued Advance? Will interest still be applicable and how will it be calculated? Do we need to specify further details in the waiver?

As I will be away on vacation starting tomorrow, I have copied Caroline on this e-mail. As previously noted, she will be able to assist you in my absence.

Thank you,

Lisa

Lisa N. Stein
Legal Counsel
Ontario Financing Authority
416-325-2320

****
This message, including any attachments, is intended only for the use of the individual(s) to which it is addressed and contains information that is privileged/confidential. Any other distribution, copying or disclosure is strictly prohibited. If you are not the intended recipient or have received this message in error, please notify the sender immediately by reply e-mail and permanently delete this message, including any attachments, without reading it or making a copy. Thank you.
****

Ontario Financing Authority
1 Dundas Street West
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Toronto ON M7A 1Y7
Phone: 416-325-8000

Office ontarien de financement
1 rue Dundas ouest
Bureau 1400
Toronto ON M7A 1Y7

March ~~7~~ XX 2018

Kimberly Marshall
Independent Electricity System Operator
120 Adelaide Street, Suite 1600
Toronto, M5H 1T1

Re: **$530,000,000 Borrowing and Election Notice d~~D~~ated March 21, 2018 ~~waiver 5-day minimum advance period.~~**

Dear Kimberly,

The Ontario Financing Authority ("OFA") is in receipt of the Borrowing Notice and Election Notice provided by the Independent Electricity System Operator ("IESO") to the OFA dated March 21, 2018 for ~~the~~ a new P~~p~~roposed A~~a~~dvance of $208,000,000 ~~(the "March 21, 2018 Borrowing Notice")~~ and a proposed Continued Advance of $332,400,560.14 ~~(the "March 21, 2018 Election Notice)~~(the "March 2018 Borrowing and Election Notice") under the ~~FHP~~ Revolving Credit Facility Agreement ~~2017-2022~~ between the IESO and OFA dated November 6, 2017, as amended (the "Credit Agreement"), the terms defined therein being used herein as therein defined.

For the sole purpose of the March ~~21,~~ 2018 Borrowing and Election Notice~~Notice and Election Notice~~, the OFA hereby agrees to ~~modify~~ waive the requirement set out in ~~section 3.2 of the Credit Agreement that the Repayment Date of the Advance which shall not b earlier than 5 days and not later than 95 days after the date of the request Advance. OFA also agrees to modify the requirement set out in~~ section 3.3(1) of the Credit Agreement that a Continued Advance must be ~~any Advance and any amount of interest on such Advance (together, the "Continued Advance")~~for a further period of at least 5 days,~~5 says and up to a maximum of 95 days~~ beginning on the then current Repayment Date.

For greater clarity, for the purpose of the March 2018 Borrowing and Election Notice only, there shall be no minimum number of days required from the date of the Proposed Continued Advance to the New Repayment Date. Pursuant to section 3.3(3) of the Credit Agreement, the Repayment Date of the requested Proposed Advance under the March 2018 Borrowing and Election Notice shall be the New Repayment Date.
~~IESO consents to a Repayment Date of 1 day from the date of the proposed Advance and proposed Continued Advance under the Borrowing Notice and Election Notice, for the full principal amount of the proposed Advance and proposed Continued Advance.~~

Commented [LS1]: Please confirm date; letter provides below that the OFA is in receipt of the notice

Commented [LS2]: Please note and confirm

Commented [LS3]: NTD: There is no requirement to waive section 3.2(!) as the applicable section for a further Advance to be made on the Current Repayment Date is section 3(3), which refers to the New Repayment Date (which shall now have no minimum).

Commented [LS4]: No consent required as requirement for a minimum 5 days is waived.

Accordingly, OFA hereby agrees to waive~~s~~ the requirement for the IESO to certify on the March 2018 Borrowing and Election Notice that the ~~as set out in section 3.2 and Schedule 1 of the Credit Agreement for IESO to provide the following certification in the March 21, 2018 Borrowing Notice:~~

> ~~"(c) The Repayment Date of the Proposed Advance is_____. [Not earlier than 5 days and not later than 95 days after the date of the Proposed Advance.]"~~

~~Additionally, OFA waives the requirement~~New Repayment Date is not earlier than 5 days after the current Repayment Date for the Advance, as required in section 3.3(2) and Schedule 2 of the Credit Agreement. ~~as set out in section 3.3 and Schedule 2 of the Credit Agreement for IESO to provide the following certification in the March 21, 2018 Election Notice:~~

> ~~"(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _____. [Insert date not earlier than 5 days and not later than 95 days after the current Repayment Date for the Advance.]"~~

Subject to the foregoing, ~~section 3.2 and~~ section 3.3 of the Credit Agreement appl~~y~~ies in its entirety~~ies~~ to all future Proposed Advances and Continued Advances.

Best Regards,

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael D. Manning
Title: Executive Director & Chief Investment Officer,
Capital Markets Division

Commented [LS5]: Under Schedule 2 of the Credit Facility Agreement, the New Repayment Date is the same for the Proposed Advance and Proposed Continued Advance.

Commented [LS6]: NTD: This certification is still required; however, no minimum required.

Commented [LS7]: See above comment

From:	Lisa Stein
To:	William Tan
Cc:	Sarah Harris; Caroline Swerdlyk
Subject:	(draft) OFHP IESO waiver_.OFA legaldocx.docx
Date:	Thursday, March 08, 2018 3:46:38 PM
Attachments:	(draft) OFHP IESO waiver_.OFA legaldocx.docx

Hi Will,

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As I will be away on vacation starting tomorrow, I have copied Caroline on this e-mail. As previously noted, she will be able to assist you in my absence.

Thank you,

Lisa

Lisa N. Stein
Legal Counsel
Ontario Financing Authority
416-325-2320

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****

Ontario Financing Authority
1 Dundas Street West
Suite 1400
Toronto ON M7A 1Y7
Phone: 416-325-8000

Office ontarien de financement
1 rue Dundas ouest
Bureau 1400
Toronto ON M7A 1Y7

March ~~7~~ XX 2018

Kimberly Marshall
Independent Electricity System Operator
120 Adelaide Street, Suite 1600
Toronto, M5H 1T1

Re: **$530,000,000 Borrowing and Election Notice d~~D~~ated March 21, 2018 ~~waiver 5-day minimum advance period.~~**

Dear Kimberly,

The Ontario Financing Authority ("OFA") is in receipt of the Borrowing Notice and Election Notice provided by the Independent Electricity System Operator ("IESO") to the OFA dated March 21, 2018 for ~~the~~ a new P~~p~~roposed A~~a~~dvance of $208,000,000 ~~(the "March 21, 2018 Borrowing Notice")~~ and a proposed Continued Advance of $332,400,560.14 ~~(the "March 21, 2018 Election Notice)~~(the "March 2018 Borrowing and Election Notice") under the ~~FHP~~ Revolving Credit Facility Agreement ~~2017-2022~~ between the IESO and OFA dated November 6, 2017, as amended (the "Credit Agreement"), the terms defined therein being used herein as therein defined.

For the sole purpose of the March ~~21,~~ 2018 Borrowing and Election Notice~~Notice and Election Notice~~, the OFA hereby agrees to ~~modify~~ waive the requirement set out in ~~section 3.2 of the Credit Agreement that the Repayment Date of the Advance which shall not b earlier than 5 days and not later than 95 days after the date of the request Advance. OFA also agrees to modify the requirement set out in~~ section 3.3(1) of the Credit Agreement that a Continued Advance must be ~~any Advance and any amount of interest on such Advance (together, the "Continued Advance")~~for a further period of at least 5 days,~~5 says and up to a maximum of 95 days~~ beginning on the then current Repayment Date.

For greater clarity, for the purpose of the March 2018 Borrowing and Election Notice only, there shall be no minimum number of days required from the date of the Proposed Continued Advance to the New Repayment Date. Pursuant to section 3.3(3) of the Credit Agreement, the Repayment Date of the requested Proposed Advance under the March 2018 Borrowing and Election Notice shall be the New Repayment Date.
~~IESO consents to a Repayment Date of 1 day from the date of the proposed Advance and proposed Continued Advance under the Borrowing Notice and Election Notice, for the full principal amount of the proposed Advance and proposed Continued Advance.~~

Commented [LS1]: Please confirm date; letter provides below that the OFA is in receipt of the notice

Commented [LS2]: Please note and confirm

Commented [LS3]: NTD: There is no requirement to waive section 3.2(!) as the applicable section for a further Advance to be made on the Current Repayment Date is section 3(3), which refers to the New Repayment Date (which shall now have no minimum).

Commented [LS4]: No consent required as requirement for a minimum 5 days is waived.

Accordingly, OFA hereby agrees to waive~~s~~ the requirement for the IESO to certify on the March 2018 Borrowing and Election Notice that the ~~as set out in section 3.2 and Schedule 1 of the Credit Agreement for IESO to provide the following certification in the March 21, 2018 Borrowing Notice:~~

> ~~"(c) The Repayment Date of the Proposed Advance is_____. [Not earlier than 5 days and not later than 95 days after the date of the Proposed Advance.]"~~

~~Additionally, OFA waives the requirement~~New Repayment Date is not earlier than 5 days after the current Repayment Date for the Advance, as required in section 3.3(2) and Schedule 2 of the Credit Agreement. ~~as set out in section 3.3 and Schedule 2 of the Credit Agreement for IESO to provide the following certification in the March 21, 2018 Election Notice:~~

> ~~"(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _____. [Insert date not earlier than 5 days and not later than 95 days after the current Repayment Date for the Advance.]"~~

Subject to the foregoing, ~~section 3.2 and~~ section 3.3 of the Credit Agreement appl~~y~~ies in its entirety~~ies~~ to all future Proposed Advances and Continued Advances.

Best Regards,

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael D. Manning
Title: Executive Director & Chief Investment Officer,
Capital Markets Division

Commented [LS5]: Under Schedule 2 of the Credit Facility Agreement, the New Repayment Date is the same for the Proposed Advance and Proposed Continued Advance.

Commented [LS6]: NTD: This certification is still required; however, no minimum required.

Commented [LS7]: See above comment

From:	Andrea Dalgarno
To:	Sarah Harris
Subject:	160M Line OEFC-IESO
Date:	Thursday, November 09, 2017 9:55:04 AM
Attachments:	Elect Act Reg 280-14.pdf Amending Agrt no.6 - Revolving Credit Facility - OEFC_IESO_IESO Signed.pdf

---

FYI

Andrea Dalgarno
Documentation & Analysis Specialist
Ontario Financing Authority
Tel 416-212-7451

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Ontario

Electricity Act, 1998
Loi de 1998 sur l'électricité

ONTARIO REGULATION 280/14

IESO: ELIGIBLE INVESTMENTS AND BORROWING

Consolidation Period: From July 1, 2017 to the e-Laws currency date.

Last amendment: O. Reg. 193/17.

This Regulation is made in English only.

Eligible investments

1. (1) The IESO may make investments when it considers the investment advisable for the sound and efficient management of its financial affairs.

(2) Despite subsection (1), where this Regulation provides for any restrictions upon the making of investments by the IESO, the IESO shall comply with those restrictions.

(3) The IESO may make investments in only the following types of securities:

1. Bonds, debentures, promissory notes and other evidences of indebtedness, issued or guaranteed by,
    i. Canada or a province or territory of Canada,
    ii. an agency of Canada or of a province or territory of Canada, or
    iii. the United States of America.
2. Bonds, debentures, promissory notes and other evidences of indebtedness, issued or guaranteed by,
    i. a municipality in Canada,
    ii. a school board in Canada, or
    iii. the Municipal Finance Authority of British Columbia.
3. Bonds, debentures, promissory notes, deposit receipts, deposit notes, certificates of deposit or investment, acceptances,

commercial paper and similar instruments issued, guaranteed or endorsed by,

i. a bank listed in Schedule I, II or III to the *Bank Act* (Canada),

ii. a loan corporation or trust corporation registered under the *Loan and Trust Corporations Act*, or

iii. a credit union under the *Credit Unions and Caisses Populaires Act, 1994*.

4. Promissory notes and commercial paper, other than asset-backed securities, issued by a corporation that is incorporated under the laws of Canada or a province of Canada. O. Reg. 162/15, s. 1 (1).

(4) The IESO shall not invest in a security described in paragraph 2, 3 or 4 of subsection (3) unless, at the time the investment is made by the IESO, the security has a minimum rating of,

(a) “R-1(mid)” or “AA(low)” by Dominion Bond Rating Service Limited;

(b) “Prime-1” or “Aa3” by Moody’s Investors Services Inc.; or

(c) “A-1+” or “AA-” by Standard and Poor’s.

(5) Investments described in subsection (4) must have terms that provide that principal and interest shall be fully repaid no later than one year after the day the investment is made by the IESO.

(6) Nothing in this section restricts the IESO’s authority to enter into contracts referred to in section 25.32 or 25.35 of the Act.

(7) Nothing in this section restricts the IESO’s authority to make long-term investments in portfolios of pooled funds. O. Reg. 162/15, s. 1 (2).

Ineligible investments

2. (1) The IESO shall not do the following:

1. Invest in an investment that fails to satisfy the requirements of section 1.
2. Invest in a security that is expressed or payable in any currency other than Canadian dollars or U.S. dollars.
3. Enter into financial agreements to manage its financial assets, liability or risks, except for the purpose of managing foreign exchange risk under contractual commitments that relate to its operations. O. Reg. 162/15, s. 2.

(2) Nothing in subsection (1) restricts the IESO’s authority to make long-term investments in portfolios of pooled funds. O. Reg. 162/15, s. 2.

Authorized borrowing

3. (1) The IESO may borrow only for the purpose of funding corporate requirements and for liquidity purposes. O. Reg. 162/15, s. 3.

(2) Without limiting the generality of subsection (1), the IESO may borrow for the following purposes:

1. To fund the payment of amounts payable by the IESO under section 25.33 of the Act and any amounts payable under the regulations.
2. To provide such funds as may be necessary for the management of any variance account established and maintained under the Act by the IESO.

3. To provide such funds as may be necessary for the IESO to manage timing differences between the receipt of amounts and the payment of costs and expenses incurred by the IESO in exercising its rights and performing its duties under the Act.
4. To provide such funds as may be necessary for the IESO to manage timing differences between the receipt of payments in respect of procurement contracts that the IESO has entered into pursuant to Part II.2 of the Act and the payment of such amounts by the IESO under the procurement contracts referred to in that Part.
5. To provide such funds as may be required for the purposes of the *Ontario Fair Hydro Plan Act, 2017*, including borrowing,
    i. to fund IESO deferrals under section 23 of that Act, and
    ii. to fund the activities in which the IESO is authorized or required to engage under that Act. O. Reg. 162/15, s. 3; O. Reg. 193/17, s. 1.

Statement of investment, borrowing and financial management policies and procedures

4. (1) On or before July 1, 2015, the board of directors of the IESO shall adopt a statement setting out the IESO's investment, borrowing and financial management policies and procedures.

(2) In preparing the statement, the board of directors shall bear in mind the timing considerations of the IESO's investments and borrowings in relation to the IESO's expected cash flow requirements.

(3) The board of directors shall, on or before August 1, 2015, ensure that the statement does not contain any policy or procedure that would conflict with the requirements of sections 1, 2 and 3 and the board may resubmit the statement for that purpose and shall resubmit the statement in accordance with clause (4) (b) as necessary.

(4) The IESO shall submit to the Minister of Finance for approval,

(a) its proposed statement of investment, borrowing and financial management policies and procedures; and

(b) every change it proposes to make to its statement of investment, borrowing and financial management policies and procedures after the statement has been approved.

(5) The Minister of Finance may approve the proposed statement or change to the statement or refer it back to the IESO for further consideration.

(6) If the Minister of Finance does not approve the proposed statement or change to the statement and does not refer it back to the IESO for further consideration within 60 days of receipt, the Minister shall be deemed to approve the IESO's proposed statement or change.

(7) The IESO shall comply with its statement of investment, borrowing and financial management policies and procedures as amended and as approved by the Minister of Finance in carrying out its investment, borrowing and financial management activities.

5. OMITTED (REVOKES OTHER REGULATIONS).

6. OMITTED (PROVIDES FOR COMING INTO FORCE OF PROVISIONS OF THIS REGULATION).

AMENDING AGREEMENT NO. 6

This Amending Agreement is effective as of the 30 day of April, 2017.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011, Amending Agreement No. 3 dated April 30, 2013, Amending Agreement No. 4 dated April 30, 2014 and Amending Agreement No. 5 dated December 19, 2014 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $95 million.

AND WHEREAS IESO and OEFC wish to amend the Agreement to increase the revolving line of credit from a principal amount of CDN $95 million to a principal amount of up to CDN $160 million to provide funding for IESO Corporate Requirements (as defined herein);

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for an extension of the mandatory repayment date established in the Agreement to June 30, 2020;

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for the ability for Advances to be made on any business day up to a maximum of 12 times per year;

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. Section 1.1 Definitions of the Agreement is amended as follows:

   i) The definition of "Amalgamation" is deleted.

   ii) The definition of "Commitment" is deleted and replaced with:

   "Commitment" means, at any time, an amount equal to the principal amount of One Hundred and Sixty Million Dollars.

   iii) A definition of "IESO Corporate Requirements" is added as follows:

   "IESO Corporate Requirements" means any borrowing purposes authorized by O. Reg. 280/14 made under the *Electricity Act, 1998* (as such regulation may be amended or

replaced from time to time), other than for funding liquidity requirements relating to the settlement of the Ontario wholesale electricity markets.

iv) A definition of "Ontario's Fair Hydro Plan" is added as follows:

"Ontario's Fair Hydro Plan" means the plan announced March 2, 2017 by the Government of Ontario to affect the Ontario Energy Board's setting of electricity prices for certain Ontario consumers of electricity, which plan is referred to in the Ontario Energy Board's report dated April 20, 2017 and titled "Regulated Price Plan Price Report – May 1, 2017 to April 30, 2018", and including all relevant developments in or changes to such plan from time to time.

v) The definition of "New IESO" is deleted.

vi) The definition of "Note" is deleted and replaced with:

"Note" means the $160 Million Note issued pursuant to Section 2 of Amending Agreement No. 6 dated as of the 30th day of April, 2017.

vii) The definition of "OPA" is deleted.

viii) The definition of "Pre-Amalgamation IESO" is deleted.

2. IESO shall execute and deliver to OEFC a grid promissory note in the form attached as Schedule I hereto which shall be in an aggregate principal amount of up to One Hundred and Sixty Million Dollars (the "$160 Million Note") dated April 30, 2017 and on which shall be recorded the Advances Outstanding under the grid promissory note delivered pursuant to Amending Agreement No. 4. Upon receipt by OEFC of the $160 Million Note dated April 30, 2017, the $95 Million Note dated April 30, 2014 shall be of no further force and effect and shall be returned to the IESO marked "cancelled".

3. Section 2.3 of the Agreement is deleted and replaced by the following:

Section 2.3 Use of Proceeds

IESO shall use the proceeds of Advances for the funding of IESO Corporate Requirements.

4. Section 2.4 of the Agreement is deleted and replaced by the following:

Section 2.4 Mandatory Repayment.

Subject to Sections 3.5 and 5.2 of this Agreement, IESO shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, in full on or before June 30, 2020.

5. Section 3.1 of the Agreement is deleted and replaced by the following:

Section 3.1 Advances.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO under the Credit Facility on any Business Day in a month up to twelve (12) times per annum from and including May 1, 2017 to and including May 29, 2020

6. Paragraph 3.6(c) of the Agreement is deleted and replaced by the following:
   (c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO, provided however that any adverse change in IESO's financial condition related to or resulting from the discharge by IESO of its responsibilities under Ontario's Fair Hydro Plan shall be deemed not to be a material adverse change for the purposes of this Section; and

7. The Form of Borrowing Notice is deleted and replaced with the Form of Borrowing Notice attached hereto as Schedule 1.

8. This Amending Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

SCHEDULE 1

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $160,000,000 Date: 30 April, 2017

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("**IESO**"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid **("Grid")** attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No. 1 dated July 21, 2010, by Amending Agreement No. 2 dated October 14, 2011, by Amending Agreement No. 3 dated April 30, 2013, by Amending Agreement No. 4 dated April 30, 2014, by Amending Agreement No. 5 dated December 19, 2014, and by Amending Agreement No. 6 dated April 30, 2017 (collectively the "Agreement").

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before June 30, 2020.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance or part of an Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be p*rima facie* evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Agreement. All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment, demand, protest, notice of dishonour and notice

of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

(Revolving Credit Facility April 30, 2017)

DATE	PRINCIPAL ADVANCED	RATE	REPAYMENT DATE	INTEREST AMOUNT	AMOUNT OF PAYMENT		UNPAID BALANCE			NOTATION MADE BY
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	REFINANCED (AMOUNT & DATE)	

From:	Andrea Dalgarno
To:	Sarah Harris
Subject:	160M Line OEFC-IESO
Date:	Thursday, November 09, 2017 9:55:04 AM
Attachments:	Elect Act Reg 280-14.pdf Amending Agrt no.6 - Revolving Credit Facility - OEFC_IESO_IESO Signed.pdf

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FYI

Andrea Dalgarno
Documentation & Analysis Specialist
Ontario Financing Authority
Tel 416-212-7451

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Ontario

Electricity Act, 1998
Loi de 1998 sur l'électricité

ONTARIO REGULATION 280/14

IESO: ELIGIBLE INVESTMENTS AND BORROWING

Consolidation Period: From July 1, 2017 to the e-Laws currency date.

Last amendment: O. Reg. 193/17.

This Regulation is made in English only.

Eligible investments

1. (1) The IESO may make investments when it considers the investment advisable for the sound and efficient management of its financial affairs.

(2) Despite subsection (1), where this Regulation provides for any restrictions upon the making of investments by the IESO, the IESO shall comply with those restrictions.

(3) The IESO may make investments in only the following types of securities:

1. Bonds, debentures, promissory notes and other evidences of indebtedness, issued or guaranteed by,
    i. Canada or a province or territory of Canada,
    ii. an agency of Canada or of a province or territory of Canada, or
    iii. the United States of America.
2. Bonds, debentures, promissory notes and other evidences of indebtedness, issued or guaranteed by,
    i. a municipality in Canada,
    ii. a school board in Canada, or
    iii. the Municipal Finance Authority of British Columbia.
3. Bonds, debentures, promissory notes, deposit receipts, deposit notes, certificates of deposit or investment, acceptances,

commercial paper and similar instruments issued, guaranteed or endorsed by,

i. a bank listed in Schedule I, II or III to the *Bank Act* (Canada),

ii. a loan corporation or trust corporation registered under the *Loan and Trust Corporations Act*, or

iii. a credit union under the *Credit Unions and Caisses Populaires Act, 1994*.

4. Promissory notes and commercial paper, other than asset-backed securities, issued by a corporation that is incorporated under the laws of Canada or a province of Canada. O. Reg. 162/15, s. 1 (1).

(4) The IESO shall not invest in a security described in paragraph 2, 3 or 4 of subsection (3) unless, at the time the investment is made by the IESO, the security has a minimum rating of,

(a) “R-1(mid)” or “AA(low)” by Dominion Bond Rating Service Limited;

(b) “Prime-1” or “Aa3” by Moody’s Investors Services Inc.; or

(c) “A-1+” or “AA-” by Standard and Poor’s.

(5) Investments described in subsection (4) must have terms that provide that principal and interest shall be fully repaid no later than one year after the day the investment is made by the IESO.

(6) Nothing in this section restricts the IESO’s authority to enter into contracts referred to in section 25.32 or 25.35 of the Act.

(7) Nothing in this section restricts the IESO’s authority to make long-term investments in portfolios of pooled funds. O. Reg. 162/15, s. 1 (2).

Ineligible investments

2. (1) The IESO shall not do the following:

1. Invest in an investment that fails to satisfy the requirements of section 1.
2. Invest in a security that is expressed or payable in any currency other than Canadian dollars or U.S. dollars.
3. Enter into financial agreements to manage its financial assets, liability or risks, except for the purpose of managing foreign exchange risk under contractual commitments that relate to its operations. O. Reg. 162/15, s. 2.

(2) Nothing in subsection (1) restricts the IESO’s authority to make long-term investments in portfolios of pooled funds. O. Reg. 162/15, s. 2.

Authorized borrowing

3. (1) The IESO may borrow only for the purpose of funding corporate requirements and for liquidity purposes. O. Reg. 162/15, s. 3.

(2) Without limiting the generality of subsection (1), the IESO may borrow for the following purposes:

1. To fund the payment of amounts payable by the IESO under section 25.33 of the Act and any amounts payable under the regulations.
2. To provide such funds as may be necessary for the management of any variance account established and maintained under the Act by the IESO.

3. To provide such funds as may be necessary for the IESO to manage timing differences between the receipt of amounts and the payment of costs and expenses incurred by the IESO in exercising its rights and performing its duties under the Act.
4. To provide such funds as may be necessary for the IESO to manage timing differences between the receipt of payments in respect of procurement contracts that the IESO has entered into pursuant to Part II.2 of the Act and the payment of such amounts by the IESO under the procurement contracts referred to in that Part.
5. To provide such funds as may be required for the purposes of the *Ontario Fair Hydro Plan Act, 2017*, including borrowing,
    i. to fund IESO deferrals under section 23 of that Act, and
    ii. to fund the activities in which the IESO is authorized or required to engage under that Act. O. Reg. 162/15, s. 3; O. Reg. 193/17, s. 1.

Statement of investment, borrowing and financial management policies and procedures

4. (1) On or before July 1, 2015, the board of directors of the IESO shall adopt a statement setting out the IESO's investment, borrowing and financial management policies and procedures.

(2) In preparing the statement, the board of directors shall bear in mind the timing considerations of the IESO's investments and borrowings in relation to the IESO's expected cash flow requirements.

(3) The board of directors shall, on or before August 1, 2015, ensure that the statement does not contain any policy or procedure that would conflict with the requirements of sections 1, 2 and 3 and the board may resubmit the statement for that purpose and shall resubmit the statement in accordance with clause (4) (b) as necessary.

(4) The IESO shall submit to the Minister of Finance for approval,

(a) its proposed statement of investment, borrowing and financial management policies and procedures; and

(b) every change it proposes to make to its statement of investment, borrowing and financial management policies and procedures after the statement has been approved.

(5) The Minister of Finance may approve the proposed statement or change to the statement or refer it back to the IESO for further consideration.

(6) If the Minister of Finance does not approve the proposed statement or change to the statement and does not refer it back to the IESO for further consideration within 60 days of receipt, the Minister shall be deemed to approve the IESO's proposed statement or change.

(7) The IESO shall comply with its statement of investment, borrowing and financial management policies and procedures as amended and as approved by the Minister of Finance in carrying out its investment, borrowing and financial management activities.

5. OMITTED (REVOKES OTHER REGULATIONS).

6. OMITTED (PROVIDES FOR COMING INTO FORCE OF PROVISIONS OF THIS REGULATION).

AMENDING AGREEMENT NO. 6

This Amending Agreement is effective as of the 30 day of April, 2017.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011, Amending Agreement No. 3 dated April 30, 2013, Amending Agreement No. 4 dated April 30, 2014 and Amending Agreement No. 5 dated December 19, 2014 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $95 million.

AND WHEREAS IESO and OEFC wish to amend the Agreement to increase the revolving line of credit from a principal amount of CDN $95 million to a principal amount of up to CDN $160 million to provide funding for IESO Corporate Requirements (as defined herein);

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for an extension of the mandatory repayment date established in the Agreement to June 30, 2020;

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for the ability for Advances to be made on any business day up to a maximum of 12 times per year;

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. Section 1.1 Definitions of the Agreement is amended as follows:

   i) The definition of "Amalgamation" is deleted.

   ii) The definition of "Commitment" is deleted and replaced with:

   "Commitment" means, at any time, an amount equal to the principal amount of One Hundred and Sixty Million Dollars.

   iii) A definition of "IESO Corporate Requirements" is added as follows:

   "IESO Corporate Requirements" means any borrowing purposes authorized by O. Reg. 280/14 made under the *Electricity Act, 1998* (as such regulation may be amended or

replaced from time to time), other than for funding liquidity requirements relating to the settlement of the Ontario wholesale electricity markets.

iv) A definition of "Ontario's Fair Hydro Plan" is added as follows:

"Ontario's Fair Hydro Plan" means the plan announced March 2, 2017 by the Government of Ontario to affect the Ontario Energy Board's setting of electricity prices for certain Ontario consumers of electricity, which plan is referred to in the Ontario Energy Board's report dated April 20, 2017 and titled "Regulated Price Plan Price Report – May 1, 2017 to April 30, 2018", and including all relevant developments in or changes to such plan from time to time.

v) The definition of "New IESO" is deleted.

vi) The definition of "Note" is deleted and replaced with:

"Note" means the $160 Million Note issued pursuant to Section 2 of Amending Agreement No. 6 dated as of the 30th day of April, 2017.

vii) The definition of "OPA" is deleted.

viii) The definition of "Pre-Amalgamation IESO" is deleted.

2. IESO shall execute and deliver to OEFC a grid promissory note in the form attached as Schedule I hereto which shall be in an aggregate principal amount of up to One Hundred and Sixty Million Dollars (the "$160 Million Note") dated April 30, 2017 and on which shall be recorded the Advances Outstanding under the grid promissory note delivered pursuant to Amending Agreement No. 4. Upon receipt by OEFC of the $160 Million Note dated April 30, 2017, the $95 Million Note dated April 30, 2014 shall be of no further force and effect and shall be returned to the IESO marked "cancelled".

3. Section 2.3 of the Agreement is deleted and replaced by the following:

Section 2.3 Use of Proceeds

IESO shall use the proceeds of Advances for the funding of IESO Corporate Requirements.

4. Section 2.4 of the Agreement is deleted and replaced by the following:

Section 2.4 Mandatory Repayment.

Subject to Sections 3.5 and 5.2 of this Agreement, IESO shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, in full on or before June 30, 2020.

5. Section 3.1 of the Agreement is deleted and replaced by the following:

Section 3.1 Advances.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO under the Credit Facility on any Business Day in a month up to twelve (12) times per annum from and including May 1, 2017 to and including May 29, 2020

6. Paragraph 3.6(c) of the Agreement is deleted and replaced by the following:
   (c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO, provided however that any adverse change in IESO's financial condition related to or resulting from the discharge by IESO of its responsibilities under Ontario's Fair Hydro Plan shall be deemed not to be a material adverse change for the purposes of this Section; and

7. The Form of Borrowing Notice is deleted and replaced with the Form of Borrowing Notice attached hereto as Schedule 1.

8. This Amending Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

SCHEDULE 1

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $160,000,000 Date: 30 April, 2017

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("**IESO**"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid **("Grid")** attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No. 1 dated July 21, 2010, by Amending Agreement No. 2 dated October 14, 2011, by Amending Agreement No. 3 dated April 30, 2013, by Amending Agreement No. 4 dated April 30, 2014, by Amending Agreement No. 5 dated December 19, 2014, and by Amending Agreement No. 6 dated April 30, 2017 (collectively the "Agreement").

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before June 30, 2020.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance or part of an Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be p*rima facie* evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Agreement. All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment, demand, protest, notice of dishonour and notice

of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

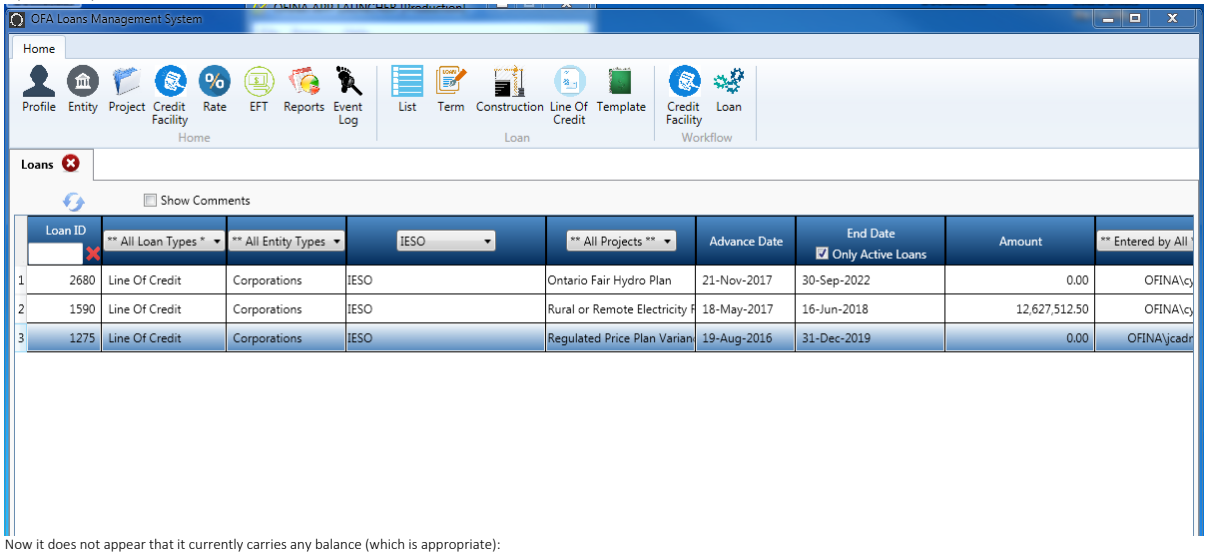
INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

(Revolving Credit Facility April 30, 2017)

DATE	PRINCIPAL ADVANCED	RATE	REPAYMENT DATE	INTEREST AMOUNT	AMOUNT OF PAYMENT		UNPAID BALANCE			NOTATION MADE BY
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	REFINANCED (AMOUNT & DATE)	

From: Andrea Dalgarno
To: William Tan
Cc: Sarah Harris
Subject: 975M IESO LOC in OLMS-Status Concern
Date: Tuesday, January 23, 2018 9:57:20 AM
Attachments: image001.png
image002.png
image003.png

Hi Will,
Sarah suggesetd you may be the best person to address this issue given your involvement in the amendment from 975 Million to 475 Million back in November.
It seems odd that when I call up active Lines of Credit (via "LIST" function) for IESO in OLMS below Loan Id 1275 is still appearing given it is the 975 Million which I think was replaced by the 475 million represented by Loan ID 1590.



	Loan ID	** All Loan Types *	** All Entity Types	IESO	** All Projects **	Advance Date	End Date (Only Active Loans)	Amount	** Entered by All
1	2680	Line Of Credit	Corporations	IESO	Ontario Fair Hydro Plan	21-Nov-2017	30-Sep-2022	0.00	OFINA\cy
2	1590	Line Of Credit	Corporations	IESO	Rural or Remote Electricity F	18-May-2017	16-Jun-2018	12,627,512.50	OFINA\cy
3	1275	Line Of Credit	Corporations	IESO	Regulated Price Plan Varian	19-Aug-2016	31-Dec-2019	0.00	OFINA\jcadr

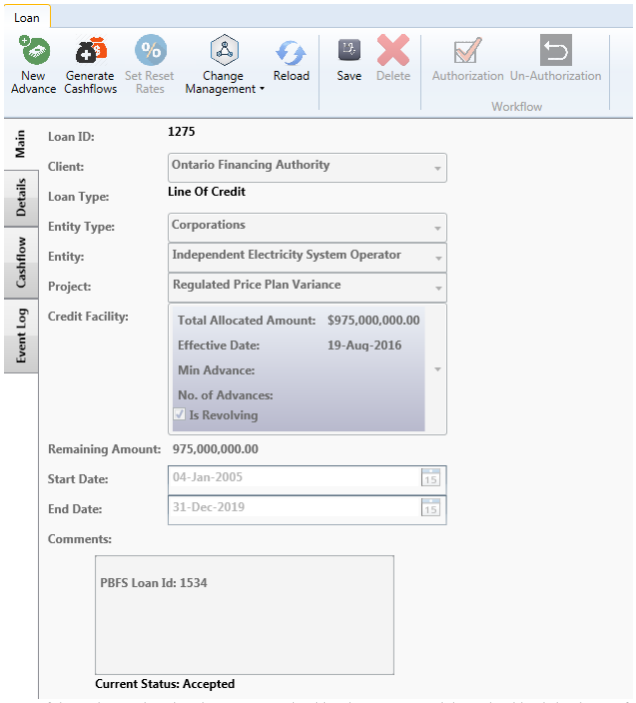
Now it does not appear that it currently carries any balance (which is appropriate):

Ontario Financing Authority
Line of Credit Grid Note

Entity : IESO
Project: Regulated Price Plan Variance
Schedule of loan transactions to: 23-Jan-2018
Loan Limit: 975,000,000.00
Loan Advanced to: 23-Jan-2018

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days
19-Aug-2016	$94,951,024.00	0.8300%	19-Sep-2016	31	$65,321.10	$95,078,202.37	$94,951,024.00	$127,178.37	20-Jan-2017	154
21-Nov-2016	$64,793,065.20	0.8300%	24-Apr-2017	154	$44,201.30	$64,966,983.32	$64,793,065.20	$173,918.12	24-Apr-2017	154
21-Dec-2016	$70,276,310.40	0.8300%	24-Apr-2017	124	$49,905.81	$70,458,601.70	$70,276,310.40	$182,291.30	23-May-2017	153
20-Jun-2017	$109,986,030.30	1.2500%	21-Jul-2017	31	$116,765.99	$110,477,351.46	$109,986,030.30	$491,321.16	21-Nov-2017	154
21-Jul-2017	$136,581,867.69	1.2500%	21-Aug-2017	31	$145,001.30	$137,100,354.91	$136,581,867.69	$518,487.22	21-Nov-2017	123
21-Aug-2017	$148,134,438.04	1.2500%	21-Sep-2017	31	$157,266.01	$148,570,967.91	$148,134,438.04	$436,529.87	21-Nov-2017	92
21-Sep-2017	$210,261,264.44	1.2500%	20-Oct-2017	29	$223,222.58	$210,700,508.86	$210,261,264.44	$439,244.42	21-Nov-2017	61
20-Oct-2017	$220,675,501.53	1.2500%	21-Nov-2017	32	$234,278.79	$220,917,337.70	$220,675,501.53	$241,836.17	21-Nov-2017	32

But the end date is out in the future:



I was of the understanding that the 975M LOC should no longer exist and there should only be the one for 475M.
Can you sort through this if need be with the owners of the system (OLMS). If there is no problem with how it is appearing it would be helpful to know the rationale.
I noticed this issue as I am working with Corporate Finance on revised reporting for available authority related to OFA loans.
Thank you as always.
Regards,

Andrea Dalgarno
Documentation & Analysis Specialist
Ontario Financing Authority
Tel 416-212-7451

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OFA Loans Management System

Home

Profile | Entity | Project | Credit Facility | Rate | EFT | Reports | Event Log — Home

List | Term | Construction | Line Of Credit | Template — Loan

Credit Facility | Loan — Workflow

Loans

Show Comments

	Loan ID	** All Loan Types *	** All Entity Types	IESO	** All Projects **	Advance Date	End Date (Only Active Loans)	Amount	** Entered by All
1	2680	Line Of Credit	Corporations	IESO	Ontario Fair Hydro Plan	21-Nov-2017	30-Sep-2022	0.00	OFINA\cy
2	1590	Line Of Credit	Corporations	IESO	Rural or Remote Electricity F	18-May-2017	16-Jun-2018	12,627,512.50	OFINA\cy
3	1275	Line Of Credit	Corporations	IESO	Regulated Price Plan Varian	19-Aug-2016	31-Dec-2019	0.00	OFINA\jcadr

Ontario Financing Authority

Line of Credit Grid Note

Entity : IESO

Project: Regulated Price Plan Variance

Schedule of loan transactions to: 23-Jan-2018

Loan Limit: 975,000,000.00

Loan Advanced to: 23-Jan-2018

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days
19-Aug-2016	$94,951,024.00	0.8300%	19-Sep-2016	31	$65,321.10	$95,078,202.37	$94,951,024.00	$127,178.37	20-Jan-2017	154
21-Nov-2016	$64,793,065.20	0.8300%	24-Apr-2017	154	$44,201.30	$64,966,983.32	$64,793,065.20	$173,918.12	24-Apr-2017	154
21-Dec-2016	$70,276,310.40	0.8300%	24-Apr-2017	124	$49,905.81	$70,458,601.70	$70,276,310.40	$182,291.30	23-May-2017	153
20-Jun-2017	$109,986,030.30	1.2500%	21-Jul-2017	31	$116,765.99	$110,477,351.46	$109,986,030.30	$491,321.16	21-Nov-2017	154
21-Jul-2017	$136,581,867.69	1.2500%	21-Aug-2017	31	$145,001.30	$137,100,354.91	$136,581,867.69	$518,487.22	21-Nov-2017	123
21-Aug-2017	$148,134,438.04	1.2500%	21-Sep-2017	31	$157,266.01	$148,570,967.91	$148,134,438.04	$436,529.87	21-Nov-2017	92
21-Sep-2017	$210,261,264.44	1.2500%	20-Oct-2017	29	$223,222.58	$210,700,508.86	$210,261,264.44	$439,244.42	21-Nov-2017	61
20-Oct-2017	$220,675,501.53	1.2500%	21-Nov-2017	32	$234,278.79	$220,917,337.70	$220,675,501.53	$241,836.17	21-Nov-2017	32

Loan

New Advance | Generate Cashflows | Set Reset Rates | Change Management | Reload | Save | Delete | Authorization | Un-Authorization

Workflow

Main | Details | Cashflow | Event Log

Loan ID: 1275

Client: Ontario Financing Authority

Loan Type: Line Of Credit

Entity Type: Corporations

Entity: Independent Electricity System Operator

Project: Regulated Price Plan Variance

Credit Facility:

Total Allocated Amount: $975,000,000.00

Effective Date: 19-Aug-2016

Min Advance:

No. of Advances:

Is Revolving

Remaining Amount: 975,000,000.00

Start Date: 04-Jan-2005

End Date: 31-Dec-2019

Comments:

PBFS Loan Id: 1534

Current Status: Accepted

From: Sarah Harris
To: Ryan Blackbyrne
Subject: Accepted: OEFC advances to OPG

From: William Tan
To: Sarah Harris
Subject: Automatic reply: IESO - Signing Authority Documents
Date: Tuesday, June 19, 2018 9:55:38 AM

Out-of-office alert.

I will be out of the office on June 19th, returning on June 20th.

For immediate assistance, please contact the following:

OILC Loans contact Ryan Blackbyrne, 416.325.8143, Ryan.Blackbyrne@ofina.on.ca

T-bill issuances and redemptions contact Andrea Dalgarno, 416.212.7451, Andrea.Dalgarno@ofina.on.ca

IESO related matters contact Sarah Harris, 416.325.8193, Sarah.Harris@ofina.on.ca

I will reply to your request upon my return. Thank you and have a great day.

Will

From: Sarah Harris
To: Sarah Harris
Subject: Automatic reply: IESO - Signing Authority Documents
Date: Friday, August 03, 2018 9:08:29 PM

Hello. I am currently away from the office returning August 20, 2018. For assistance, please contact Jean-Francois Beaupre at Jean-Francois.Beaupre@ofina.on.ca or (416) 325-9657.

Thank you.

From: Lisa Stein
To: Sarah Harris
Subject: Automatic reply: IESO/OFA - FH line
Date: Wednesday, August 29, 2018 11:06:13 AM

I will be away from the office until Tuesday, September 4th and will not have access to e-mails. If you require immediate assistance, please contact another member of the Legal Branch. Thank you.

From: Sarah Harris
To: Sarah Harris
Subject: Copy of Agreements.xlsx
Date: Thursday, November 16, 2017 1:37:35 PM
Attachments: Copy of Agreements.xlsx

Agreement	Agreement Description	Original & Amending	Expiry	Amount	Folder Location	Notes
IESO and OFA	Credit Agreement	1-Jan-05 14-Feb-05 11-Oct-05 27-Sep-06 13-Jul-07 9-Nov-10 20-Dec-13 19-Dec-14	31-Dec-19	$ 975,000,000	Z:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement	
IESO and OFA	Revolving Credit Facility Agreement	23-Apr-10 21-Jul-10 30-Apr-13 30-Apr-14 30-Apr-17	30-Jun-20	$ 160,000,000	Z:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010	
IESO and OFA	Agreement Providing for Issuance of a Note	1-Apr-99 23-Apr-09 1-May-11 1-May-13 30-Apr-14 30-Apr-17	30-Jun-20	$ 120,000,000	Z:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011	
OPG and OEFC	$700 million OEFC-OPG Credit Facility	17-Jun-16 7-Sep-16	1-Jan-18	$ 700,000,000	Z:\Users\CMB\Documentation\OPG Loans from OEFC\Loans to OPG	
Ontario Infrastructure and Lands Corporation (OILC) and the Province	Long Term Provoince Non-Revolving Cedit Facility Agreement	15-Mar-15 14-Nov-16	14-Nov-18	$ 2,500,000,000	Z:\Users\CMB\Documentation\OILC (formerly OIPC)\OILC Credit facility Agreement 2016-2018\Current Version	
Ontario Infrastructure and Lands Corporation (OILC) and the Province	Short-Term Revolving Credit Facility Agreement	26-May-14 16-Aug-14	26-May-20	$ 900,000,000	Z:\Users\CMB\Documentation\OILC (formerly OIPC)\2014 Short Term Revolving Credit Facility (OILC-PROV)	
Ontario Infrastructure and Lands Corporation (OILC) and the Province	Revolving Credit Facility Agreement (Line of Credit)	23-Jun-06 5-Jul-11	29-Jun-19	$ 200,000,000	Z:\Users\CMB\Documentation\OILC (formerly OIPC)\Credit Facility 2006	
Ontario Infrastructure and Lands Corporation (OILC) and the Province	Services Agreement between OFA and OILC	1-Apr-07 31-Mar-12 31-Jan-15	31-Mar-20	n/a	Z:\Users\CMB\Documentation\OILC (formerly OIPC)\SLA February 2015	
Treasury Bill	Treasury Bill Issuing & Paying Agency Agreement	10-Jun-03 10-Jun-10 6-Jun-11 10-Jun-12 10-Jun-14	10-Jun-19	n/a	Z:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related	

From: Sarah Harris
To: Sarah Harris
Subject: Copy of Agreements.xlsx
Date: Thursday, November 16, 2017 1:37:36 PM
Attachments: Copy of Agreements.xlsx

Agreement	Agreement Description	Original & Amending	Expiry	Amount	Folder Location	Notes
IESO and OFA	Credit Agreement	1-Jan-05 14-Feb-05 11-Oct-05 27-Sep-06 13-Jul-07 9-Nov-10 20-Dec-13 19-Dec-14	31-Dec-19	$ 975,000,000	Z:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement	
IESO and OFA	Revolving Credit Facility Agreement	23-Apr-10 21-Jul-10 30-Apr-13 30-Apr-14 30-Apr-17	30-Jun-20	$ 160,000,000	Z:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010	
IESO and OFA	Agreement Providing for Issuance of a Note	1-Apr-99 23-Apr-09 1-May-11 1-May-13 30-Apr-14 30-Apr-17	30-Jun-20	$ 120,000,000	Z:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011	
OPG and OEFC	$700 million OEFC-OPG Credit Facility	17-Jun-16 7-Sep-16	1-Jan-18	$ 700,000,000	Z:\Users\CMB\Documentation\OPG Loans from OEFC\Loans to OPG	
Ontario Infrastructure and Lands Corporation (OILC) and the Province	Long Term Provoince Non-Revolving Cedit Facility Agreement	15-Mar-15 14-Nov-16	14-Nov-18	$ 2,500,000,000	Z:\Users\CMB\Documentation\OILC (formerly OIPC)\OILC Credit facility Agreement 2016-2018\Current Version	
Ontario Infrastructure and Lands Corporation (OILC) and the Province	Short-Term Revolving Credit Facility Agreement	26-May-14 16-Aug-14	26-May-20	$ 900,000,000	Z:\Users\CMB\Documentation\OILC (formerly OIPC)\2014 Short Term Revolving Credit Facility (OILC-PROV)	
Ontario Infrastructure and Lands Corporation (OILC) and the Province	Revolving Credit Facility Agreement (Line of Credit)	23-Jun-06 5-Jul-11	29-Jun-19	$ 200,000,000	Z:\Users\CMB\Documentation\OILC (formerly OIPC)\Credit Facility 2006	
Ontario Infrastructure and Lands Corporation (OILC) and the Province	Services Agreement between OFA and OILC	1-Apr-07 31-Mar-12 31-Jan-15	31-Mar-20	n/a	Z:\Users\CMB\Documentation\OILC (formerly OIPC)\SLA February 2015	
Treasury Bill	Treasury Bill Issuing & Paying Agency Agreement	10-Jun-03 10-Jun-10 6-Jun-11 10-Jun-12 10-Jun-14	10-Jun-19	n/a	Z:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related	

From: Sarah Harris
To: Ryan Blackbyrne
Subject: Could you please confirm for IESO-OEFC Credit/Loan Facilities
Date: Monday, December 18, 2017 2:35:11 PM

Hi Ryan,

We're updating the business plan…is the following bullet accurate in terms of amounts and dates?

• Monitoring a $120 million loan refinancing and a $160 million credit facility extension to the IESO, both expiring June 30, 2020, to provide the IESO with flexibility to meet financing and liquidity requirements.

Thanks,

Sarah

From:	Ricky Lai
To:	"john.s.lee@opg.com"; "sheen.liu@opg.com"; "ken.ryfa@opg.com"
Cc:	Mike Manning; Linda Smith; Sarah Harris; Brett Kichiy; Jean-Francois Beaupre; "Kelly.Listoe@ofina.on.ca"; Ryan Blackbyrne; Kevin Shvarts; James Devine; Carlos Yep
Subject:	Credit Spread for January 22, 2018 30-Year Loan
Date:	Tuesday, January 16, 2018 10:39:17 AM
Attachments:	$200 m loan Jan 22, 2018.pdf

Hello,

The credit spread for the January 22, 2018 30-year loan is **147.50** bps.

I will be sending the pricing and full details on January 19, 2018.

Thank you.

Ricky Lai

OPG LOAN - 30-Year

DETERMINATION OF OPG CREDIT SPREAD

DEALER QUOTES FOR January 15, 2017

	BMO	CIBC	NBF	RBC	SC	TD
Benchmark Canada Bond (2.75% Dec 2048)	2.367%	2.370%	2.374%	2.368%	2.370%	2.369%
Curve Adjustment (bp)	0.00	0.00	0.00	0.00	0.00	0.00
OPG Credit Spread to GoC Curve (bp)	151	151	145	147	147	145
Re-Offered Yield	3.877%	3.880%	3.824%	3.838%	3.840%	3.819%
Commission (bp)	2.8	2.9	2.8	2.8	4.0	2.3
All-in Canada Yield	3.905%	3.909%	3.852%	3.866%	3.880%	3.842%
All-in Spread to GoC Curve (bp)	154	154	148	150	151	147

	30-Year	30-Year	30-Year	30-Year	30-Year	30-Year
Hydro One (A/A)	123	122	120	122	123	123
TransAlta Corp (BBB-/BBB-)						
Nova Scotia Power (BBB+/A-)	129	130	130	130	134	133
Toronto Hydro (A/A)	118	118				
EPCOR Utilities (A(L)/A-)	120		125	123	123	122
FortisBC (Baa1/A(L))			125	125		
FortisAlberta (A- / Baa1 / A(l))		122	120	121		
TransCanada Pipeline (A-/A)	160			155		

AVERAGE OPG CREDIT SPREAD:

1. Eliminate High and Low Spread

High Spread = 151
Low Spread = 145

2. Calculate Average of Remaining Spreads

Average Spread = 147.50

From:	Ricky Lai
To:	"john.s.lee@opg.com"; "sheen.liu@opg.com"; "ken.ryfa@opg.com"
Cc:	Mike Manning; Linda Smith; Sarah Harris; Brett Kichiy; Jean-Francois Beaupre; Ryan Blackbyrne; Kevin Shvarts; James Devine; Carlos Yep
Subject:	Credit Spread for March 22, 2018 30-Year Loan
Date:	Tuesday, March 20, 2018 8:58:12 AM
Attachments:	$400 m loan March 22, 2018.pdf

Hello,

The credit spread for the March 22, 2018 30-year loan is **159.50** bps.

I will be sending the pricing and full details on March 21, 2018.

Thank you.

Ricky Lai

OPG LOAN - 30-Year

DETERMINATION OF OPG CREDIT SPREAD

DEALER QUOTES FOR March 22, 2018

	BMO	CIBC	NBF	RBC	SC	TD
Benchmark Canada Bond (2.75% Dec 2048)	2.288%	2.290%	2.304%	2.313%	2.294%	2.301%
Curve Adjustment (bp)	0	0	0	0	0	0
OPG Credit Spread to GoC Curve (bp)	163	165	155	160	160	155
Re-Offered Yield	3.918%	3.940%	3.854%	3.913%	3.894%	3.851%
Commission (bp)	2.8	2.9	2.8	2.9	4.0	2.3
All-in Canada Yield	3.946%	3.969%	3.882%	3.942%	3.934%	3.874%
All-in Spread to GoC Curve (bp)	166	168	158	163	164	157

	30-Year	30-Year	30-Year	30-Year	30-Year	30-Year
Hydro One Inc. (A / A3 / A(H))	133	134	130	135	134	134
TransAlta Corp (BBB-/BBB)						
Nova Scotia Power (A(L)/BBB+)	144	146	145	144	145	145
Toronto Hydro (A/A)		130				
EPCOR Utilities (A(L)/A-)	130		135	135	132	131
FortisBC (Baa1/A(L))			135	137		
FortisAlberta (A- / Baa1 / A(l))		134	135	133		
TransCanada Pipelines (A(L)/A-)	180			180		

AVERAGE OPG CREDIT SPREAD:

1. Eliminate High and Low Spread

High Spread = 165
Low Spread = 155

2. Calculate Average of Remaining Spreads

Average Spread = 159.50

From: Sarah Harris
To: Jean-Francois Beaupre
Cc: Opal Kandelas
Subject: Do we need to consider filing anythIng?
Date: Monday, December 11, 2017 6:23:01 PM

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http://www.ctvnews.ca/mobile/canada/ontario-on-track-for-4b-deficit-in-2017-2018-fao-1.3716358

Sent from my iPhone

From:	Karin Sze
To:	Brian Scott
Cc:	Sarah Harris
Subject:	Documentation Agreements in the Portal
Date:	Wednesday, December 20, 2017 11:31:56 AM
Attachments:	TEST Copy of Agreement Due Date Tracker (20-Dec-2017).xlsx

---

Hi Brian,

Documentation is organizing its different agreements with various counter parties and would like to post them on Portal eventually.

Years ago, George Welcher who helped us build the Derivatives repository in the Portal: http://portal.ofina.on.ca/sites/cms/doc/default.aspx. We are looking for something similar in that nature but the agreements base is not as big as Derivatives.

We would like to seek your advice as to what are the options and functionalities that the Portal can do that will help us organizing the agreements and who shall we ask for assistance in this project.

FYI, I attach a copy of the Agreements framework that we have built.

Please let me know if you have any questions.

Thank you,

Karin
(416) 212-1064

	Category	Parties	Amount	File Folder	Agreement Expiry Date	Date to be notified before Agreement Expiry Date
	Credit Facilities Agreements					
1	**Credit Agreement**	IESO (formerly OPA), OFA	$475,000,000	1. Credit Agmts	31-Dec-2019	(IT project lead to insert datepicker to send alert)
2	**Revolving Credit Facility Agreement**	IESO, OEFC	$160,000,000	2. Revolving Cr Facility Agmt	30-Jun-2020	(IT project lead to insert datepicker to send alert)
3	**Agreement Providing for Issuance of a Note**	IESO (formerly IEMO, Ontario Hydro), OEFC	$120,000,000	3. Agmt providg for Iss of Note	30-Jun-2020	(IT project lead to insert datepicker to send alert)
4	**General Corporate Requirements Credit Facility Agreement**	OPG, OEFC	$2,350,000,000	4. Gen Corp req Cr Facility Agm	31-Dec-2018	(IT project lead to insert datepicker to send alert)
5	**Long Term Non-Revolving Credit Facility Agreement**	OILC, Province	$2,500,000,000	5. L-T Non-Rev Cr Fac Agmt	14-Nov-2018	(IT project lead to insert datepicker to send alert)
6	**Short-Term Revolving Credit Facility Agreement**	OILC, Province	$900,000,000	6. S-T Rev Cr Fac Agmt	26-May-2020	(IT project lead to insert datepicker to send alert)
7	**Revolving Credit Facility Agreement (Line of Credit)**	OILC (formerly OIPC), OFA	$200,000,000	7. Rev Cr Fac Agmt (Line of Cr)	29-Jun-2019	(IT project lead to insert datepicker to send alert)
8	**Revolving Credit Facility Agreement**	IESO, OFA	$2,000,000,000	8. Rev Cr Fac Agmt	30-Sep-2022	(IT project lead to insert datepicker to send alert)
	Service Agreements					
9	**Services (Level) Agreement**	OILC, OFA	N/A	9. Services (Level) Agmt	31-Mar-2020	(IT project lead to insert datepicker to send alert)
10	**Treasury Bill Issuing & Paying Agency Agreement**	TD, Province	$3,500,000,000	10.T-Bill Iss & Pay Agency Agmt	10-Jun-2019	(IT project lead to insert datepicker to send alert)
11	**Financial Services Agreement**	OCGC, OFA	$165,000,000	11.Fin Services Agmt OCGC & OFA	As long as OCGC has an investment in any of the Funds, or on such other date as agreed to by the Parties.	(IT project lead to insert datepicker to send alert)
	Investment Management Agreements					
12		OFA, DICO	N/A	12.Inv Mgt Agmt OFA & DICO	Termination: ▪ <30 days by writing; or ▪ mutual agreement	(IT project lead to insert datepicker to send alert)
13		OFA, PBGF	N/A	13. Inv Mgt Agmt OFA & PBGF	Termination: ▪ <30 days by writing; or ▪ mutual agreement	(IT project lead to insert datepicker to send alert)
14		OFA, OTF	N/A	14.Inv Mgt Agmt OFA & OTF	Termination: ▪ <30 days by writing; or ▪ mutual agreement	(IT project lead to insert datepicker to send alert)

Credit Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OPA, OFA	1-Jan-2005	$500,000,000	▪ Advances: 30-Nov-2006. ▪ Manadatory Repayment: 31-Dec-2006.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\OFA-OPA Original Credit Agreement.pdf
Amendment No. 1 (letter)		14-Feb-2005		▪ clause 4.7 substituting the word "Agreement" for the "Services".	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 1\Amendment No. 1.pdf
Amending Agreement No. 3	OPA, OFA	11-Oct-2005	$975,000,000	▪ Increased credit amount.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 3\(Signed) Aendment 3.Final.pdf
Amending Agreement No. 4	OPA, OFA	27-Sep-2006		▪ Mandatory Repayment: 31-Dec-2010.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 4\(Signed) Amendment 4.Final.pdf
Amending Agreement No. 5	OPA, OFA	13-Jul-2007		▪ Advances: 30-Nov-2010.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 5\(Signed) Amendment 5.Final.pdf
Amending Agreement No. 6	OPA, OFA	9-Nov-2010		▪ Mandatory Repayment: 31-Dec-2013. ▪ Advances: 30-Nov-2013.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 6\Amendmen #6 (Executed).pdf
Amending Agreement No. 7	OPA, OFA	20-Dec-2013		▪ Mandatory Repayment: 31-Dec-2016. ▪ Advances: 30-Nov-2016.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 7\(Executed) OPA Amending Agreement No 7.pdf
Amending Agreement No. 8	Amalgamation	19-Dec-2014		▪ OPA and Pre-Amalgamation IESO effective 1-Ja-2015.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 8 (Amalgamation with IESO)\OFA-OPA Amending Agreement No. 8 (Executed).PDF
Amending Agreement No. 9	IESO, OFA	30-Nov-2016		▪ 1-Jan-2015: OPA amalgamated with IESO and OPA became obligations of the IESO. ▪ Mandatory Repayment: 31-Dec-2019. ▪ Advances: 30-Nov-2019.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 9\OPA IESO Amendment No 9 (Executed).pdf
Amending Agreement No. 10	IESO, OFA	21-Nov-2017	$475,000,000.00	▪ Decrease credit amount. ▪ Add "Intercept" clause.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 10\OFA IESO Amending Agreement No. to Jan 1, 2005 Credit Facility Nov 6,2007 - OFA signed.pdf

Revolving Credit Facility Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	IESO, OEFC	23-Apr-2010	$60,000,000		S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010\Credit Facility Agreement. April 23. 2010. executed..pdf
Amending Agreement No. 1		21-Jul-2010		▪ Commitment and facility limits. ▪ Repayments conditions.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010\Amending Agreement No. 1\Amending Agreement #1 (Executed).pdf
Amending Agreement No. 2		14-Oct-2011	$110,000,000	▪ Interest Rate 30-day term: up to $60M (+ 0.25% p.a.); in excess of $60M (+0.5% p.a.) ▪ A new Grid Promissory Note of $110M.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010\Amending Agreement No. 2\(executed) Amending Agreement No. 2 14-Oct-11.pdf
Amending Agreement No. 3		30-Apr-2013		▪ Interest Rate 30-day term: +0.5% p.a. ▪ Mandatory Repayment: 30-Apr-2014.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010\Amending Agreement No. 3\IESO $110 M credit facility Amending Agreement No. 3 (executed copy).PDF
Amending Agreement No. 4		30-Apr-2014	$95,000,000	▪ Interest Rate 30-day term: +0.5% p.a. ▪ Mandatory Repayment: 30-Apr-2017.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010\Amending Agreement No. 4\IESO $95 M Credit Facility Amending Agreement No. 4 Executed Copy.PDF
Amending Agreement No. 5	Amalgamation	19-Dec-2014	N/A	▪ Amalgamation of IESO with OPA effective as of 1-Jan-2015. *Note* : No executed copy. The Amending Agreement date was obtained from the first paragraph in the Amending Agreement No. 6.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010\Amending Agreement No. 5 (Amalgamation)\IESO Amending Agreement No 5 (Amalgamation) (Draft).doc
Amending Agreement No. 6	IESO, OEFC	30-Apr-2017	$160,000,000	▪ Mandatory Repayment: 30-Jun-2020. ▪ Advances: up to a maximum of 12 times per year.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010\Amending Agreement No. 6\Amending Agrt no.6 - Revolving Credit Facility - OEFC_IESO_IESO Signed.pdf

Agreement Providing for Issuance of a Note	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	IEMO, OEFC	1-Apr-1999	$70,300,000	Transferring staff, assets, liabilities, rights and obligations of Ontario Hydroto IEMO. ▪ Term of loan maturity: 1-May-2009. ▪ Interest: 7.9% p.a.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Original Agreement.pdf
Amending Agreement No. 1		23-Mar-2000	$78,200,000	▪ Increased principal amount by $7.9M.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement NO 1.pdf
Amending Agreement No. 2	IESO (formerly IEMO) , OEFC	23-Apr-2009		▪ Term of the loan maturity: 1-May-2011.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement#2 (ExecutedCopy).pdf
Amending Agreement No. 3		1-May-2011		▪ Issuance of a 2nd Refinancing Note maturing 1-May-2013 and to delete the prepayment provisions.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement No. 3\[Executed] Amending Agreement No. 3.pdf
Amending Agreement No. 4		1-May-2013		▪ Issuance of a 3rd Refinancing Note maturing 30-Apr-2014.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement No. 4\IESO Amending Agreement No. 4 for $78.2M loan (executed copy).PDF
Amending Agreement No. 5		30-Apr-2014	$90,000,000	▪ Issuance of a 4th Refinancing Note maturing 30-Apr-2017. ▪ OEFC advanced loans to IESO: $11.8M.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement No. 5\IESO Amending Agreement No. 5 Executed Copy.PDF
Amending Agreement No. 6		30-Apr-2017	$120,000,000	▪ Issuance of a 5th Refinancing Note maturing 30-Jun-2020. ▪ OEFC advanced loans to IESO: $30M. ▪ Extend maturity date to 30-Jun-2020.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement No. 6\Amending Agrt no.6 re Issuance of Note - OEFC_IESO - IESO SignedCounterpart.pdf also in: S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement No. 6\IESOExecutedCopyAgreement.pdf S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement No. 6\OEFCExecutedPageCounterpart.pdf

General Corporate Requirements Credit Facility Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OPG, OEFC	17-Jun-2016	$700,000,000	▪ Financing for the period 1-Jun-2016 to 31-Dec-2017 re Darlington Refurbishment Project.	S:\Users\CMB\Documentation\OPG Loans from OEFC\Loans to OPG\2017 OPG $700 Million CF\$700 million OEFC-OPG Credit Facility (Executed Original).pdf also in: S:\Users\CMB\Documentation\OPG Loans from OEFC\Loans to OPG\2017 OPG $700 Million CF\$700 million OEFC-OPG Credit Facility (Executed).pdf
Amending Agreement No. 1		7-Sep-2016		▪ Financing for the period 1-Jan-2017 to 31-Dec-2017.	S:\Users\CMB\Documentation\OPG Loans from OEFC\Loans to OPG\2017 OPG $700 Million CF\Amending Agreement\2017 $700 Million Facility Amending Agreement 1 (Executed original).pdf also in: S:\Users\CMB\Documentation\OPG Loans from OEFC\Loans to OPG\2017 OPG $700 Million CF\Amending Agreement\2017 $700 Million Facility Amending Agreement 1 (Executed).pdf
Amending Agreement No. 2		2-Feb-2017		▪ Proposed advances may be for a term of up to 30 years.	S:\Users\CMB\Documentation\OPG Loans from OEFC\Loans to OPG\2017 OPG $700 Million CF\Amending Agreement\Amending No 2 (executed).pdf
Amending Agreement No. 3		6-Sep-2017	$2,350,000,000	▪ No more than $1.5B to be advanced prior to 1-Jan-2018. ▪ Advances occurred for the period 1-Jan-2017 to 31-Dec-2018.	S:\Users\CMB\Documentation\OPG Loans from OEFC\Loans to OPG\2017 OPG $700 Million CF\Amending Agreement\Amendment No 3 (executed).pdf

Long-Term Non-Revolving Credit Facility Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OILC, Province	14-Nov-2016	$2,500,000,000	▪ Pursuant to OILC By-law 3U. ▪ Borrowing authoity may be exercised is for 2 years from the date of approval of this By-law 3U. ▪ No funds is to remain outstanding after 42 years from the date of approval of this By-law or November 14, 2016, whichever is later.	S:\Users\CMB\Documentation\OILC (formerly OIPC)\OILC Credit facility Agreement 2016-2018\Current Version\OILC2016-18 Long-Term Credit Facility Agreement - Executed.pdf also in: S:\Users\CMB\Documentation\OILC (formerly OIPC)\OILC Credit facility Agreement 2016-2018\OILC2016-18 Long-Term Credit Facility Agreement - Executed.pdf S:\Users\CMB\Documentation\OILC (formerly OIPC)\By-laws\By-Law 3U

Short-Term Revolving Credit Facility Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OILC, Province	26-May-2014	$900,000,000	▪ 5-year period beginning on the effective date of By-Law 3Q. ▪ OIC 631/2014. ▪ Mandatory Repayment: 26-May-2020.	S:\Users\CMB\Documentation\OILC (formerly OIPC)\2014 Short Term Revolving Credit Facility (OILC-PROV)\{Executed) Agreement-OILC Short Term Revolving Credit Facility-May 26, 2014.pdf

Revolving Credit Facility Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OILC (formerly OIPC), OFA	23-Jun-2006	$200,000,000	▪ Mandatory Repayment: 23-Jun-2016. ▪ May prepay any advances outstanding or interest accrued upon 5 business days' notice to OFA. ▪ Advances: 23-Jun-2011.	● Z:\Users\CMB\Documentation\OILC (formerly OIPC)\Credit Facility 2006\Revolving Credit Facility Agreement.pdf
Amending Agreement		5-Jul-2011		▪ OIPC, the Ontario Realty Corporation and the Stadium Corporation of Ontario Limited were amalgamated and continued as a coporation under the name OILC. ▪ Mandatory Repayment: 29-Jun-2019. ▪ Advances: 29-Jun-2016.	● S:\Users\CMB\Documentation\OILC (formerly OIPC)\Credit Facility 2006\Amending Agreement 2011 Expires June 2016\Signed Amending Agreemen July 5_2011.pdf

Revolving Credit Facility Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	IESO, OFA	6-Nov-2017	$2,000,000,000	▪ Advances: 23-Sep-2017. ▪ Mandatory Repayment: 30-Sep-2022.	S:\Users\CMB\Documentation\IESO-OPA Merger\OFHP IESO OFA Credit Facility\FHP Credit Agreement OFA IESO - Nov 6, 2017 - OFA Signed.pdf

Services (Level) Agreement	Parties	Agreement/ Amendment Date	Program and Authorized Amount	Notes	Link to Site
Services Level Agreement	OIPC, OFA	1-Apr-2007	N/A	Background: Ontario Infrastructure Projects Corporation Act, 2006 (the "OIPC Act"), which amalgamated Infrastructure Ontario and the Ontario Strategic Infrastructure Financing Authority ("OSIFA") to form the Ontario Infrastructure Projects Corporation was proclaimed into force on July 17, 2006. Expired: 31-March-2012.	● S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OILC Ontario Infrastructure and Lands Corporation\OIPC Service Level Agreement\OIPC.Final Executed SLA.pdf also in: ● S:\Users\CMB\Documentation\Service Level Agreement\OIPC Service Level Agreement with OFA.pdf
Services Agreement	OILC, OFA	1-Feb-2015	N/A	Background: The Ontario Infrastructure and Lands Corporation Act, 2011 (the "OILC Act"), which amalgamated OIPC, Ontario Realty Corporation and Stadium Corporation of Ontario Limited to form Infrastructure Ontario was proclaimed into force on June 6, 2011. Extended the above Service Level Agreement between OILC and OFA until 31-Jan-2015.	● S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OILC Ontario Infrastructure and Lands Corporation\Service Level Agreements\SLA February 2015\Services Agreement between OFA and OILC effective February 1, 2015.pdf also in: ● S:\Users\CMB\Documentation\OILC (formerly OIPC)\SLA February 2015\ervices Agreement between OFA and OILC effective February 1, 2015.pdf ● S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OILC Ontario Infrastructure and Lands Corporation\Service Level Agreements\SLA February 2015\SLA Feb 1, 2015.pdf

Issuing and Paying Agency Agreement	Parties	Agreement/ Amendment Date	Program and Authorized Amount	Notes	Link to Site
Original	BMO, Province	18-Dec-2001	various amounts under various OICs	So long as the Global Treasury Bill is outstanding, there shall at all times be an issuing agent, registrar and paying agent.	S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Issue and Paying Agency Agreement (2003)\Issuing and Paying Agency Agrt with BMO 2001.pdf
Original	TD, Province	10-Jun-2003	various amounts under various OICs	▪ Terminated BMO. ▪ New agreement with TD.	S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill (T-Bill) services\Termination letter to BMO\Treasury Bills Termination Letter to BMO 2003.wpd S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Issue and Paying Agency Agreement (2003)\(signed) Issuing & Paying Agency Agmt 2003.pdf
1st Extension (Letter)	TD, Province	8-Jun-2010		▪ 1 year term ended 10-Jun-2010. ▪ Extended 2 years term from 10-Jun-2010 to 10-Jun-2012.	S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Approval for Extension of 2003 Contract to 2012\Approval TD contract extension (exe Gadi).pdf S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Approval for Extension of 2003 Contract to 2012\A&R IPAA Extension letter exe 2010 - 10Jun2012.PDF
1st Amendment	TD, Province	10-Jun-2010	various amounts under various OICs	▪ Retained TD to provide certain services.	S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Amended and Restated IPA (2010)\Amended Restated Issuing Paying Agency Agrt and TD cert of incumbency.PDF
2nd Amendment	TD, Province	6-Jun-2011	$30,500,000,000	▪ Cancelled Global T-bill 21-July-2010. ▪ Issued new Global T-Bill 6-Jun-2011. ▪ Amended s. 20(7) of FAA. ▪ Deleted reference of 25-year borrowing period.	S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Amended and Restated IPA -to remove expiry dates (2011)\Execution Copies\AR-IPAA exe 6Jun11.PDF
2nd Extension (Approval Note)	TD, Province	8-Aug-2011		▪ Extended additional 2 years term from 10-Jun-2012 to 10-Jun-2014.	S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Approval for Extension of 2003 Contract to 2014\Approval (exe Gadi) and briefing note - TD contract extension to 2014.pdf S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Approval for Extension of 2003 Contract to 2014\Second Extension. Extension LEtte Executed Sept 2011 to extend to 2014. TD Letter of Incumbency.pdf
3rd Extension (Letter)	TD, Province	28-May-2014		▪ Extended additional 5 years term from 10-Jun-2014 to 10-Jun-2019.	S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Approval for Extension of 2003 Contract to 2019\TD Treasury Bill Services Extension Letter May 28, 2014 (Fully Executed).PDF

Financial Services Agreement	Parties	Agreement/ Amendment Date	Program and Authorized Amount	Notes	Link to Site
Original	OCGC, OFA	27-Feb-2009	$90,000,000	Background: OCGC's Ontario Venture Capital Fund Agreement in Ontario Venture Capital Fund LP. ▪ OFA to provide investment and cash mgt services for the admin of Ontario's Venture Capital Fund LP.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OCGC Financial Services Agreement\FSA, Financial Services Agreement\OCGC Financial Services Agreement October 1, 2014\OCGC.Financial Services Agrmt.pdf
		1-Oct-2014	$50,000,000	▪ Province committed $90M to OVCF LP; OCGC committed $50M to Northleaf Venture Catalyst Fund LP.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OCGC Financial Services Agreement\FSA, Financial Services Agreement\OCGC Financial Services Agreement October 1, 2014\OCGC Financial Sservices Agreement October 1, 2014 (Executed).PDF
Amending Agreement No. 1		20-Mar-2017	$25,000,000	▪ $25M provincial commitment to ScaleUP Venture Fund I, LP.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OCGC Financial Services Agreement\Amendments\Amending Agreement 1 (Scaleup Fund Addition)\OCGC FSA Amend 1 March 20, 2017.pdf also in: S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OCGC Financial Services Agreement\Amendments\OCGC FSA Amend 1 March 20, 2017.pdf

Investment Management Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OFA, DICO	28-Sep-2005	N/A	Background: DICO to maintain the Deposite Insurance Reserve Fund (DIRF), a fund which exists to provide for the funding of deposite insurance claims and other purposes as specified under the CUCPA.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\DICO\IMA\IMA_DICO OFA_2005Sep28.pdf
Amending Agreement No. 1		30-Mar-2012	N/A	▪ Revised Investment Management Mandate (IMM) and the Transaction and Custody Fees by replacing a few schedules.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\DICO\Amending Agreements\Amending Agreement No. 1 (laddered investments)\Amending Agreement No 1 April 12 2012 (Executed) .PDF also in: S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\DICO\Amending Agreements\Amending Agreement No. 1 (laddered investments)\DICO Amending Agrmt No 1 March 30 2012 (Execution Copy).PDF
Amending Agreement No. 2		29-Aug-2012	N/A	▪ Revised SIPP by replacing existing schedules.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\DICO\Amending Agreements\Amending Agreement No. 2 (updated SIPP)\Amending Agreement No. 2 August 29 2012 (Executed).pdf
Amending Agreement No. 3		22-Jul-2014	N/A	▪ Revised Investment Policy and changed existing schedules.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\DICO\Amending Agreements\Amending Agreement No. 3\DICO Amending Agreement #3 Executed Copy.pdf
Amending Agreement No. 4		4-Jul-2016	N/A	▪ Changes to DICO representatives.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\DICO\Amending Agreements\Amending Agreement No. 3\DICO Amending Agreement #4 Executed Copy.pdf

Investment Management Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OFA, PBGF	1-Apr-2005	N/A	Background: ▪ FSCO as administrator of PBGF. ▪ FSCO appointed OFA as investment manager.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\PBGF\IMA\IMA_PBGF OFA_01April2005.doc
Amending Agreement No. 1		24-Mar-2014	N/A	▪ Revised Statement of Investment Policies and Guidelines to provide a different asset mix (Revised SIPG). ▪ New transaction and custody fees. ▪ Replaced appendices accordingly.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\PBGF\Amending Agreements\Amending Agreement No. 1 (laddered investments)\PBGF Amending Agreement No.1 March 2014 (Executed).PDF
Amending Agreement No. 2		25-Sep-2015	N/A	▪ Revised Appendix B (FSCO as administrator of the Pension Benefits Guarantee Fund) representatives and specimen signatures.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\PBGF\Amending Agreements\Amending Agreement No. 2 (Appendix B-current representatives)\PBGF Amending Armt No 2 (Final-Executed).pdf

Investment Management Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OFA, OTF	26-Apr-2007	N/A	Background: OTF provides grants to eligible charitable and not-for-profit organizations.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\IMA\Executed.OTF IMA 2007.pdf
Amending Agreement No. 1		22-Mar-2011	N/A	▪ Revised Statement of Investment Policies and Procedures to provide a different asset mix (Revised SIPP). ▪ New transaction and custody fees. ▪ Replaced schedules accordingly.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\Amending Agreements\Amending Agreement No. 1 (laddered investments)\Amending Agreement & Schedules March 22, 2011.PDF also in: S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\Amending Agreements\Amending Agreement No. 1 (laddered investments)\Amending Agreement No. 1.pdf
Amending Agreement No. 2		28-May-2012	N/A	▪ Change in name of Ministry under which OTF operates. ▪ Revised SIPP, replaced schedule accordingly.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\Amending Agreements\Amending Agreement No. 2 (Ministry Name Change and new SIPP)\Amending Agreement No. 2 (executed).pdf also in: S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\Amending Agreements\Amending Agreement No. 3 (Signature Change and new SIPP)\Amending Agreement No. 2 (executed).pdf
Amending Agreement No. 3		6-Oct-2015	N/A	▪ Revised Statement of Investment Policies and Procedures (Revised SIPP). ▪ New transaction and custody fees. ▪ Replaced schedules accordingly.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\Amending Agreements\Amending Agreement No. 3 (Signature Change and new SIPP)\Amending Agreement No. 3 (executed).pdf
Amending Agreement No. 4		21-Oct-2016	N/A	▪ Revised list of OTF representatives. ▪ Revised SIPP.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\Amending Agreements\Amending Agreement No. 4 (New signatory and new SIPP)\Amending Agreement No.4.pdf also in: S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\Amending Agreements\Amending Agreement No. 4 (New signatory and new SIPP)\Amending Agreement, Sch B & E, signature specimen and SIPP (final signed).pdf

3 months
6 months
9 months
1 year

From: William Tan
To: Sarah Harris
Subject: Draft OFHP Credit Facility Highlights
Date: Tuesday, November 07, 2017 5:14:17 PM

Hello Sarah,

Please find the draft email highlighting the key features of the OFHP Credit Facility to Opal. Please let me know if you require any additional changes.

Hello Opal,

The Ontario government introduced the Ontario Fair Hydro plan Act, 2017 (OFHP). OFHP is to reduce electricity prices for eligible consumers in the province. The Independent Electricity System Operator (IESO) required greater liquidity to implement the FHP program.

Outlined below is IESO's credit requirement needs including the change to OFA's existing credit facility as follows:

OFA:IESO Facility	New FHP facility
Current credit facilities $975 million	$ -
Reduction due to FHP ($500 million)	$ -
Increase due to FHP	$ - $2,000 million
Totals Credit Facilities $475 million	$2,000 million

The FHP Credit Facility has the following key provisions:

- Revolving Credit Facility.
- 5 year term which expires September 30, 2022;
- Interest charge to be Province's cost of funds for borrowing with a similar term as determined by OFA plus 0.25 percent per annum;
- Draws – to be based on minimum of 5 days to a maximum of 95 days;
- Flexibility to roll-over the entire/portion of the principle or interest.
- Option to create additional subcategories strictly for OFHP purposes by identifying the subcategory on the Borrowing Notice form (advancement form).
- $2 Billion OIC 1279/2017 underpinning the credit facility is to be repaid by December 31, 2047;
- Promissory Note to the Province of Ontario for $2 Billion Credit Facility is due December 31, 2047.

Thanks,

Will

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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From:	William Tan
To:	Anthony Martinello
Cc:	Sarah Harris
Subject:	Election Notices
Date:	Thursday, December 21, 2017 11:10:51 AM
Attachments:	Rollover Notice - REVISED.PDF Rollover Notice with advance.pdf

---

Hello Anthony,

I hope things are starting to slow down for you. Attached are comments regarding the Schedule 2 - Election Form in accordance to the Section 3.3.3 of the FHP agreement and Amending Agreement No. 10. The forms provided by Olga are sufficient and do not warrant a revised Election Form.

FHP – Election Notice

- "October (·), 2017" – We should have updated this in the agreement to read November 6, 2017 (date of signing).
- Form of Election Notice – Delete "Form of".

Existing Credit Facility – Election Notice

- "October (·), 2017" – We should have updated this in the agreement to read November 6, 2017 (date of signing).
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- (b) $12,280,699.22 – Continued Advance should be $11,566,384.24. Can be the same as (i).
- II Borrowing Notice – The following fields were left blank and should be filled out to indicate a new advancement request.
  Amount of the Proposed Advance: $11,556,384.24.
  Total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $12,280,699.22

I hope this is helpful.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
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Independent Electricity System Operator
Station A, Box 4474
Toronto, ON M5W 4E5
t 905.403.6900
www.ieso.ca

SCHEDULE 2
FORM OF ELECTION NOTICE

Date: **December 19, 2017**

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7
Delivered Via Email: CASHP@ofina.on.ca

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is **December 21, 2017.**

(b) The aggregate amount of the proposed Continued Advance is **$971,359.06**, which is comprised of:
i. previous principal amount **$1,005,562,526.55**; and
ii. repayment **$1,004,591,167.49**;

(c) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is **January 19, 2018**. [Insert date not earlier than 5 days and not later than 95 days after the current Repayment Date for the Advance.]

IESO confirms it will also be paying interest in the amount of **$1,016,582.39**.

Such election shall be confirmed by IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: $_____
The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): **This transaction relates to the Fair Hydro Program**.

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: K Marshall

Kimberly Marshall
VP Corporate Services, CFO and Treasurer

Connecting Today.
Powering Tomorrow.

Independent Electricity System Operator
Station A, Box 4474
Toronto, ON M5W 4E5
t 905.403.6900
www.ieso.ca

SCHEDULE 2 TO AMENDING AGREEMENT NO. 10
FORM OF ELECTION NOTICE

Date: **December 18, 2017**

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7
Delivered Via Email: CASHP@ofina.on.ca

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is **December 20, 2017**;
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   i. previous principal amount of advance which is to be continued **$11,556,384.24**; and
   ii. additional advance **$724,314.98**;
(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): **$0.00**;
(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is **January 19, 2018**. [Insert date no earlier than 28 days and not later than 95 days after the Current Repayment Date for the Advance].

IESO confirms it will also be paying interest in the amount of **$11,293.60**.

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

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Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): **This transaction relates to the settlement of the Rural or Remote Electricity Rate Protection (RRRP) variance.**

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Per: K Marshall

Kimberly Marshall
VP Corporate Services, CFO and Treasurer

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To:	Anthony Martinello
Cc:	Sarah Harris
Subject:	Election Notices
Date:	Thursday, December 21, 2017 11:10:51 AM
Attachments:	Rollover Notice - REVISED.PDF Rollover Notice with advance.pdf

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Station A, Box 4474
Toronto, ON M5W 4E5
t 905.403.6900
www.ieso.ca

SCHEDULE 2
FORM OF ELECTION NOTICE

Date: **December 19, 2017**

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7
Delivered Via Email: CASHP@ofina.on.ca

Attention: Cash Management

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1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7
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INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: K Marshall

Kimberly Marshall
VP Corporate Services, CFO and Treasurer

From: Victor Buza
To: William Tan
Cc: Anthony Martinello; Lisa Stein; Sarah Harris
Subject: Exchange of Grid Notes
Date: Wednesday, November 22, 2017 12:49:44 PM

Hi Will. I understand from Anthony that the November advances etc have now occurred under the new FHP line of credit and the 2005 line of credit.
Just wanted to check in with you on arranging for the exchange of the Grid Notes regarding the 2005 line of credit i.e. we will provide to OFA the new $475MM Note in exchange for the return to us of the old $975MM Note.
Let me know what your standard practice is.
Thanks,
Victor

Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079
1600-120 Adelaide Street West, Toronto, ON M5H 1T1
Web: www.ieso.ca[ieso.ca] | Twitter: IESO_Tweets[twitter.com] | LinkedIn: IESO[linkedin.com]

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Cc: Anthony Martinello; Lisa Stein; Sarah Harris
Subject: Exchange of Grid Notes
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Victor

Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079
1600-120 Adelaide Street West, Toronto, ON M5H 1T1
Web: www.ieso.ca[ieso.ca] | Twitter: IESO_Tweets[twitter.com] | LinkedIn: IESO[linkedin.com]

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From:	William Tan
To:	Opal Kandelas
Cc:	Sarah Harris
Subject:	Executed - $2B FHP Credit Facility and Existing $975M Credit Facility.
Date:	Friday, November 17, 2017 12:33:45 PM
Attachments:	FHP Credit Agreement OFA IESO - Nov 6, 2017 - OFA Signed.pdf OFA IESO Amending Agreement No. to Jan 1, 2005 Credit Facility Nov 6,2017 - OFA signed.pdf

---

Hello Opal,

Please find the attachments for the executed $2B FHP Revolving Credit Facility Agreement and Existing $975M Amending Agreement No. 10 . Please let me know if you require any additional documents. The history for the existing credit facility will follow as soon as I update it.

Folder locations.
Z:\Users\CMB\Documentation\IESO-OPA Merger\OFHP IESO OFA Credit Facility
Z:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 10

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
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INDEPENDENT ELECTRICITY SYSTEM OPERATOR

as Borrower

and

ONTARIO FINANCING AUTHORITY

as Lender

REVOLVING CREDIT FACILITY AGREEMENT

Date: November 6, 2017

REVOLVING CREDIT FACILITY AGREEMENT

THIS AGREEMENT is made as of the 6 day of November 2017,

BETWEEN:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, a statutory corporation without share capital existing under Part II of the *Electricity Act, 1998* (the "**IESO**")
(as Borrower)

AND

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* (the "**OFA**" and together with the IESO, the "**Parties**")
(as Lender)

RECITALS:

WHEREAS the IESO has requested a revolving credit facility for up to a maximum principal amount of $2 billion from the OFA for the purpose of supporting the IESO's role in the implementation and administration of the *Ontario Fair Hydro Plan Act, 2017*.

THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the Parties agree as follows:

ARTICLE 1

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"**Advances**" means advances made by the OFA to the IESO under Article 3 and "Advance" means any one of such advances, and in the case of an election by the IESO under Section 3.3, includes a "Continued Advance", as defined in Section 3.3(1), as applicable.

"Advances Outstanding" means, at any time, an amount equal to the aggregate principal amount of all Advances outstanding at such time.

"Agreement", "herein", "hereby", "hereor', "hereunder" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression "Article" or "Section" followed by a number means the specified Article or Section of this Agreement.

"Borrowing Notice" has the meaning specified in Section 3.2(1).

"Business Day" means any day that is not a day on which banks are generally authorized or required by law or executive order to be closed in the City of Toronto.

"Clean Energy Adjustment" has the same meaning as that term is defined in the OFHP.

"Commitment" means, at any time, an amount equal to $2 billion.

"Consolidated Assets" means, at any time, the book value of the assets of the IESO and the Subsidiaries, determined as of such time on a consolidated basis in accordance with GAAP.

"Continued Advance" has the meaning specified in Section 3.3(1).

"Credit Facility" means the revolving credit facility to be made available to the IESO by the OFA under this Agreement for the purposes specified in Section 2.2.

"Current Repayment Date" has the meaning specified in Section 3.3(2).

"Default" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"Dollars" or **"$"** means lawful currency of Canada.

"Election Notice" has the meaning specified in Section 3.3(2).

"Event of Default" has the meaning specified in Section 5.1.

"First Advance" has the meaning specified in Section 3.2(3).

"GAAP" means accounting policies and standards as established by the Chartered Professional Accountants of Canada, at the relevant time and applied on a consistent basis.

"Grid Note" has the meaning specified in Section 3.2(2).

"Indebtedness" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) every obligation of such Person for borrowed money;

(b) every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments;

(c) every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) every capital lease obligation of such Person;

(f) the Swap Termination Value of each Swap Contract of such Person; and

(g) every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"Lien" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"Material Subsidiary" means, at any time, a Subsidiary which has consolidated assets with a book value of more than $25 million determined in accordance with GAAP.

"**New Repayment Date**" has the meaning specified in Section 3.3(2).

"**OFHP**" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

"Permitted Liens" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) any obligations or duties, affecting the property of the IESO to any municipality or governmental, statutory or public authority, with respect to any franchise, grant, license

or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by the IESO or such Material Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by the IESO or such Material Subsidiary;

(d) any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) the right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) any undetermined or inchoate Liens and charges incidental to the current operations of the IESO or a Material Subsidiary that have not at the time been filed against the IESO or such Material Subsidiary; provided, however, that if any such Lien or charge shall have been filed, the IESO or such Material Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) any Lien the validity of which is being contested at the time by the IESO or a Material Subsidiary in good faith and the enforcement of which has been stayed;

(h) any easements, rights-of-way and servitudes that in the opinion of the IESO will not in the aggregate materially and adversely impair the use or value of the land for the purpose for which it is held or occupied by the IESO or a Material Subsidiary;

(i) any Liens and privileges arising out of judgments or awards with respect to which the IESO or a Material Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall have secured a stay of execution pending such appeal or proceedings for review;

(j) any other Liens of a nature similar to the foregoing which do not in the opinion of the IESO, acting reasonably, materially impair the use of the property subject thereto or the operation of the business of the IESO or any Material Subsidiary or the value of such property for the purpose of any such business; and

(k) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other

lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

"Person" means any individual, corporation, partnership joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"Purchase Money Mortgage" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or part of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"Repayment Date" means, in respect of the repayment of Advances, the repayment date contained in the most recent Borrowing Notice or Election Notice.

"Stated Maturity" when used with respect to any Indebtedness or any installment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such installment of interest is due and payable.

"Subsidiary" means:

(a) a corporation more than 50% of the voting power or the outstanding Voting Shares of which is owned, directly or indirectly, by the IESO or by one or more other Subsidiaries or by the IESO and one or more other Subsidiaries; or

(b) any Person (other than a corporation) in which the IESO, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

"Swap Contract" means any agreement whether or not in writing, relating to any transaction or derivative transaction including a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction currency swap, cross-currency rate swap, swaption, currency option or other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.

"Swap Termination Value" means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap contracts:

(a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and

(b) for any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.

"Voting Shares" of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings.

The division of this Agreement into Articles and Sections and the insertion of headings are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and vice versa and words importing gender may include any gender. In this Agreement, (a) the words "including" and "includes" mean "including (or includes) without limitation", and (b) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" each mean "to but excluding".

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with GAAP.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the next succeeding Business Day.

ARTICLE 2
REVOLVING CREDIT FACILITY

Section 2.1 Availability.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO. The OFA shall make each Advance in Dollars.

Section 2.2 Use of Proceeds.

The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the *Electricity Act, 1998*, as such regulation may be amended or replaced from time to time, subject to the condition that proceeds of Advances may be used only for IESO's financing needs and requirements of any kind arising in connection with the IESO's role with respect to and obligations under the OFHP.

Section 2.3 Credit Facility Limit.

The Advances Outstanding shall not at any time exceed the Commitment. The Credit Facility shall revolve and no payment under the Credit Facility shall reduce the Commitment.

Section 2.4 Mandatory Repayment.

Subject to Sections 2.5 and 5.2, the IESO shall repay each Advance together with the interest accrued thereon on the applicable Repayment Date, and, in any event, shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder on September 30, 2022.

Section 2.5 Prepayments.

The IESO is not entitled to prepay any part of the Advances Outstanding or the interest accrued thereon without the prior written consent of the OFA.

Section 2.6 Payments under this Agreement.

(1) The OFA shall make Advances to the IESO under this Agreement to or to the order of the IESO by wire transfer of immediately available funds in accordance with wire transfer instructions given by the IESO to the OFA from time to time, or in such other manner as the IESO may specify to the OFA from time to time.

(2) The IESO shall make any payment required hereunder to be made by it to the OFA, to or to the order of the OFA, by wire transfer of immediately available funds in accordance with wire transfer instruction given by the OFA to the IESO from time to time, or in such other manner as the OFA may specify to the IESO from time to time. The IESO shall make each such payment in Canadian Dollars.

Section 2.7 Computations of Interest.

(1) All computations of interest shall be made by the OFA taking into account the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest is payable on the basis of a year of 365 days or 366 days, as the case may be.

(2) For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Agreement for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

Section 2.8 Limit on Rate of Interest.

(1) Notwithstanding any provision contained in this Agreement, the IESO shall not be obliged to make any payments of interest or other amounts payable to the OFA hereunder in excess of the amount or rate which would be prohibited by applicable law or would result in the receipt by the OFA of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada)).

(2) In the event that any such payments are limited or prohibited as provided in Section 2.8(1), the OFA shall have no further obligation to make any Advances available hereunder and the Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, shall become immediately due and payable.

Section 2.9 Application of Payments.

All payments made by the IESO under this Agreement shall be applied firstly to the payment of interest payable to the OFA on late payments of principal or interest hereunder, secondly, to the payment of accrued and unpaid interest payable to the OFA hereunder and thirdly, to the payment of the outstanding principal amount of any Advances payable to the OFA.

ARTICLE 3
ADVANCES

Section 3.1 Advances.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO under the Credit Facility from time to time on any Business Day prior to September 23, 2022.

Section 3.2 Procedure for Advances.

(1) Subject to Section 3.3(5), each Advance shall be made subject to two Business Days' prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each notice of an Advance (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1, other than a Borrowing Notice that is included in an Election Notice as permitted by Section 3.3(3). Each Borrowing Notice shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance; (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall not be earlier than 5 days and not later than 95 days after the date of the requested Advance. Each Borrowing Notice shall also certify the use of proceeds of the Advance which shall in any case be in accordance with Section 2.2. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, the IESO shall execute and deliver to the OFA a grid promissory note in respect of Advances substantially in the form of Schedule 3 (the "**Grid Note**"). The IESO authorizes the OFA to record on the Grid Note (a) the date and amount of each Advance or Continued Advance; (b) the applicable rate of interest for each Advance or Continued Advance; (c) the Repayment Date of each Advance or Continued Advance; (d) the date and amount of each payment of interest and each payment of principal or portion thereof in respect of each Advance or Continued Advance; and (e) Advances Outstanding. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such Advances and repayments; provided that the failure of the OFA to record any amount, rate or date shall not affect the obligation of the IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement.

(3) Respecting the first Advance to be made under this Agreement (the "**First Advance**"), a specified portion thereof (the "**Repayment Amount**") shall be used to repay a portion of the IESO's outstanding indebtedness to the OFA under the credit agreement between the Parties dated January 1, 2005, as amended (the "**Existing Credit Facility**"). The amount of the Repayment Amount shall be detailed in the Borrowing Notice issued in respect of the First Advance. Concurrently with the First Advance, OFA shall provide to IESO an updated grid in respect of the grid note issued under the Existing Credit Facility evidencing the repayment of the Repayment Amount thereunder.

Section 3.3 Elections Regarding Advances.

(1) The IESO may elect to continue all or a portion of the principal amount of any Advance and any amount of interest on such Advance (together, the "**Continued Advance**") for a further period of at least 5 days and up to a maximum of 95 days beginning on the then current Repayment Date in accordance with Section 3.3(2).

(2) Each notice to continue an Advance for a further period (an "**Election Notice**") shall be provided by the IESO to the OFA at least two Business Days prior to the Repayment Date of the Advance (the "**Current Repayment Date**"), and in each case, not later than

10:00 a.m. (Toronto time). Each such Election Notice shall be given substantially in the form of Schedule 2 and shall be irrevocable and binding upon the IESO and shall specify: (a) the Current Repayment Date; (b) the new aggregate total amount of the proposed Continued Advance; (c) the amount of interest or principal, if any, to be paid or re-paid by the IESO with respect to such Advance on the Current Repayment Date; and (d) the new Repayment Date of the proposed Continued Advance, which shall be no earlier than 5 days and not later than 95 days after the current Repayment Date (the "**New Repayment Date**"). If the IESO fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date.

(3) An Election Notice with respect to a proposed Continued Advance may include a Borrowing Notice for a further Advance proposed to be made on the Current Repayment Date. The Repayment Date of such further Advance shall be the New Repayment Date of the Continued Advance that is specified in the Election Notice. Such Borrowing Notice shall be given substantially in the form of Schedule 2.

(4) The calculation of interest on a Continued Advance shall be determined in the same manner as an Advance under Section 3.4 and shall be recorded on the Grid Note in accordance with Section 3.2(2).

(5) Any portion of an Advance not continued for a further period in accordance with Section 3.3(2) shall be repayable on the applicable Repayment Date.

(6) The Credit Facility shall at all times rank *pari passu* with all other unsubordinated and unsecured Indebtedness of the IESO, subject to the existence of any Liens that secure Indebtedness, as permitted by subections 4.6 (a) through (e) hereof.

(7) All amounts owing in respect of the Advances shall be paid without exercising any right of set off or counterclaim by the IESO.

Section 3.4 Interest on Advances.

(1) The IESO shall pay interest on the unpaid principal amount of each Advance in accordance with this Section 3.4 from and including the date of such Advance until the principal amount of such Advance is repaid in full.

(2) Interest shall accrue on the principal amount of each Advance from and including the date of the Advance to but excluding the Repayment Date of such Advance, at an annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum, before as well as after the date such principal amount or interest thereon becomes due hereunder and both before and after Default and shall be payable on the Repayment Date for such Advance. Any amount of interest arising hereunder which is not paid when due shall bear interest at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment. The amount of interest payable on an Advance will be calculated by the

OFA by dividing the interest rate applicable to the Advance by 365 or 366, as the case may be, and multiplying the result by the principal amount of the Advance and further multiplying the result by the number of days in the period from the date of the Advance to the Repayment Date of the Advance.

(3) If the IESO elects to continue an Advance in accordance with Section 3.3(2), the OFA shall determine the interest rate applicable after the original Repayment Date of the Advance and endorse the said rate on the grid forming part of the Grid Note in respect of Advances held by it.

Section 3.5 Conditions Precedent

The obligation of the OFA to make the Advances to the IESO pursuant to Section 2.1 is subject to the following conditions being satisfied to the OFA's satisfaction at the time of making each Advance:

(a) that the representations and warranties of the IESO contained in this Agreement are true and correct as at the date of making the Advance;

(b) that no Event of Default has occurred and is continuing;

(c) that there shall, in the reasonable opinion of the OFA, have been no material adverse change in the financial condition of the IESO or a Material Subsidiary; and

(d) that the OFA has received such other documentation which it has reasonably requested to ensure that the IESO is in compliance with the terms and conditions of this Agreement, including certified true copies of any necessary resolutions, a written legal opinion from counsel to the IESO confirming that the borrowing is within the legal powers of the IESO and that the Agreement is a direct, unsecured obligation of the IESO enforceable against the IESO in form satisfactory to the OFA.

ARTICLE 4
COVENANTS OF THE IESO

Section 4.1 Repayment of Advances.

The IESO will duly and punctually pay all amounts owing under this Agreement in accordance with the terms and subject to the conditions of this Agreement.

Section 4.2 IESO will Maintain its Corporate Existence.

The IESO will at all times maintain its corporate existence.

Section 4.3 Maintenance of Properties.

The IESO will cause all property owned by the IESO or any Material Subsidiary to be maintained and kept in good condition, repair and working order, all as in the judgment of the IESO or any Material Subsidiary may be necessary for the proper operation of such property, except as and to the extent that the IESO or any Material Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 4.3 shall prevent the IESO or any Material Subsidiary from discontinuing the maintenance of any such property or decommissioning any such property if such discontinuance or decommissioning is, in the judgment of the IESO or any such Material Subsidiary, desirable in the conduct of its business or the business of any such Material Subsidiary, or has been directly or indirectly requested or required by the Province of Ontario.

Section 4.4 Insurance.

The IESO will cause all property owned by the IESO or any Material Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the mature and to the extent that such property is usually insured by companies operating similar businesses.

Section 4.5 Conduct of Business.

The IESO will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in accordance with good business practice.

Section 4.6 Negative Pledge.

The IESO will not, and will not permit any Material Subsidiary to, create, incur or assume any Lien, charging the interest of the IESO or any Material Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, all amounts owing under this Agreement are secured equally and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) the creation, incurrence or assumption of any Purchase Money Mortgage;

(b) the grant of any Lien in the normal course of business to any banks or financial institutions for present or future Indebtedness of the IESO or any Material Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) any extension, renewal or replacement of any of the Liens referred to in Sections 4.6(a), (b) or (c), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased; and

(e) any Lien charging the interest of the IESO or any Material Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 4.6(a), (b) or (c), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 4.6(e) which is outstanding at such time does not exceed 10% of Consolidated Assets at such time.

Section 4.7 Payment of OFA Expenses

In addition to any liability of the IESO to the OFA under any other provision of this Agreement, the IESO will, on demand, reimburse and indemnify OFA for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OFA in connection with the Agreement (including those services incurred in the preservation of rights under or enforcement of this Agreement at any time during the continuance of a Default or Event of Default and for any reasonable loss or expense incurred by OFA as a result of any failure by the IESO to fulfill any of its obligations under this Agreement). All such costs, charges and expenses shall bear interest at the Province of Ontario's cost of funds plus 0.25 percent per annum (as determined by the OFA) calculated and payable monthly not in advance from in each case from the date on which the OFA incurs the cost, charge or expense until the date on which the IESO reimbursement the OFA therefor. The OFA agrees, acting reasonably, to invoice the IESO for any such costs, charges and expense as they are incurred, together with interest at the aforesaid rate (with interest on overdue interest).

Section 4.8 Reporting.

The IESO will promptly provide to the OFA any reports or supporting documents that the OFA may request from time to time.

Section 4.9 Late Repayment of Advance.

In the event that the IESO fails to repay the principal amount of any Advance and all interest accrued thereon when due, the IESO shall pay interest on the unpaid amount of such Advance at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment.

ARTICLE 5
EVENTS OF DEFAULT AND REMEDIES

Section 5.1 Event of Default.

Wherever used in this Agreement, the term "Event of Default" means any of the following:

(a) the IESO's failure to pay any interest upon any Advance when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) failure to pay the principal amount of any Advance on the applicable Repayment Date or the Advances Outstanding, all interest accrued thereon and all other amounts owing under this Agreement on September 30, 2022;

(c) failure on the part of the IESO to observe or perform its obligations set forth in Section 4.1;

(d) failure on the part of the IESO to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 20 days after the date on which written notice of such failure shall have been given to the IESO by the OFA;

(e) any representation or warranty made by the IESO in this Agreement or in any certificate or other document at any time delivered hereunder to the OFA was incorrect or misleading in any material respect;

(f) one or more breaches by the IESO of its covenants under one or more evidences of Indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $5 million, which breaches:

(i) constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist, or

(ii) have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived or rescinded);

(g) the IESO or any Material Subsidiary:

(i) becomes unable to meet its obligations as they generally become due or has ceased paying its current obligations in the ordinary course of business as they generally become due;

(ii) admits in writing its inability to pay its debts generally or makes a general assignment for the benefit its creditors or files a proposal or other scheme

of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) institutes or has instituted against it any proceeding seeking:

(A) to adjudicate it as bankrupt or insolvent,

(B) liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors, or

(C) the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets,

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismissed or unstayed for a period of 30 days, or any remedy sought in any such proceeding (including the entry of order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

(iv) takes any corporate action to authorize any of the actions in Sections 5.1 (g)(i) to (iii); or

(h) if there shall be rendered against the IESO or any Material Subsidiary a final judgment or judgments for the payment of money in an aggregate amount in excess of $5 million by a court or courts of competent jurisdiction, and the IESO or any Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 5.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case the OFA may at its option, in addition to any other remedy available to the OFA at law, by written notice to the IESO, take any or all of the following actions:

(a) suspend the right of the IESO to request any further Advance until the Event of Default has been cured to the OFA's satisfaction or, if the Event of Default is not

cured within three (3) Business Days after the date on which written notice of such Event of Default shall have been given to the IESO by the OFA, declare all amounts owing hereunder including all interest accrued to be due and payable immediately, by a notice in writing to the IESO, and upon any such declaration all such amounts shall become immediately due and payable.

(b) invoke the Intercept pursuant to section 5.7 of this Agreement to require payment of any amount due and payable under this Agreement.

Section 5.3 Suits for Enforcement by the OFA.

If an Event of Default occurs and is continuing, the OFA may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in the OFA by this Agreement or by law.

Section 5.4 OFA May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of the IESO under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property of the IESO, or if any other judicial proceedings relative to the IESO, its creditors or its property are pending, the OFA shall be entitled and empowered, by intention in such proceeding or otherwise:

(a) to file and prove a claim for all amounts owing under this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of the OFA (including any claim for fees and disbursements of the OFA, its agents and counsel) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claim.

Section 5.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to the OFA is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.6 Delay or Omission not Waiver.

No delay or omission of the OFA to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right or remedy given by this Article 5 or by law to OFA may be exercised from time to time, and as often as may be deemed expedient, by the OFA.

Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of even date herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the *Capital Investment Plan Act, 1993* (the "**Intercept Letter**"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("**Appropriated Funds**"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("**Intercept**").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

(e) The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or

inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail.

ARTICLE 6
REPRESENTATIONS AND WARRANTIES OF IESO

Section 6.1 Representations and Warranties of IESO

The IESO represents and warrants to the OFA that:

(a) the borrowing of money (including principal and accrued interest) by the IESO and the execution, delivery and performance of this Agreement are within the powers and capacities of the IESO and have been duly authorized by all necessary legal action and proper proceedings;

(b) the execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the compliance with the terms and conditions of this Agreement will not conflict with or result in a breach of any of the terms or provisions of the constituting documents or by-laws of the IESO, laws of Ontario, including laws of Canada applicable therein, applicable to the IESO or any contractual or other obligation binding on the IESO;

(c) this Agreement will, when executed and delivered, constitute the legal, valid and binding obligation of the IESO enforceable against it in accordance with its terms; and

(d) the monies advanced under this Agreement shall be used only by the IESO for the purposes set out in Section 2.2.

Section 6.2 Continuation of Representation and Warranties

The representations and warranties set out in Section 6.1 herein shall survive the execution and delivery of this Agreement, the making of each Advance by the OFA, notwithstanding any investigations or examinations which may be made by counsel for the OFA.

ARTICLE 7
GENERAL

Section 7.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy or other means of electronic communication addressed:

If to the IESO, to it at:

Independent Electricity System Operator
120 Adelaide Street West, Suite 1600
Toronto, ON M5H 1T1

Attention: Chief Financial Officer
Telephone: (416)969-6232
Facsimile: (905)403-6913

If to the OFA, to it at:

Ontario Financing Authority 1 Dundas Street West
Suite 1400 Toronto, Ontario M7A 1Y7

Attention: Executive Director & Chief Investment Officer – Capital Markets Division
Telephone: (416)325-8930
Facsimile: (416)860-8346

provided that any Borrowing Notice or Election Notice shall be addressed as indicated on Schedule 1 or Schedule 2 respectively.

Any communication hereunder shall be deemed to have been validly and effectively given if (a) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p.m. (Toronto time), otherwise on the next Business Day, (b) transmitted by facsimile or other means of electronic communication, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice give in accordance with this Section 7.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 7.1.

Section 7.2 Successors and Assigns.

This Agreement shall be binding on and enure to the benefit of the OFA and the IESO and their respective successors and permitted assigns, except that the IESO shall not, without the

prior written consent of the OFA assign, pledge or hypothecate any rights or obligations with respect to this Agreement.

Section 7.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of the Parties.

Section 7.4 Waiver.

(1) No waiver of any provisions of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) of this Agreement nor shall such waiver be binding unless executed in writing by the party to be bound by the waiver.

(2) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude another or further exercise of such right or the exercise of any other right.

Section 7.5 Further Assurances.

Each of the IESO and the OFA shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement

Section 7.6 Severability.

In case any provision in this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement shall not in any way be affected or impaired thereby.

Section 7.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 7.8 Entire Agreement.

This Agreement, including the schedules hereto and any other agreements expressly referred to herein, constitutes the whole agreement between the Parties with respect to the matters dealt with in it, and it supersedes any prior agreement, undertakings, discussions and the like respecting the matters dealt with in this Agreement and entered into by the Parties before the date the OFA signs this Agreement.

Section 7.9 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Agreement.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first written above.

ONTARIO FINANCING AUTHORITY

Per: _____

Name: Michael D. Manning
Title: Executive Director & Chief Investment Officer, Capital Markets Division

I have authority to bind the corporation.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; Treasurer

I have authority to bind the corporation.

SCHEDULE 1

FORM OF BORROWING NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The principal amount of the Proposed Advance is $_____;
(c) The Repayment Date of the Proposed Advance is _____. [Not earlier than 5 days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:

Authorized Signatory

SCHEDULE 2

FORM OF ELECTION NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is _____.

(b) The aggregate amount of the proposed Continued Advance is $_____, which is comprised of:
   i. principal amount (or portion thereof) of Advance which is to be continued $_____; and
   ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date $_____;

(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): $ _____

(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _____. [Insert date not earlier than 5 days and not later than 95 days after the current Repayment Date for the Advance.]

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: $_____
The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Name:

Authorized Signatory

SCHEDULE 3 – FORM OF GRID NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $2,000,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR (the "**IESO**"), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY** ("**OFA**") at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement (as defined below).

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the Revolving Credit Facility Agreement dated **[INSERT DATE]** as amended, supplemented or restated from time to time, between the Borrower and the OFA (the "Agreement"). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:
Authorized Signatory

Revolving Credit Facility Grid Note

Ontario Financing Authority
Line of Credit Grid Note

Entity : Independent Electricity System Operator
Loan Limit:

Project:
Schedule of loan transactions to:
Loan Advanced to:

New Loan and/or Rollover					Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days

AMENDING AGREEMENT NO. 10

This Amending Agreement No. 10 (this "**Amending Agreement**") is made as of the 21st day of November, 2017 (the "**Effective Date**")

BETWEEN:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, a statutory corporation without share capital existing under Part II of the *Electricity Act, 1998* ("**IESO**")

-and-

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* ("**OFA**")

(together, the "**Parties**")

WHEREAS the Ontario Power Authority ("**OPA**") and the OFA entered into a credit agreement dated January 1, 2005 (the "**Original Agreement**");

AND WHEREAS effective January 1, 2015, the OPA and the then existing Independent Electricity System Operator amalgamated and continued as a corporation without share capital under Part II of the *Electricity Act, 1998* with the name "Independent Electricity System Operator" (**"IESO"**), and the obligations of the OPA became obligations of the IESO;

AND WHEREAS pursuant to the amending agreements dated February 14, 2005, October 11, 2005 (titled, "Amending Agreement No. 3"), September 27, 2006 (titled, "Amending Agreement No. 4"), July 13, 2007 (titled, "Amending Agreement No. 5"), November 9, 2010 (titled, "Amending Agreement No. 6"), December 20, 2013 (titled, "Amending Agreement No. 7"), December 19, 2014 (titled, "Amending Agreement No. 8") and November 30, 2016 (titled, "Amending Agreement No. 9"), the OPA or IESO (as applicable) and the OFA amended the Original Agreement (as so amended, the "**Credit Agreement**", the terms defined therein being used herein as therein defined);

AND WHEREAS the Parties have now agreed to: (i) at the request of the IESO, decrease the total principal amount available under the Credit Agreement from $975,000,000 to a total principal amount of up to $475,000,000; (ii) amend the use of proceeds under the Credit Agreement; (iii) amend the Form of Election Notice and related provisions under the Credit Agreement; and (iv) make other amendments required as a consequence of the implementation of the OFHP (as defined below);

AND WHEREAS pursuant to Section 7.3 of the Credit Agreement, the Credit Agreement may only be amended or otherwise modified by written agreement executed by the Parties.

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby

acknowledged, and subject to the terms and conditions hereafter set out, the Parties agree that, as of the Effective Time (as defined below):

1. The definition of "Advances" in Section 1.1 of the Credit Agreement is deleted and replaced by the following:

   "**Advances**" means advances made by the OFA to the IESO under Article 3 and "Advance" means any one of such advances, and in the case of an election by the IESO under Section 3.3, includes a "Continued Advance", as defined in Section 3.3(1), as applicable."

2. The definition of "**Commitment**" in Section 1.1 of the Credit Agreement is amended by deleting "$975,000,000" and substituting "$475,000,000" therefor.

3. The definition of "**Permitted Liens**" is amended by deleting the word "and" at the end of subsection (i); replacing the "." at the end of subsection (j) and replacing it with "; and" ; and adding the following subsection (k):

   "(k) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

4. The following definitions are added to Section 1.1 of the Credit Agreement:

   "Clean Energy Adjustment" has the same meaning as that term is defined in the OFHP.

   "**Continued Advance"** has the meaning specified in Section 3.3(1).

   "**Current Repayment Date**" has the meaning specified in Section 3.3(2).

   "**New Repayment Date**" has the meaning specified in Section 3.3(2).

   "OFHP" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

5. Section 2.3 "Use of Proceeds" of the Credit Agreement is deleted in its entirety (with the exception of the title of the section, which exception also applies regarding the amendments made under sections 6, 7 and 8 hereof) and replaced by the following:

   "The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the *Electricity Act, 1998,* as such regulation may be amended or replaced from time to time, provided that Advances may be used only for liquidity purposes."

6. Section 3.2 "Procedures for Advances" of the Credit Agreement is deleted in its entirety and replaced by the following:

"(1) Subject to Section 3.3(5), each Advance shall be made subject to two Business Days' prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each notice of an Advance (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1, other than a Borrowing Notice that is included in an Election Notice as permitted by Section 3.3(3). Each Borrowing Notice shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance; (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall be no earlier than 28 days and not later than 95 days after the date of the requested Advance. Each Borrowing Notice shall also certify the use of proceeds of the Advance which shall in any case be in accordance with Section 2.3. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, the IESO shall execute and deliver to the OFA a grid promissory note in respect of Advances substantially in the form of Schedule 3 (the **"Grid Note"**). The IESO authorizes the OFA to record on the Grid Note (a) the date and amount of each Advance or Continued Advance; (b) the applicable rate of interest for each Advance or Continued Advance; (c) the Repayment Date of each Advance or Continued Advance; (d) the date and amount of each payment of interest and each payment of principal or portion thereof in respect of each Advance or Continued Advance; and (e) Advances Outstanding. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such Advances and repayments; provided that the failure of the OFA to record any amount, rate or date shall not affect the obligation of the IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement."

7. Section 3.3 "Elections Regarding Advances" of the Credit Agreement is deleted in its entirety and replaced by the following:

"(1) The IESO may elect to continue all or a portion of the principal amount of any Advance and any amount of interest on such Advance (together, the "**Continued Advance**") for a further period of at least 28 days and up to a maximum of 95 days beginning on the then current Repayment Date in accordance with Section 3.3(2).

(2) Each notice to continue an Advance for a further period (an "**Election Notice**") shall be provided by the IESO to the OFA at least two Business Days prior to the Repayment Date of the Advance (the "**Current Repayment Date**"), and in each case, not later than 10:00 a.m. (Toronto time). Each such Election Notice shall be given substantially in the form of Schedule 2 and shall be irrevocable and binding upon the IESO and shall specify: (a) the Current Repayment Date; (b) the new aggregate total amount of the proposed Continued Advance; (c) the amount of interest or principal, if any, to be paid or re-paid by the IESO with respect to such Advance on the Current Repayment Date; and (d) the new Repayment Date of the proposed Continued Advance, which shall be no earlier than 28 days and not later than 95 days after the Current Repayment Date (the "**New Repayment Date**"). If the IESO fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date.

(3) An Election Notice with respect to a proposed Continued Advance may include a Borrowing Notice for a further Advance proposed to be made on the Current Repayment

Date. The Repayment Date of such further Advance shall be the New Repayment Date of the Continued Advance that is specified in the Election Notice. Such Borrowing Notice shall be given substantially in the form of Schedule 2.

(4) The calculation of interest on a Continued Advance shall be determined in the same manner as an Advance under Section 3.4 and shall be recorded on the grid promissory note in respect of Advances in accordance with Section 3.2(2).

(5) Any portion of an Advance not continued for a further period in accordance with Section 3.3(2) shall be repayable on the applicable Repayment Date."

8. Section 5.2 "Acceleration of Maturity; Recission and Annulement" of the Credit Agreement is deleted in its entirety and replaced by the following:

"If an Event of Default occurs and is continuing, then and in every such case the OFA may at its option, in addition to any other remedy available to the OFA at law, by written notice to the IESO, take any or all of the following actions:

(a) suspend the right of the IESO to request any further Advance until the Event of Default has been cured to the OFA's satisfaction or, if the Event of Default is not cured within three (3) Business Days after the date on which written notice of such Event of Default shall have been given to the IESO by the OFA, declare all amounts owing hereunder including all interest accrued to be due and payable immediately, by a notice in writing to the IESO, and upon any such declaration all such amounts shall become immediately due and payable.

(b) invoke the Intercept pursuant to section 5.7 of this Agreement to require payment of any amount due and payable under this Agreement."

9. Section 5.7 "Intercept" is added to the Credit Agreement, stating as follows:

"Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of November 6th , 2017 herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the *Capital Investment Plan Act, 1993* (the "**Intercept Letter**"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("**Appropriated Funds**"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("**Intercept**").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail."

10. Section 7.9 "Entire Agreement' is added to the Credit Agreement, stating as follows:

"Section 7.9 Entire Agreement

This Agreement as amended from time to time and including the schedules hereto and any other agreements expressly referred to herein, constitutes the whole agreement between the Parties with respect to the matters dealt with in it, and it supersedes any prior agreement, undertakings, discussions and the like respecting the matters dealt with in this Agreement and entered into by the Parties before the date the OFA signs this Agreement."

11. Schedule 1 of the Credit Agreement, Form of Borrowing Notice, is deleted in its entirety and replaced by the Form of Borrowing Notice attached hereto as Schedule 1.

12. Schedule 2 of the Credit Agreement, Form of Election Notice, is deleted in its entirety and replaced by the Form of Election Notice attached hereto as Schedule 2.

13. Schedule 3 of the Credit Agreement, IESO Grid Note, is deleted in its entirety and replaced by the Form of Grid Note attached hereto as Schedule 3.

14. For the purposes of this Amending Agreement and its coming into effect:

a. "**Effective Time**" means the time on the Effective Date by which the Transfers of Funds (defined below) have been completed; or such other time as the Parties may subsequently agree to in writing as being the "Effective Time";

b. "**Transfers of Funds**" means those transfers of funds to be completed between the Parties on the Effective Date, being:

   i. the First Advance as defined under section 3.2(3) of the credit agreement between the Parties in relation to the IESO's role in the implementation of the OFHP dated November 6, 2017; and,

   ii. the completion of all Advances described in the Election Notice to be provided by the IESO to the OFA no later than November 17, 2017 (such terms having the meanings defined in the Credit Agreement) that are to be funded under the Credit Agreement on the Effective Date; and,

   iii. the repayment by the IESO of all Advances Outstanding (as defined in the Credit Agreement) exceeding $475 million; and,

   iv. the payment by the IESO to OFA of the interest then owing under the Credit Agreement.

15. The Parties shall endeavour to complete and exchange all usual documentation relating to the Transfers of Funds, and to any other related matters occurring on the Effective Date, prior to 5:00 p.m. on the Effective Date, and in any case no later than the next business day.

16. After the Effective Time, and prior to any further Advances under the Credit Agreement, the IESO shall execute and deliver to the OFA a new grid promissory note in the principal amount of up to $475,000,000 substantially in the form attached hereto as Schedule 3 (the **"Grid Note"**) and indicating a total principal amount of Advances Outstanding as of the Effective Time. Upon receipt of the new Grid Note delivered hereunder, the OFA will cancel and return the grid promissory note dated November 30, 2016 to the IESO.

17. This Amending Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Amending Agreement.

IN ALL OTHER RESPECTS, the Credit Agreement is confirmed by the Parties.

[*signature page follows*]

IN WITNESS WHEREOF the Parties hereto have executed and delivered this Amending Agreement on the dates set out below, which shall come into effect as of the Effective Time as defined herein.

ONTARIO FINANCING AUTHORITY

Per: _____ Date: November 6, 2017.

Name: Michael D. Manning
Title: Executive Director & Chief
Investment Officer
Capital Markets Division

I have authority to bind the corporation.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____ Date: November_____, 2017.

Name: Kimberly Marshall
Title: Vice President, Corporate Services;
Chief Financial Officer; Treasurer

I have authority to bind the corporation.

SCHEDULE 1 TO AMENDING AGREEMENT NO. 10

FORM OF BORROWING NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "**Agreement**", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "**Proposed Advance**"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The principal amount of the Proposed Advance is $_____;
(c) The Repayment Date of the Proposed Advance is _____. [Not earlier than 28 days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:

Authorized Signatory

SCHEDULE 2 TO AMENDING AGREEMENT NO. 10

FORM OF ELECTION NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is _____;

(b) The aggregate amount of the proposed Continued Advance is $_____, which is comprised of:

i. principal amount (or portion thereof) of Advance which is to be continued $_____; and
ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date $_____;

(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): $ _____

(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _____. [Insert date no earlier than 28 days and not later than 95 days after the Current Repayment Date for the Advance.]

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: $_____

The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:
Authorized Signatory

SCHEDULE 3 TO AMENDING AGREEMENT NO. 10

FORM OF GRID NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $475,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICTY SYSTEM OPERATOR (the **"IESO"**), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY ("OFA")** at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Credit Agreement (as defined below). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Credit Agreement.

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the credit agreement dated January 1, 2005 as amended, supplemented or restated from time to time, between the Borrower and the OFA (the **"Credit Agreement"**).

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Credit Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Name:
Authorized Signatory

Line of Credit Grid Note

Entity : Independent Electricity System Operator
Loan Limit: $475,000,000

Project:
Schedule of loan transactions to:
Loan Advanced to:

New Loan and/or Rollover					Actual Repayment					
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days

From:	William Tan
To:	Opal Kandelas
Cc:	Sarah Harris
Subject:	Executed - $2B FHP Credit Facility and Existing $975M Credit Facility.
Date:	Friday, November 17, 2017 12:33:45 PM
Attachments:	FHP Credit Agreement OFA IESO - Nov 6, 2017 - OFA Signed.pdf OFA IESO Amending Agreement No. to Jan 1, 2005 Credit Facility Nov 6,2017 - OFA signed.pdf

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Hello Opal,

Please find the attachments for the executed $2B FHP Revolving Credit Facility Agreement and Existing $975M Amending Agreement No. 10 . Please let me know if you require any additional documents. The history for the existing credit facility will follow as soon as I update it.

Folder locations.

Z:\Users\CMB\Documentation\IESO-OPA Merger\OFHP IESO OFA Credit Facility

Z:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 10

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

This message, including any attachments, is intended only for the use of the individual(s) to which it is addressed and may contain information that is privileged and confidential. Any other distribution, copying or disclosure is strictly prohibited. If you are not the intended recipient or have received this message in error, please notify us immediately by reply e-mail and permanently delete this message including any attachments, without reading it or making a copy. Thank you

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

as Borrower

and

ONTARIO FINANCING AUTHORITY

as Lender

REVOLVING CREDIT FACILITY AGREEMENT

Date: November 6, 2017

REVOLVING CREDIT FACILITY AGREEMENT

THIS AGREEMENT is made as of the 6 day of November 2017,

BETWEEN:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, a statutory corporation without share capital existing under Part II of the *Electricity Act, 1998* (the "**IESO**")
(as Borrower)

AND

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* (the "**OFA**" and together with the IESO, the "**Parties**")
(as Lender)

RECITALS:

WHEREAS the IESO has requested a revolving credit facility for up to a maximum principal amount of $2 billion from the OFA for the purpose of supporting the IESO's role in the implementation and administration of the *Ontario Fair Hydro Plan Act, 2017*.

THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the Parties agree as follows:

ARTICLE 1

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"**Advances**" means advances made by the OFA to the IESO under Article 3 and "Advance" means any one of such advances, and in the case of an election by the IESO under Section 3.3, includes a "Continued Advance", as defined in Section 3.3(1), as applicable.

"Advances Outstanding" means, at any time, an amount equal to the aggregate principal amount of all Advances outstanding at such time.

"Agreement", "herein", "hereby", "hereor', "hereunder" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression "Article" or "Section" followed by a number means the specified Article or Section of this Agreement.

"Borrowing Notice" has the meaning specified in Section 3.2(1).

"Business Day" means any day that is not a day on which banks are generally authorized or required by law or executive order to be closed in the City of Toronto.

"Clean Energy Adjustment" has the same meaning as that term is defined in the OFHP.

"Commitment" means, at any time, an amount equal to $2 billion.

"Consolidated Assets" means, at any time, the book value of the assets of the IESO and the Subsidiaries, determined as of such time on a consolidated basis in accordance with GAAP.

"Continued Advance" has the meaning specified in Section 3.3(1).

"Credit Facility" means the revolving credit facility to be made available to the IESO by the OFA under this Agreement for the purposes specified in Section 2.2.

"Current Repayment Date" has the meaning specified in Section 3.3(2).

"Default" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"Dollars" or **"$"** means lawful currency of Canada.

"Election Notice" has the meaning specified in Section 3.3(2).

"Event of Default" has the meaning specified in Section 5.1.

"First Advance" has the meaning specified in Section 3.2(3).

"GAAP" means accounting policies and standards as established by the Chartered Professional Accountants of Canada, at the relevant time and applied on a consistent basis.

"Grid Note" has the meaning specified in Section 3.2(2).

"Indebtedness" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) every obligation of such Person for borrowed money;

(b) every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments;

(c) every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) every capital lease obligation of such Person;

(f) the Swap Termination Value of each Swap Contract of such Person; and

(g) every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"Lien" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"Material Subsidiary" means, at any time, a Subsidiary which has consolidated assets with a book value of more than $25 million determined in accordance with GAAP.

"**New Repayment Date**" has the meaning specified in Section 3.3(2).

"**OFHP**" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

"Permitted Liens" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) any obligations or duties, affecting the property of the IESO to any municipality or governmental, statutory or public authority, with respect to any franchise, grant, license

or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by the IESO or such Material Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by the IESO or such Material Subsidiary;

(d) any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) the right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) any undetermined or inchoate Liens and charges incidental to the current operations of the IESO or a Material Subsidiary that have not at the time been filed against the IESO or such Material Subsidiary; provided, however, that if any such Lien or charge shall have been filed, the IESO or such Material Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) any Lien the validity of which is being contested at the time by the IESO or a Material Subsidiary in good faith and the enforcement of which has been stayed;

(h) any easements, rights-of-way and servitudes that in the opinion of the IESO will not in the aggregate materially and adversely impair the use or value of the land for the purpose for which it is held or occupied by the IESO or a Material Subsidiary;

(i) any Liens and privileges arising out of judgments or awards with respect to which the IESO or a Material Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall have secured a stay of execution pending such appeal or proceedings for review;

(j) any other Liens of a nature similar to the foregoing which do not in the opinion of the IESO, acting reasonably, materially impair the use of the property subject thereto or the operation of the business of the IESO or any Material Subsidiary or the value of such property for the purpose of any such business; and

(k) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other

lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

"Person" means any individual, corporation, partnership joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"Purchase Money Mortgage" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or part of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"Repayment Date" means, in respect of the repayment of Advances, the repayment date contained in the most recent Borrowing Notice or Election Notice.

"Stated Maturity" when used with respect to any Indebtedness or any installment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such installment of interest is due and payable.

"Subsidiary" means:

(a) a corporation more than 50% of the voting power or the outstanding Voting Shares of which is owned, directly or indirectly, by the IESO or by one or more other Subsidiaries or by the IESO and one or more other Subsidiaries; or

(b) any Person (other than a corporation) in which the IESO, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

"Swap Contract" means any agreement whether or not in writing, relating to any transaction or derivative transaction including a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction currency swap, cross-currency rate swap, swaption, currency option or other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.

"Swap Termination Value" means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap contracts:

(a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and

(b) for any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.

"Voting Shares" of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings.

The division of this Agreement into Articles and Sections and the insertion of headings are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and vice versa and words importing gender may include any gender. In this Agreement, (a) the words "including" and "includes" mean "including (or includes) without limitation", and (b) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" each mean "to but excluding".

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with GAAP.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the next succeeding Business Day.

ARTICLE 2
REVOLVING CREDIT FACILITY

Section 2.1 Availability.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO. The OFA shall make each Advance in Dollars.

Section 2.2 Use of Proceeds.

The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the *Electricity Act, 1998*, as such regulation may be amended or replaced from time to time, subject to the condition that proceeds of Advances may be used only for IESO's financing needs and requirements of any kind arising in connection with the IESO's role with respect to and obligations under the OFHP.

Section 2.3 Credit Facility Limit.

The Advances Outstanding shall not at any time exceed the Commitment. The Credit Facility shall revolve and no payment under the Credit Facility shall reduce the Commitment.

Section 2.4 Mandatory Repayment.

Subject to Sections 2.5 and 5.2, the IESO shall repay each Advance together with the interest accrued thereon on the applicable Repayment Date, and, in any event, shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder on September 30, 2022.

Section 2.5 Prepayments.

The IESO is not entitled to prepay any part of the Advances Outstanding or the interest accrued thereon without the prior written consent of the OFA.

Section 2.6 Payments under this Agreement.

(1) The OFA shall make Advances to the IESO under this Agreement to or to the order of the IESO by wire transfer of immediately available funds in accordance with wire transfer instructions given by the IESO to the OFA from time to time, or in such other manner as the IESO may specify to the OFA from time to time.

(2) The IESO shall make any payment required hereunder to be made by it to the OFA, to or to the order of the OFA, by wire transfer of immediately available funds in accordance with wire transfer instruction given by the OFA to the IESO from time to time, or in such other manner as the OFA may specify to the IESO from time to time. The IESO shall make each such payment in Canadian Dollars.

Section 2.7 Computations of Interest.

(1) All computations of interest shall be made by the OFA taking into account the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest is payable on the basis of a year of 365 days or 366 days, as the case may be.

(2) For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Agreement for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

Section 2.8 Limit on Rate of Interest.

(1) Notwithstanding any provision contained in this Agreement, the IESO shall not be obliged to make any payments of interest or other amounts payable to the OFA hereunder in excess of the amount or rate which would be prohibited by applicable law or would result in the receipt by the OFA of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada)).

(2) In the event that any such payments are limited or prohibited as provided in Section 2.8(1), the OFA shall have no further obligation to make any Advances available hereunder and the Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, shall become immediately due and payable.

Section 2.9 Application of Payments.

All payments made by the IESO under this Agreement shall be applied firstly to the payment of interest payable to the OFA on late payments of principal or interest hereunder, secondly, to the payment of accrued and unpaid interest payable to the OFA hereunder and thirdly, to the payment of the outstanding principal amount of any Advances payable to the OFA.

ARTICLE 3
ADVANCES

Section 3.1 Advances.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO under the Credit Facility from time to time on any Business Day prior to September 23, 2022.

Section 3.2 Procedure for Advances.

(1) Subject to Section 3.3(5), each Advance shall be made subject to two Business Days' prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each notice of an Advance (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1, other than a Borrowing Notice that is included in an Election Notice as permitted by Section 3.3(3). Each Borrowing Notice shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance; (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall not be earlier than 5 days and not later than 95 days after the date of the requested Advance. Each Borrowing Notice shall also certify the use of proceeds of the Advance which shall in any case be in accordance with Section 2.2. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, the IESO shall execute and deliver to the OFA a grid promissory note in respect of Advances substantially in the form of Schedule 3 (the "**Grid Note**"). The IESO authorizes the OFA to record on the Grid Note (a) the date and amount of each Advance or Continued Advance; (b) the applicable rate of interest for each Advance or Continued Advance; (c) the Repayment Date of each Advance or Continued Advance; (d) the date and amount of each payment of interest and each payment of principal or portion thereof in respect of each Advance or Continued Advance; and (e) Advances Outstanding. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such Advances and repayments; provided that the failure of the OFA to record any amount, rate or date shall not affect the obligation of the IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement.

(3) Respecting the first Advance to be made under this Agreement (the "**First Advance**"), a specified portion thereof (the "**Repayment Amount**") shall be used to repay a portion of the IESO's outstanding indebtedness to the OFA under the credit agreement between the Parties dated January 1, 2005, as amended (the "**Existing Credit Facility**"). The amount of the Repayment Amount shall be detailed in the Borrowing Notice issued in respect of the First Advance. Concurrently with the First Advance, OFA shall provide to IESO an updated grid in respect of the grid note issued under the Existing Credit Facility evidencing the repayment of the Repayment Amount thereunder.

Section 3.3 Elections Regarding Advances.

(1) The IESO may elect to continue all or a portion of the principal amount of any Advance and any amount of interest on such Advance (together, the "**Continued Advance**") for a further period of at least 5 days and up to a maximum of 95 days beginning on the then current Repayment Date in accordance with Section 3.3(2).

(2) Each notice to continue an Advance for a further period (an "**Election Notice**") shall be provided by the IESO to the OFA at least two Business Days prior to the Repayment Date of the Advance (the "**Current Repayment Date**"), and in each case, not later than

10:00 a.m. (Toronto time). Each such Election Notice shall be given substantially in the form of Schedule 2 and shall be irrevocable and binding upon the IESO and shall specify: (a) the Current Repayment Date; (b) the new aggregate total amount of the proposed Continued Advance; (c) the amount of interest or principal, if any, to be paid or re-paid by the IESO with respect to such Advance on the Current Repayment Date; and (d) the new Repayment Date of the proposed Continued Advance, which shall be no earlier than 5 days and not later than 95 days after the current Repayment Date (the "**New Repayment Date**"). If the IESO fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date.

(3) An Election Notice with respect to a proposed Continued Advance may include a Borrowing Notice for a further Advance proposed to be made on the Current Repayment Date. The Repayment Date of such further Advance shall be the New Repayment Date of the Continued Advance that is specified in the Election Notice. Such Borrowing Notice shall be given substantially in the form of Schedule 2.

(4) The calculation of interest on a Continued Advance shall be determined in the same manner as an Advance under Section 3.4 and shall be recorded on the Grid Note in accordance with Section 3.2(2).

(5) Any portion of an Advance not continued for a further period in accordance with Section 3.3(2) shall be repayable on the applicable Repayment Date.

(6) The Credit Facility shall at all times rank *pari passu* with all other unsubordinated and unsecured Indebtedness of the IESO, subject to the existence of any Liens that secure Indebtedness, as permitted by subections 4.6 (a) through (e) hereof.

(7) All amounts owing in respect of the Advances shall be paid without exercising any right of set off or counterclaim by the IESO.

Section 3.4 Interest on Advances.

(1) The IESO shall pay interest on the unpaid principal amount of each Advance in accordance with this Section 3.4 from and including the date of such Advance until the principal amount of such Advance is repaid in full.

(2) Interest shall accrue on the principal amount of each Advance from and including the date of the Advance to but excluding the Repayment Date of such Advance, at an annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum, before as well as after the date such principal amount or interest thereon becomes due hereunder and both before and after Default and shall be payable on the Repayment Date for such Advance. Any amount of interest arising hereunder which is not paid when due shall bear interest at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment. The amount of interest payable on an Advance will be calculated by the

OFA by dividing the interest rate applicable to the Advance by 365 or 366, as the case may be, and multiplying the result by the principal amount of the Advance and further multiplying the result by the number of days in the period from the date of the Advance to the Repayment Date of the Advance.

(3) If the IESO elects to continue an Advance in accordance with Section 3.3(2), the OFA shall determine the interest rate applicable after the original Repayment Date of the Advance and endorse the said rate on the grid forming part of the Grid Note in respect of Advances held by it.

Section 3.5 Conditions Precedent

The obligation of the OFA to make the Advances to the IESO pursuant to Section 2.1 is subject to the following conditions being satisfied to the OFA's satisfaction at the time of making each Advance:

(a) that the representations and warranties of the IESO contained in this Agreement are true and correct as at the date of making the Advance;

(b) that no Event of Default has occurred and is continuing;

(c) that there shall, in the reasonable opinion of the OFA, have been no material adverse change in the financial condition of the IESO or a Material Subsidiary; and

(d) that the OFA has received such other documentation which it has reasonably requested to ensure that the IESO is in compliance with the terms and conditions of this Agreement, including certified true copies of any necessary resolutions, a written legal opinion from counsel to the IESO confirming that the borrowing is within the legal powers of the IESO and that the Agreement is a direct, unsecured obligation of the IESO enforceable against the IESO in form satisfactory to the OFA.

ARTICLE 4
COVENANTS OF THE IESO

Section 4.1 Repayment of Advances.

The IESO will duly and punctually pay all amounts owing under this Agreement in accordance with the terms and subject to the conditions of this Agreement.

Section 4.2 IESO will Maintain its Corporate Existence.

The IESO will at all times maintain its corporate existence.

Section 4.3 Maintenance of Properties.

The IESO will cause all property owned by the IESO or any Material Subsidiary to be maintained and kept in good condition, repair and working order, all as in the judgment of the IESO or any Material Subsidiary may be necessary for the proper operation of such property, except as and to the extent that the IESO or any Material Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 4.3 shall prevent the IESO or any Material Subsidiary from discontinuing the maintenance of any such property or decommissioning any such property if such discontinuance or decommissioning is, in the judgment of the IESO or any such Material Subsidiary, desirable in the conduct of its business or the business of any such Material Subsidiary, or has been directly or indirectly requested or required by the Province of Ontario.

Section 4.4 Insurance.

The IESO will cause all property owned by the IESO or any Material Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the mature and to the extent that such property is usually insured by companies operating similar businesses.

Section 4.5 Conduct of Business.

The IESO will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in accordance with good business practice.

Section 4.6 Negative Pledge.

The IESO will not, and will not permit any Material Subsidiary to, create, incur or assume any Lien, charging the interest of the IESO or any Material Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, all amounts owing under this Agreement are secured equally and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) the creation, incurrence or assumption of any Purchase Money Mortgage;

(b) the grant of any Lien in the normal course of business to any banks or financial institutions for present or future Indebtedness of the IESO or any Material Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) any extension, renewal or replacement of any of the Liens referred to in Sections 4.6(a), (b) or (c), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased; and

(e) any Lien charging the interest of the IESO or any Material Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 4.6(a), (b) or (c), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 4.6(e) which is outstanding at such time does not exceed 10% of Consolidated Assets at such time.

Section 4.7 Payment of OFA Expenses

In addition to any liability of the IESO to the OFA under any other provision of this Agreement, the IESO will, on demand, reimburse and indemnify OFA for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OFA in connection with the Agreement (including those services incurred in the preservation of rights under or enforcement of this Agreement at any time during the continuance of a Default or Event of Default and for any reasonable loss or expense incurred by OFA as a result of any failure by the IESO to fulfill any of its obligations under this Agreement). All such costs, charges and expenses shall bear interest at the Province of Ontario's cost of funds plus 0.25 percent per annum (as determined by the OFA) calculated and payable monthly not in advance from in each case from the date on which the OFA incurs the cost, charge or expense until the date on which the IESO reimbursement the OFA therefor. The OFA agrees, acting reasonably, to invoice the IESO for any such costs, charges and expense as they are incurred, together with interest at the aforesaid rate (with interest on overdue interest).

Section 4.8 Reporting.

The IESO will promptly provide to the OFA any reports or supporting documents that the OFA may request from time to time.

Section 4.9 Late Repayment of Advance.

In the event that the IESO fails to repay the principal amount of any Advance and all interest accrued thereon when due, the IESO shall pay interest on the unpaid amount of such Advance at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment.

ARTICLE 5
EVENTS OF DEFAULT AND REMEDIES

Section 5.1 Event of Default.

Wherever used in this Agreement, the term "Event of Default" means any of the following:

(a) the IESO's failure to pay any interest upon any Advance when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) failure to pay the principal amount of any Advance on the applicable Repayment Date or the Advances Outstanding, all interest accrued thereon and all other amounts owing under this Agreement on September 30, 2022;

(c) failure on the part of the IESO to observe or perform its obligations set forth in Section 4.1;

(d) failure on the part of the IESO to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 20 days after the date on which written notice of such failure shall have been given to the IESO by the OFA;

(e) any representation or warranty made by the IESO in this Agreement or in any certificate or other document at any time delivered hereunder to the OFA was incorrect or misleading in any material respect;

(f) one or more breaches by the IESO of its covenants under one or more evidences of Indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $5 million, which breaches:

(i) constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist, or

(ii) have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived or rescinded);

(g) the IESO or any Material Subsidiary:

(i) becomes unable to meet its obligations as they generally become due or has ceased paying its current obligations in the ordinary course of business as they generally become due;

(ii) admits in writing its inability to pay its debts generally or makes a general assignment for the benefit its creditors or files a proposal or other scheme

of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) institutes or has instituted against it any proceeding seeking:

(A) to adjudicate it as bankrupt or insolvent,

(B) liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors, or

(C) the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets,

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismissed or unstayed for a period of 30 days, or any remedy sought in any such proceeding (including the entry of order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

(iv) takes any corporate action to authorize any of the actions in Sections 5.1 (g)(i) to (iii); or

(h) if there shall be rendered against the IESO or any Material Subsidiary a final judgment or judgments for the payment of money in an aggregate amount in excess of $5 million by a court or courts of competent jurisdiction, and the IESO or any Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 5.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case the OFA may at its option, in addition to any other remedy available to the OFA at law, by written notice to the IESO, take any or all of the following actions:

(a) suspend the right of the IESO to request any further Advance until the Event of Default has been cured to the OFA's satisfaction or, if the Event of Default is not

cured within three (3) Business Days after the date on which written notice of such Event of Default shall have been given to the IESO by the OFA, declare all amounts owing hereunder including all interest accrued to be due and payable immediately, by a notice in writing to the IESO, and upon any such declaration all such amounts shall become immediately due and payable.

(b) invoke the Intercept pursuant to section 5.7 of this Agreement to require payment of any amount due and payable under this Agreement.

Section 5.3 Suits for Enforcement by the OFA.

If an Event of Default occurs and is continuing, the OFA may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in the OFA by this Agreement or by law.

Section 5.4 OFA May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of the IESO under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property of the IESO, or if any other judicial proceedings relative to the IESO, its creditors or its property are pending, the OFA shall be entitled and empowered, by intention in such proceeding or otherwise:

(a) to file and prove a claim for all amounts owing under this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of the OFA (including any claim for fees and disbursements of the OFA, its agents and counsel) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claim.

Section 5.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to the OFA is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.6 Delay or Omission not Waiver.

No delay or omission of the OFA to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right or remedy given by this Article 5 or by law to OFA may be exercised from time to time, and as often as may be deemed expedient, by the OFA.

Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of even date herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the *Capital Investment Plan Act, 1993* (the "**Intercept Letter**"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("**Appropriated Funds**"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("**Intercept**").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

(e) The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or

inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail.

ARTICLE 6
REPRESENTATIONS AND WARRANTIES OF IESO

Section 6.1 Representations and Warranties of IESO

The IESO represents and warrants to the OFA that:

(a) the borrowing of money (including principal and accrued interest) by the IESO and the execution, delivery and performance of this Agreement are within the powers and capacities of the IESO and have been duly authorized by all necessary legal action and proper proceedings;

(b) the execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the compliance with the terms and conditions of this Agreement will not conflict with or result in a breach of any of the terms or provisions of the constituting documents or by-laws of the IESO, laws of Ontario, including laws of Canada applicable therein, applicable to the IESO or any contractual or other obligation binding on the IESO;

(c) this Agreement will, when executed and delivered, constitute the legal, valid and binding obligation of the IESO enforceable against it in accordance with its terms; and

(d) the monies advanced under this Agreement shall be used only by the IESO for the purposes set out in Section 2.2.

Section 6.2 Continuation of Representation and Warranties

The representations and warranties set out in Section 6.1 herein shall survive the execution and delivery of this Agreement, the making of each Advance by the OFA, notwithstanding any investigations or examinations which may be made by counsel for the OFA.

ARTICLE 7
GENERAL

Section 7.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy or other means of electronic communication addressed:

If to the IESO, to it at:

Independent Electricity System Operator
120 Adelaide Street West, Suite 1600
Toronto, ON M5H 1T1

Attention: Chief Financial Officer
Telephone: (416)969-6232
Facsimile: (905)403-6913

If to the OFA, to it at:

Ontario Financing Authority 1 Dundas Street West
Suite 1400 Toronto, Ontario M7A 1Y7

Attention: Executive Director & Chief Investment Officer – Capital Markets Division
Telephone: (416)325-8930
Facsimile: (416)860-8346

provided that any Borrowing Notice or Election Notice shall be addressed as indicated on Schedule 1 or Schedule 2 respectively.

Any communication hereunder shall be deemed to have been validly and effectively given if (a) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p.m. (Toronto time), otherwise on the next Business Day, (b) transmitted by facsimile or other means of electronic communication, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice give in accordance with this Section 7.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 7.1.

Section 7.2 Successors and Assigns.

This Agreement shall be binding on and enure to the benefit of the OFA and the IESO and their respective successors and permitted assigns, except that the IESO shall not, without the

prior written consent of the OFA assign, pledge or hypothecate any rights or obligations with respect to this Agreement.

Section 7.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of the Parties.

Section 7.4 Waiver.

(1) No waiver of any provisions of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) of this Agreement nor shall such waiver be binding unless executed in writing by the party to be bound by the waiver.

(2) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude another or further exercise of such right or the exercise of any other right.

Section 7.5 Further Assurances.

Each of the IESO and the OFA shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement

Section 7.6 Severability.

In case any provision in this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement shall not in any way be affected or impaired thereby.

Section 7.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 7.8 Entire Agreement.

This Agreement, including the schedules hereto and any other agreements expressly referred to herein, constitutes the whole agreement between the Parties with respect to the matters dealt with in it, and it supersedes any prior agreement, undertakings, discussions and the like respecting the matters dealt with in this Agreement and entered into by the Parties before the date the OFA signs this Agreement.

Section 7.9 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Agreement.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first written above.

ONTARIO FINANCING AUTHORITY

Per: _____

Name: Michael D. Manning
Title: Executive Director & Chief Investment Officer, Capital Markets Division

I have authority to bind the corporation.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; Treasurer

I have authority to bind the corporation.

SCHEDULE 1

FORM OF BORROWING NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The principal amount of the Proposed Advance is $_____;
(c) The Repayment Date of the Proposed Advance is _____. [Not earlier than 5 days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:

Authorized Signatory

SCHEDULE 2

FORM OF ELECTION NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is _____.

(b) The aggregate amount of the proposed Continued Advance is $_____, which is comprised of:
   i. principal amount (or portion thereof) of Advance which is to be continued $_____; and
   ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date $_____;

(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): $ _____

(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _____. [Insert date not earlier than 5 days and not later than 95 days after the current Repayment Date for the Advance.]

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: $_____
The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Name:

Authorized Signatory

SCHEDULE 3 – FORM OF GRID NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $2,000,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR (the "**IESO**"), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY** ("**OFA**") at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement (as defined below).

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the Revolving Credit Facility Agreement dated **[INSERT DATE]** as amended, supplemented or restated from time to time, between the Borrower and the OFA (the "Agreement"). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:
Authorized Signatory

Revolving Credit Facility Grid Note

Ontario Financing Authority
Line of Credit Grid Note

Entity : Independent Electricity System Operator
Loan Limit:

Project:
Schedule of loan transactions to:
Loan Advanced to:

New Loan and/or Rollover					Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days

AMENDING AGREEMENT NO. 10

This Amending Agreement No. 10 (this "**Amending Agreement**") is made as of the 21st day of November, 2017 (the "**Effective Date**")

BETWEEN:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, a statutory corporation without share capital existing under Part II of the *Electricity Act, 1998* ("**IESO**")

-and-

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* ("**OFA**")

(together, the "**Parties**")

WHEREAS the Ontario Power Authority ("**OPA**") and the OFA entered into a credit agreement dated January 1, 2005 (the "**Original Agreement**");

AND WHEREAS effective January 1, 2015, the OPA and the then existing Independent Electricity System Operator amalgamated and continued as a corporation without share capital under Part II of the *Electricity Act, 1998* with the name "Independent Electricity System Operator" (**"IESO"**), and the obligations of the OPA became obligations of the IESO;

AND WHEREAS pursuant to the amending agreements dated February 14, 2005, October 11, 2005 (titled, "Amending Agreement No. 3"), September 27, 2006 (titled, "Amending Agreement No. 4"), July 13, 2007 (titled, "Amending Agreement No. 5"), November 9, 2010 (titled, "Amending Agreement No. 6"), December 20, 2013 (titled, "Amending Agreement No. 7"), December 19, 2014 (titled, "Amending Agreement No. 8") and November 30, 2016 (titled, "Amending Agreement No. 9"), the OPA or IESO (as applicable) and the OFA amended the Original Agreement (as so amended, the "**Credit Agreement**", the terms defined therein being used herein as therein defined);

AND WHEREAS the Parties have now agreed to: (i) at the request of the IESO, decrease the total principal amount available under the Credit Agreement from $975,000,000 to a total principal amount of up to $475,000,000; (ii) amend the use of proceeds under the Credit Agreement; (iii) amend the Form of Election Notice and related provisions under the Credit Agreement; and (iv) make other amendments required as a consequence of the implementation of the OFHP (as defined below);

AND WHEREAS pursuant to Section 7.3 of the Credit Agreement, the Credit Agreement may only be amended or otherwise modified by written agreement executed by the Parties.

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby

acknowledged, and subject to the terms and conditions hereafter set out, the Parties agree that, as of the Effective Time (as defined below):

1. The definition of "Advances" in Section 1.1 of the Credit Agreement is deleted and replaced by the following:

   "**Advances**" means advances made by the OFA to the IESO under Article 3 and "Advance" means any one of such advances, and in the case of an election by the IESO under Section 3.3, includes a "Continued Advance", as defined in Section 3.3(1), as applicable."

2. The definition of "**Commitment**" in Section 1.1 of the Credit Agreement is amended by deleting "$975,000,000" and substituting "$475,000,000" therefor.

3. The definition of "**Permitted Liens**" is amended by deleting the word "and" at the end of subsection (i); replacing the "." at the end of subsection (j) and replacing it with "; and" ; and adding the following subsection (k):

   "(k) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

4. The following definitions are added to Section 1.1 of the Credit Agreement:

   "Clean Energy Adjustment" has the same meaning as that term is defined in the OFHP.

   "**Continued Advance"** has the meaning specified in Section 3.3(1).

   "**Current Repayment Date**" has the meaning specified in Section 3.3(2).

   "**New Repayment Date**" has the meaning specified in Section 3.3(2).

   "OFHP" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

5. Section 2.3 "Use of Proceeds" of the Credit Agreement is deleted in its entirety (with the exception of the title of the section, which exception also applies regarding the amendments made under sections 6, 7 and 8 hereof) and replaced by the following:

   "The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the *Electricity Act, 1998,* as such regulation may be amended or replaced from time to time, provided that Advances may be used only for liquidity purposes."

6. Section 3.2 "Procedures for Advances" of the Credit Agreement is deleted in its entirety and replaced by the following:

"(1) Subject to Section 3.3(5), each Advance shall be made subject to two Business Days' prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each notice of an Advance (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1, other than a Borrowing Notice that is included in an Election Notice as permitted by Section 3.3(3). Each Borrowing Notice shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance; (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall be no earlier than 28 days and not later than 95 days after the date of the requested Advance. Each Borrowing Notice shall also certify the use of proceeds of the Advance which shall in any case be in accordance with Section 2.3. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, the IESO shall execute and deliver to the OFA a grid promissory note in respect of Advances substantially in the form of Schedule 3 (the **"Grid Note"**). The IESO authorizes the OFA to record on the Grid Note (a) the date and amount of each Advance or Continued Advance; (b) the applicable rate of interest for each Advance or Continued Advance; (c) the Repayment Date of each Advance or Continued Advance; (d) the date and amount of each payment of interest and each payment of principal or portion thereof in respect of each Advance or Continued Advance; and (e) Advances Outstanding. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such Advances and repayments; provided that the failure of the OFA to record any amount, rate or date shall not affect the obligation of the IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement."

7. Section 3.3 "Elections Regarding Advances" of the Credit Agreement is deleted in its entirety and replaced by the following:

"(1) The IESO may elect to continue all or a portion of the principal amount of any Advance and any amount of interest on such Advance (together, the "**Continued Advance**") for a further period of at least 28 days and up to a maximum of 95 days beginning on the then current Repayment Date in accordance with Section 3.3(2).

(2) Each notice to continue an Advance for a further period (an "**Election Notice**") shall be provided by the IESO to the OFA at least two Business Days prior to the Repayment Date of the Advance (the "**Current Repayment Date**"), and in each case, not later than 10:00 a.m. (Toronto time). Each such Election Notice shall be given substantially in the form of Schedule 2 and shall be irrevocable and binding upon the IESO and shall specify: (a) the Current Repayment Date; (b) the new aggregate total amount of the proposed Continued Advance; (c) the amount of interest or principal, if any, to be paid or re-paid by the IESO with respect to such Advance on the Current Repayment Date; and (d) the new Repayment Date of the proposed Continued Advance, which shall be no earlier than 28 days and not later than 95 days after the Current Repayment Date (the "**New Repayment Date**"). If the IESO fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date.

(3) An Election Notice with respect to a proposed Continued Advance may include a Borrowing Notice for a further Advance proposed to be made on the Current Repayment

Date. The Repayment Date of such further Advance shall be the New Repayment Date of the Continued Advance that is specified in the Election Notice. Such Borrowing Notice shall be given substantially in the form of Schedule 2.

(4) The calculation of interest on a Continued Advance shall be determined in the same manner as an Advance under Section 3.4 and shall be recorded on the grid promissory note in respect of Advances in accordance with Section 3.2(2).

(5) Any portion of an Advance not continued for a further period in accordance with Section 3.3(2) shall be repayable on the applicable Repayment Date."

8. Section 5.2 "Acceleration of Maturity; Recission and Annulement" of the Credit Agreement is deleted in its entirety and replaced by the following:

"If an Event of Default occurs and is continuing, then and in every such case the OFA may at its option, in addition to any other remedy available to the OFA at law, by written notice to the IESO, take any or all of the following actions:

(a) suspend the right of the IESO to request any further Advance until the Event of Default has been cured to the OFA's satisfaction or, if the Event of Default is not cured within three (3) Business Days after the date on which written notice of such Event of Default shall have been given to the IESO by the OFA, declare all amounts owing hereunder including all interest accrued to be due and payable immediately, by a notice in writing to the IESO, and upon any such declaration all such amounts shall become immediately due and payable.

(b) invoke the Intercept pursuant to section 5.7 of this Agreement to require payment of any amount due and payable under this Agreement."

9. Section 5.7 "Intercept" is added to the Credit Agreement, stating as follows:

"Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of November 6th , 2017 herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the *Capital Investment Plan Act, 1993* (the "**Intercept Letter**"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("**Appropriated Funds**"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("**Intercept**").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail."

10. Section 7.9 "Entire Agreement' is added to the Credit Agreement, stating as follows:

"Section 7.9 Entire Agreement

This Agreement as amended from time to time and including the schedules hereto and any other agreements expressly referred to herein, constitutes the whole agreement between the Parties with respect to the matters dealt with in it, and it supersedes any prior agreement, undertakings, discussions and the like respecting the matters dealt with in this Agreement and entered into by the Parties before the date the OFA signs this Agreement."

11. Schedule 1 of the Credit Agreement, Form of Borrowing Notice, is deleted in its entirety and replaced by the Form of Borrowing Notice attached hereto as Schedule 1.

12. Schedule 2 of the Credit Agreement, Form of Election Notice, is deleted in its entirety and replaced by the Form of Election Notice attached hereto as Schedule 2.

13. Schedule 3 of the Credit Agreement, IESO Grid Note, is deleted in its entirety and replaced by the Form of Grid Note attached hereto as Schedule 3.

14. For the purposes of this Amending Agreement and its coming into effect:

a. "**Effective Time**" means the time on the Effective Date by which the Transfers of Funds (defined below) have been completed; or such other time as the Parties may subsequently agree to in writing as being the "Effective Time";

b. "**Transfers of Funds**" means those transfers of funds to be completed between the Parties on the Effective Date, being:

   i. the First Advance as defined under section 3.2(3) of the credit agreement between the Parties in relation to the IESO's role in the implementation of the OFHP dated November 6, 2017; and,

   ii. the completion of all Advances described in the Election Notice to be provided by the IESO to the OFA no later than November 17, 2017 (such terms having the meanings defined in the Credit Agreement) that are to be funded under the Credit Agreement on the Effective Date; and,

   iii. the repayment by the IESO of all Advances Outstanding (as defined in the Credit Agreement) exceeding $475 million; and,

   iv. the payment by the IESO to OFA of the interest then owing under the Credit Agreement.

15. The Parties shall endeavour to complete and exchange all usual documentation relating to the Transfers of Funds, and to any other related matters occurring on the Effective Date, prior to 5:00 p.m. on the Effective Date, and in any case no later than the next business day.

16. After the Effective Time, and prior to any further Advances under the Credit Agreement, the IESO shall execute and deliver to the OFA a new grid promissory note in the principal amount of up to $475,000,000 substantially in the form attached hereto as Schedule 3 (the **"Grid Note"**) and indicating a total principal amount of Advances Outstanding as of the Effective Time. Upon receipt of the new Grid Note delivered hereunder, the OFA will cancel and return the grid promissory note dated November 30, 2016 to the IESO.

17. This Amending Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Amending Agreement.

IN ALL OTHER RESPECTS, the Credit Agreement is confirmed by the Parties.

[*signature page follows*]

IN WITNESS WHEREOF the Parties hereto have executed and delivered this Amending Agreement on the dates set out below, which shall come into effect as of the Effective Time as defined herein.

ONTARIO FINANCING AUTHORITY

Per: _____ Date: November 6, 2017.

Name: Michael D. Manning
Title: Executive Director & Chief
Investment Officer
Capital Markets Division

I have authority to bind the corporation.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____ Date: November_____, 2017.

Name: Kimberly Marshall
Title: Vice President, Corporate Services;
Chief Financial Officer; Treasurer

I have authority to bind the corporation.

SCHEDULE 1 TO AMENDING AGREEMENT NO. 10

FORM OF BORROWING NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "**Agreement**", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "**Proposed Advance**"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The principal amount of the Proposed Advance is $_____;
(c) The Repayment Date of the Proposed Advance is _____. [Not earlier than 28 days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:

Authorized Signatory

SCHEDULE 2 TO AMENDING AGREEMENT NO. 10

FORM OF ELECTION NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is _____;

(b) The aggregate amount of the proposed Continued Advance is $_____, which is comprised of:

i. principal amount (or portion thereof) of Advance which is to be continued $_____; and
ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date $_____;

(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): $ _____

(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _____. [Insert date no earlier than 28 days and not later than 95 days after the Current Repayment Date for the Advance.]

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: $_____

The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:
Authorized Signatory

SCHEDULE 3 TO AMENDING AGREEMENT NO. 10

FORM OF GRID NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $475,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICTY SYSTEM OPERATOR (the **"IESO"**), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY ("OFA")** at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Credit Agreement (as defined below). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Credit Agreement.

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the credit agreement dated January 1, 2005 as amended, supplemented or restated from time to time, between the Borrower and the OFA (the **"Credit Agreement"**).

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Credit Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Name:
Authorized Signatory

Line of Credit Grid Note

Entity : Independent Electricity System Operator
Loan Limit: $475,000,000

Project:
Schedule of loan transactions to:
Loan Advanced to:

New Loan and/or Rollover					Actual Repayment					
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days

From: William Tan
To: Carlos Yep; SETTLEMENT; CASHP
Cc: Sarah Harris
Subject: FHP Agreement, 5-day minimum period exception
Date: Wednesday, March 07, 2018 3:33:25 PM

Hello all,

IESO has asked OFA for a one-time exception to waive the minimum period for advances of 5 days (FHP Credit Facility Agreement). IESO has asked for an advance period of 1 day, so it may use money expected from OPG to repay its advance on the same day it matures.

IESO's current outstanding advance of $322M, matures on March 21, 2018. IESO will require an additional advance of $208M (to pay power generators) for a total of $530M, but will only require this for 1 day because IESO expects to receive funds from OPG to repay its advances on March 22. Rather than incurring additional interest costs of borrowing until March 26, 2018 (5 day minimum), IESO would prefer to match the maturity of its advances and expected cash inflow from OPG.

Please let me know if your respective areas have any concerns or issues from an operational standpoint.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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From: William Tan
To: Carlos Yep; SETTLEMENT; CASHP
Cc: Sarah Harris
Subject: FHP Agreement, 5-day minimum period exception
Date: Wednesday, March 07, 2018 3:33:25 PM

Hello all,

IESO has asked OFA for a one-time exception to waive the minimum period for advances of 5 days (FHP Credit Facility Agreement). IESO has asked for an advance period of 1 day, so it may use money expected from OPG to repay its advance on the same day it matures.

IESO's current outstanding advance of $322M, matures on March 21, 2018. IESO will require an additional advance of $208M (to pay power generators) for a total of $530M, but will only require this for 1 day because IESO expects to receive funds from OPG to repay its advances on March 22. Rather than incurring additional interest costs of borrowing until March 26, 2018 (5 day minimum), IESO would prefer to match the maturity of its advances and expected cash inflow from OPG.

Please let me know if your respective areas have any concerns or issues from an operational standpoint.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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From:	Lisa Stein
To:	John Kim
Cc:	William Tan; Sarah Harris; Lisa Stein
Subject:	FHP credit facility agreement draft June 23 2017 IESO Legal July 26 v3.docx
Date:	Friday, November 10, 2017 3:58:53 PM
Attachments:	FHP credit facility agreement draft June 23 2017 IESO Legal July 26 v3.docx

Hi John,

Further to our discussion this afternoon, please see the notes re: the definition of "permitted liens" in the attached earlier draft version of the FHP agreement. I'm trying to find the IESO's e-mail that is referenced therein and will send via separate e-mail.

Lisa

Lisa N. Stein
Legal Counsel
Ontario Financing Authority
416-325-2320

****
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INDEPENDENT ELECTRICITY SYSTEM OPERATOR

as Borrower

and

ONTARIO FINANCING AUTHORITY

as Lender

REVOLVING CREDIT FACILITY AGREEMENT

Date: August~~July~~ (·), 2017~~)~~

Commented [WT1]: Date change.

REVOLVING CREDIT FACILITY AGREEMENT

THIS AGREEMENT is made as of the (·) day of August~~July~~ 2017,

BETWEEN:

INDEPENDENT ELECTRICTY SYSTEM OPERATOR, a statutory corporation without share capital existing under the *Electricity Act, 1998* (the "IESO")
(as Borrower)

AND

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* (the "OFA" and together with the IESO, the "Parties")
(as Lender)

RECITALS:

WHEREAS the IESO has requested a revolving credit facility for up to a maximum principal amount of $2 billion Dollars from the OFA for the purpose of supporting the IESO's role in the implementation and administration of the *Ontario Fair Hydro Plan Act, 2017*~~ (the "OFHP")~~.

THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the P~~p~~arties agree as follows:

ARTICLE 1

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"Advances" means advances made by the OFA to the IESO under Article 3 and "Advance" means any one of such advances and in the case of an election by the IESO under Section 3.3, may include a ~~or~~ "Continued Advance", ~~-~~as defined in Section 3.3(1), as applicable.

Commented [LS2]: Why was this deleted? Please add back as "Dollars" is defined.

Commented [LS3]: Based on discussion with IESO Counsel. Also see amendment to election notice.

"Advances Outstanding" means, at any time, an amount equal to the aggregate principal amount of all Advances outstanding at such time.

"Agreement", "herein", "hereby", "hereor', "hereunder" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression "Article" or "Section" followed by a number means the specified Article or Section of this Agreement.

"Borrowing Notice" has the meaning specified in Section 3.2(1).

"Business Day" means any day that is not a day on which banks are generally authorized or required by law or executive order to be closed in the City of Toronto.

"Clean Energy Adjustment" has the same meaning as ~~"clean energy adjustment" as~~ that term is defined in the OFHP.

Commented [WT4]: To be confirmed.

"Commitment" means, at any time, an amount equal to $2 billion.

"Consolidated Assets" means, at any time, the book value of the assets of the IESO and the Subsidiaries, determined as of such time on a consolidated basis in accordance with GAAP.

"**Continued Advance"** has the meaning specified in Section 3.3(1).

"Credit Facility" means the revolving credit facility to be made available to the IESO by the OFA under this Agreement for the purposes specified in Section 2.2.

"Default" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"Dollars" or **"$"** means lawful currency of Canada.

"Election Notice" has the meaning specified in Section 3.3(2).

"Event of Default" has the meaning specified in Section 5.1.

~~"**Financing Entity**" has the same meaning as "financing entity" as that term is defined in the OFHP.~~

Commented [WT5]: If the term "Financing Entity" is not used anywhere else in this document, we do not think it should be included.

Commented [LS6]: Agreed. Does anyone know why it was included in the first place?

"GAAP" means accounting policies and standards as established by the Chartered Professional Accountants of Canada~~, Public Sector Accounting Board~~ at the relevant time and applied on a consistent basis.

"Grid Note" has the meaning specified in Section 3.2(2).

"Indebtedness" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) every obligation of such Person for borrowed money;

(b) every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments;

(c) every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) every capital lease obligation of such Person; and

~~(f) the Swap Termination Value of each Swap Contract of such Person; and~~

(~~f~~g) every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"Lien" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"Material Subsidiary " means, at any time, a Subsidiary which has consolidated assets with a book value of more than $25 million determined in accordance with GAAP.

"**OFHP**" ~~has the meaning specified in the Recitals to this Agreement.~~means the *Ontario Fair Hydro Plan Act, 2017*.

"Permitted Liens" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

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(c) any obligations or duties, affecting the property of the IESO to any municipality or governmental, statutory or public authority, with respect to any franchise, grant, license or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by the IESO or such Material Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by the IESO or such Material Subsidiary;

(d) any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) the right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) any undetermined or inchoate Liens and charges incidental to the current operations of the IESO or a Material Subsidiary that have not at the time been filed against the IESO or such Material Subsidiary; provided, however, that if any such Lien or charge shall have been filed, the IESO or such Material Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) any Lien the validity of which is being contested at the time by the IESO or a Material Subsidiary in good faith and the enforcement of which has been stayed;

(h) any easements, rights-of-way and servitudes that in the opinion of the IESO will not in the aggregate materially and adversely impair the use or value of the land for the purpose for which it is held or occupied by the IESO or a Material Subsidiary;

(i) any Liens and privileges arising out of judgments or awards with respect to which the IESO or a Material Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall have secured a stay of execution pending such appeal or proceedings for review; and

(j) any other Liens of a nature similar to the foregoing which do not in the opinion of the IESO, acting reasonably, materially impair the use of the property subject thereto or the operation of the business of the IESO or any Material Subsidiary or the value of such property for the purpose of any such business

~~any Lien arising in connection with the IESO's role and obligations under the OFHP, including with respect to any amounts collected and held by IESO in relation to the Clean Energy Adjustment, or otherwise.~~

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Commented [WT7]: We query whether section (k) is necessary since we consider that section (j) "any other Liens" may already capture this. We defer to OFA Legal on this matter.

Commented [LS8]: Is there a concern with including this from a business perspective? See IESO's cover e-mail. Section (j) refers to Liens "of a nature similar to the foregoing" and may not capture liens in relation to the OFHP specifically. This change, if accepted by the OFA, must also be included in Amending Agreement #10.

"**Person**" means any individual, corporation, partnership joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"**Purchase Money Mortgage**" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or par of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"**Repayment Date**" means, in respect of the repayment of Advances, the repayment date contained in the most recent Borrowing Notice or Election Notice.

"**Stated Maturity**" when used with respect to any Indebtedness or any installment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such installment of interest is due and payable.

"Subsidiary" means:

(a) a corporation more than 50% of the voting power or the outstanding Voting Shares of which is owned, directly or indirectly, by the IESO or by one or more other Subsidiaries or by the IESO and one or more other Subsidiaries; or

(b) any Person (other than a corporation) in which the IESO, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

~~**"Swap Contract"** means any agreement whether or not in writing, relating to any transaction or derivative transaction including a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction currency swap, cross-currency rate swap, swaption, currency option or other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.~~

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~~**"Swap Termination Value"** means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap contracts:~~

~~(a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and~~

~~(b) for any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.~~

"Voting Shares" of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings.

The division of this Agreement into Articles and Sections and the insertion of headings are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and vice versa and words importing gender may include any gender. In this Agreement, (a) the words "including" and "includes" mean "including (or includes) without limitation", and (b) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" excluding".

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with GAAP.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the next succeeding Business Day.

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ARTICLE 2
REVOLVING CREDIT FACILITY

Section 2.1 Availability.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO. The OFA shall make each Advance in ~~Canadian~~ Dollars.

Section 2.2 Use of Proceeds.

The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the *Electricity Act*, *1998*, subject to the ~~following~~ condition that~~s~~:

~~(1)~~ ~~P~~proceeds of Advances may be used only for IESO's ~~short term~~ financing needs and requirements of any kind arising in connection with ~~due to cash flow timing differences incurred as a result of~~ the IESO's role with respect to and obligations under~~in the implementation and administration of~~ the OFHP.

~~The IESO is expected to recover or repay the proceeds for each Advance over a period of no more than 12 months from the date of such Advance."~~

Section 2.3 Credit Facility Limit.

The Advances Outstanding shall not at any time exceed the Commitment. The Credit Facility shall revolve and no payment under the Credit Facility shall reduce the Commitment.

Section 2.4 Mandatory Repayment.

Subject to Sections 2.5 and 5.2, the IESO shall repay each Advance together with the interest accrued thereon on the applicable Repayment Date, and, in any event, shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder on September 30, 2022.

Section 2.5 Prepayments.

The IESO is not entitled to prepay any part of the Advances Outstanding or the interest accrued thereon without the prior written consent of the OFA.

Section 2.6 Payments under this Agreement.

(1) The OFA shall make Advances to the IESO under this Agreement to or to the order of the IESO by wire transfer of immediately available funds in accordance with wire transfer instructions given by the IESO to the OFA from time to time, or in such other manner as the IESO may specify to the OFA from time to time.

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Commented [JB9]: We defer to OFA Legal and Electricity Branch on this matter.

Commented [LS10]: Business decision – defer to Electricity Branch

Commented [LS11]: IESO has provided an explanation in their cover e-mail regarding deletion of this 12-month requirement. It is a business decision whether to accept this change. Is it a requirement based on the supporting documentation (I don't believe it's captured in the directive)?

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(2) The IESO shall make any payment required hereunder to be made by it to the OFA, to or to the order of the OFA, by wire transfer of immediately available funds in accordance with wire transfer instruction given by the OFA to the IESO from time to time, or in such other manner as the OFA may specify to the IESO from time to time. The IESO shall make each such payment in Canadian Dollars.

Section 2.7 Computations of Interest.

(1) All computations of interest shall be made by the OFA taking into account the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest is payable on the basis of a year of 365 days or 366 days, as the case may be.

(2) For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Agreement for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding in the next calendar year and the denominator of which is the actual number of days in such period.

Section 2.8 Limit on Rate of Interest.

(1) Notwithstanding any provision contained in this Agreement, the IESO shall not be obliged to make any payments of interest or other amounts payable to the OFA hereunder in excess of the amount or rate which would be prohibited by applicable law or would result in the receipt by the OFA of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada)).

~~(2)~~ In the event that any such payments are limited or prohibited as provided in Section 2.8(1), the OFA shall have no further obligation to make any Advances available hereunder and the Advances Outstanding, together will all accrued interest and all other amounts owing hereunder, shall become immediately due and payable.

Section 2.~~8~~9 Application of Payments.

All payments made by the IESO under this Agreement shall be applied firstly to the payment of interest payable to the OFA on late payments of principal or interest hereunder, secondly, to the payment of accrued and unpaid interest payable to the OFA hereunder and thirdly, to the payment of the outstanding principal amount of any Advances payable to the OFA.

Commented [WT12]: We no longer include this language in in any of our debt documentation and query whether it is necessary.

Commented [LS13]: Who made the decision to exclude this language? I've sent an inquiry to MOF Legal.

Commented [LS14]: I've added back these clauses as per instructions/discussions. Perhaps this can be reviewed for future agreements.

ARTICLE 3
ADVANCES

Section 3.1 Advances.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO under the Credit Facility from time to time on any Business Day prior to September 23, 2022.

Section 3.2 Procedure for Advances.

(1) Subject to Section 3.3(3), each Advance shall be made subject to two Business Days' prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each notice of an Advance (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1, shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance, and (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall not be earlier than 5 days and not later than 95 days after the date of the requested Advance. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, the IESO shall execute and deliver to the OFA a grid promissory note in respect of Advances substantially in the form of Schedule 3 (the "**Grid Note**"). The IESO authorizes the OFA to record on the Grid Note (a) the date and amount of each Advance or Continued Advance; (b) the applicable rate of interest for each Advance or Continued Advance; (c) the Repayment Date of each Advance or Continued Advance; (d) the date and amount of each payment of interest and each payment of principal in respect of each Advance or Continued Advance; and (e) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of the such advances and repayments; provided that the failure of the OFA to record any amount, rate or date shall not affect the obligation of the IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement.

Section 3.3 Elections Regarding Advances.

(1) The IESO may elect to continue all or a portion of the principal amount of any Advance and any amount of interest on such Advance (together, the "**Continued Advance**") for a further period of at least 5 days and up to a maximum of 95 days beginning on the then current Repayment Date in accordance with Section 3.3(2).

(2) Each notice to continue an Advance for a further period (an "**Election Notice**") shall be provided by the IESO to the OFA at least two Business Day's prior to the Repayment Date of the Advance, and in each case, not later than 10:00 a.m. (Toronto time). Each such Election Notice shall be given substantially in the form of Schedule 2 and shall be irrevocable and binding upon the IESO and shall specify: (a) the Advance to which the election request applies (b) the new aggregate total amount of the proposed Continued

Commented [WT15]: Changed for consistency. In italics in Schedule 3.

Commented [LS16]: Ok

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Advance; and (c) the new Repayment Date of the proposed Continued Advance, which shall be no earlier than 5 days and not later than 95 days after the current Repayment Date. If the IESO fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date.

(3) The calculation of interest on a Continued Advance shall be determined in the same manner as an Advance under Section 3.4 and shall be recorded on the Grid Note in accordance with Section 3.2(2).

(4) Any portion of an Advance not continued for a further period in accordance with Section 3.3(2) shall be repayable on the applicable Repayment Date.

(5) ~~T~~the Credit Facility shall at all times rank *pari passu* with all other ~~unsubordinated~~ unsecured Indebtedness of the IESO~~, subject to the existence of (i) any Permitted Liens of the IESO, and (ii) any other Liens that secure Indebtedness in accordance with Section 4.6 hereof~~.

(6) All amounts owing in respect of the Advances shall be paid without exercising any right of set off or counterclaim by the IESO.

Commented [JB17]: We defer to OFA Legal on this matter

Commented [LS18]: Amended as per discussions. Still requires review/acceptance by IESO counsel.

Section 3.4 Interest on Advances.

(1) The IESO shall pay interest on the unpaid principal amount of each Advance in accordance with this Section 3.4 from and including the date of such Advance until the principal amount of such Advance is repaid in full.

(2) Interest shall accrue on the principal amount of each Advance from and including the date of the Advance to but excluding the Repayment Date of such Advance, at an annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum, before as well as after the date such principal amount or interest thereon becomes due hereunder and both before and after default and shall be payable on the Repayment Date for such Advance. Any amount of interest arising hereunder which is not paid when due shall bear interest at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment. The amount of interest payable on an Advance will be calculated by the OFA by dividing the interest rate applicable to the Advance by 365 or 366, as the case may be, and multiplying the result by the principal amount of the Advance and further multiplying the result by the number of days in the period from the date of the Advance to the Repayment Date of the Advance.

(3) If the IESO elects to continue an Advance in accordance with Section 3.3(2), the OFA shall determine the interest rate applicable after the original Repayment Date of the Advance and endorse the said rate on the grid forming part of the Grid Note~~-~~ in respect of Advances held by it.

Section 3.5 Conditions Precedent

The ~~obligation~~agreement of the OFA~~IESO~~ to make the Advances to IESO pursuant to Section 2.1 is subject to the following conditions being satisfied to the OFA's satisfaction at the time of making each Advance:

(a) that the representations and warranties of the IESO contained in this Agreement are true and correct as at the date of making the Advance;

(b) that no Event of Default has occurred and is continuing;

(c) that there shall, in the reasonable opinion of the OFA, have been no material adverse change in the financial condition of the IESO or a Material Subsidiary; and

(d) that the OFA has received such other documentation which it has reasonably requested to ensure that the IESO is in compliance with the terms and conditions of this Agreement, including certified true copies of any necessary resolutions, a written legal opinion from counsel to the IESO confirming that the borrowing is within the legal powers of the IESO and that the Agreement is a direct, unsecured obligation of the IESO enforceable against the IESO in form satisfactory to the OFA.

Commented [WT19]: To be confirmed.

Commented [LS20]: By whom? This language is standard.

ARTICLE 4
COVENANTS OF THE IESO

Section 4.1 Payment of Advances.

The IESO will duly and punctually pay all amounts owing under this Agreement in accordance with the terms and subject to the conditions of this Agreement.

Section 4.2 IESO will Maintain its Corporate Existence.

The IESO will at all times maintain its corporate existence.

Section 4.3 Maintenance of Properties.

The IESO will cause all property owned by the IESO or any Material Subsidiary to be maintained and kept in good condition, repair and~~an~~ working order, all as in the judgment of the IESO or any Material Subsidiary may be necessary for the proper operation of such property, except as and to the extent that the IESO or any Material Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 4.3 shall prevent the IESO or any Material Subsidiary from discontinuing the maintenance of any such property or

decommissioning any such property if such discontinuance or decommissioning is, in the judgment of the IESO or any such Material Subsidiary, desirable in the conduct of its business or the business of any such Material Subsidiary, or has been directly or indirectly requested or required by the Province of Ontario.

Section 4.4 Insurance.

The IESO will cause all property owned by the IESO or any Material Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the mature and to the extent that such property is usually insured by companies operating similar businesses.

Section 4.5 Conduct of Business.

The IESO will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in accordance with good business practice~~a proper, efficient and business-like manner and in accordance with good business practice.~~.

Section 4.6 Negative Pledge.

The IESO will not, and will not permit any Material Subsidiary to, create, incur or assume any Lien, charging the interest of the IESO or any Material Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, all amounts owing under this Agreement are secured equally and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) the creation, incurrence or assumption of any Purchase Money Mortgage;

(b) the grant of any Lien in the normal course of business to any banks or financial institutions for present or future I~~i~~ndebtedness of the IESO or any Material Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) any extension, renewal or replacement of any of the Liens referred to in Sections 4.6(a), (b) or (c), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased; and

(e) any Lien charging the interest of the IESO or any Material Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 4.6(a), (b) or (c),

provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 4.6(e) which is outstanding at such time does not exceed 10% of Consolidated Assets at such time.

Section 4.7 Payment of OFA Expenses

In addition to any liability of the IESO to the OFA under any other provision of this Agreement, the IESO will, on demand, reimburse and indemnify OFA for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OFA in connection with the ~~sServices~~Agreement (including those services incurred in the preservation of rights under or enforcement of this Agreement at any time during the continuance of a default or Event of Default and for any reasonable loss or expense incurred by OFA as a result of any failure by the IESO to fulfill any of its obligations under this Agreement). All such costs, charges and expenses shall bear interest at the Province of Ontario's cost of funds plus 0.25 percent per annum (as determined by the OFA) calculated and payable monthly not in advance from in each case from the date on which the OFA incurs the cost, charge or expense until the date on which the IESO reimbursement the OFA therefor. The OFA agrees, acting reasonably, to invoice the IESO for any such costs, charges and expense as they are incurred, together with interest at the aforesaid rate (with interest on overdue interest).

Section 4.8 Reporting.

The IESO will promptly provide to the OFA any reports or supporting documents that the OFA may request from time to time.

Section 4.9 Late Repayment of Advance.

In the event that the IESO fails to repay the principal amount of any Advance and all interest accrued thereon when due, the IESO shall pay interest on the unpaid amount of such Advance at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment.

ARTICLE 5
EVENTS OF DEFAULT AND REMEDIES

Section 5.1 Event of Default.

Wherever used in this Agreement, the term "Event of Default" means any of the following:

(a) the IESO's failure to pay any interest upon ~~the~~ any Advance when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) failure to pay the principal amount of any Advance on the applicable Repayment Date or the Advances Outstanding, all interest accrued thereon and all other amounts owing under this Agreement on September 30, 2022;

(c) failure on the part of the IESO to observe or perform its obligations set forth in Section 4.1;

(d) failure on the part of the IESO to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 20 days after the date on which written notice of such failure shall have been given to the IESO by the OFA;

(e) any representation or warranty made by the IESO in this Agreement or in any certificate or other document at any time delivered hereunder to the OFA was incorrect or misleading in any material respect;

(f) one or more breaches by the IESO of its covenants under one or more evidences of I~~i~~ndebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $5 million, which breaches:

(i) ~~(i)~~ constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist, or

(ii) have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived~~waive~~ or rescinded);

(g) the IESO or any Material Subsidiary :

(i) becomes unable~~generally not able~~ to pay its debts as they become due;

(ii) admits in writing its inability to pay its debts generally or makes a general assignment for the benefit its creditors or files a proposal or other scheme of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) institutes or has instituted against it any proceeding seeking:

(A) to adjudicate it as bankrupt or insolvent,

(B) liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, ~~I~~ insolvency, ~~I~~ reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors, or

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(C) the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets,

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismissed or unstayed for a period of 30 days, or any remedy sought in any such proceeding (including the entry of order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

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(iv) takes any corporate action to authorize any of the actions in Sections 5.l (h)(i) to (iii); or

(h) if there shall be rendered against the IESO or any Material Subsidiary a final judgment or judgments- for the payment of money in an aggregate amount in excess of $5 million by a court or courts of competent jurisdiction, and the IESO- or any Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments- discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 5.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case the OFA may at its option, suspend the right of the IESO to request any further Advance until the Event of Default has been cured to the OFA's satisfaction or, if the Event of Default is not cured within three (3) Business Days ~~of~~after the date on which written notice of ~~providing such written notice~~such Event of Default shall have been given to the IESO by the OFA, declare all amounts owing hereunder including all interest accrued to be due and payable immediately, by a notice in writing to the IESO, and upon any such declaration all such amounts shall become immediately due and payable.

Section 5.3 Suits for Enforcement by the OFA.

If an Event of Default occurs and is continuing, the OFA may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in the OFA by this Agreement or by law.

Section 5.4 OFA May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of the IESO under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property of the IESO, or if any other judicial proceedings relative to the IESO, its creditors or its property are pending, the OFA shall be entitled and empowered, by intention in such proceeding or otherwise:

(a) ~~(a)~~ to file and prove a claim for all amounts owing under~~und~~ this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of the OFA (including any claim for fees and disbursements of the OFA, its agents and counsel) allowed in such judicial proceeding; and

(b) to collect and receive any moneys or other property payable or deliverable on any such claim.

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Section 5.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to the OFA is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.6 Delay or Omission not Waiver.

No delay or omission of the OFA to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right or remedy given by this Article 5 or by law to OFA may be exercised from time to time, and as often as may be deemed expedient, by the OFA.

ARTICLE 6
REPRESENTATIONS AND WARRANTIES OF IESO

Section 6.1 Representations and Warranties of IESO

The IESO represents and warrants to the OFA that:

(a) the borrowing of money (including principal and accrued interest) by the IESO and the execution, delivery and performance of this Agreement are within the powers and capacities of the IESO and have been duly authorized by all necessary legal action and proper proceedings;

(b) the execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the compliance with the terms and conditions of this Agreement will not conflict with or result in a breach of any of the terms or provisions of the constituting documents or by-laws of the IESO, laws of Ontario, including laws of Canada applicable therein, applicable to the IESO or any contractual or other obligation binding on the IESO;

(c) this Agreement will, when executed and delivered, constitute the legal, valid and binding obligation of the IESO enforceable against it in accordance with its terms; and

(d) the moneysies advanced under this Agreement shall be used only by the IESO for the purposes set out in Section 2.2.

Commented [JB21]: Consistency with 5.4 (b)

Section 6.2 Continuation of Representation and Warranties

The representations and warranties set out in Section 6.1 herein shall survive the execution and delivery of this Agreement, the making of each Aadvance by the OFA, notwithstanding any investigations or examinations which may be made by counsel for the OFA.

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ARTICLE 7
GENERAL

Section 7.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy or other means of electronic communication addressed:

If to the IESO, to it at:

Independent Electricity System Operator
120 Adelaide Street West, Suite 1600
Toronto, ON M5H 1T1

Attention: Chief Financial Officer
Telephone: (416)969-6232
Fascimile: (905)403-6913

If to the OFA, to it at:

Ontario Financing Authority 1 Dundas Street West
Suite 1400 Toronto, Ontario M7A 1HY7

Attention: Executive Director – Capital Markets Division
Telephone: (416)325-8930
Facscimile~~Telecopier~~: (416)325-8111

provided that any Borrowing Notice or Election Notice shall be addressed as indicated on Schedule 1 or Schedule 2 respectively.

Any communication hereunder shall be deemed to have been validly and effectively given if (a) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p.~~m~~. (Toronto time), otherwise on the next Business Day, (b) transmitted by telecopier other means of electronic communication, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice give in accordance with this Section 7.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 7.1.

Section 7.2 Successors and Assigns.

This Agreement shall be binding on and enure to the benefit of the OFA and the IESO and their respective successors and permitted assigns, except that the IESO shall not, without the prior written consent of the OFA assign, pledge or hypothecate any rights or obligations with respect to this Agreement.

Section 7.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of the Parties~~OFA and the IESO~~.

Section 7.4 Waiver.

(1) No waiver of any provisions of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) or this Agreement nor shall such waiver be binding unless executed in writing by~~y~~ the party to be bound by the waiver.

(2) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude another or further exercise of such right or the exercise of any other right.

Section 7.5 Further Assurances.

Each of the IESO and the OFA shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement

Section 7.6 Severability.

In case any provision in this Agreement shall be in-valid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement shall not in any way be affected or impaired thereby.

Section 7.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 7.8 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Agreement~~instrument~~.

Commented [LS22]: Previous wording okay. Why the change?

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first written above.

ONTARIO FINANCING AUTHORITY

Per: _____

Name: Michael D. Manning
Title: Executive Director
Capital Markets Division

I have authority to bind the corporation.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services;
Chief Financial Officer; Treasurer

I have authority to bind the corporation.

SCHEDULE 1

FORM OF BORROWING NOTICE

Delivered Via Fax: 416-204-7920

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving ~~c~~Credit Facility ~~a~~Agreement between the IESO and the OFA dated ~~July~~August (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The aggregate amount of the Proposed Advance is $_____;
(c) The Repayment Date of the Proposed Advance is _____. [Not earlier than ~~57~~ days and not later than 95 days after the date of the Proposed Advance.]

Commented [LS23]: Consistent with S. 3.2 of Agreement. Program area please confirm.

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The undersigned herby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s):

(1) [indicate amount and purpose of funds requested]
(2) [indicate amount and purpose of funds requested]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:

Authorized Signatory

SCHEDULE 2

FORM OF ELECTION NOTICE

Delivered Via Fax: 416-204-7920

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving ~~c~~Credit Facility ~~A~~agreement between the IESO and the OFA dated ~~July~~August (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue all or a portion of an Advance or Continued Advance, as the case may be, for an additional term, and in connection with such election, sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The Advance to which the election request applies is _____; [Insert principal amount of Advance and Advance date];
(b) The new aggregate total amount of the proposed Continued Advance is $_____;
i. previous principal amount of Advance [or portion thereof] $_____
ii. accrued interest on Advance [or portion thereof] $_____
(c) The new Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _____. [Not earlier than 5~~7~~ days and not later than 95 days after the current Repayment Date for the Advance.]

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per:_____
Name:

Authorized Signatory

SCHEDULE 3 – FORM OF GRID NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $2,000,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR (the "**IESO**"), incorporated under the laws of the Province~~OFA~~ of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY** ("**OFA**") at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid ~~(the "**Grid** Note")~~ attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement (as defined below).

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the ~~Credit~~ Agreement dated ~~July~~August (·), 2017 as amended, supplemented or restated from time to time, between the Borrower and the OFA (the "~~Credit~~ Agreement"). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the ~~Credit~~ Agreement.

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the ~~Credit~~ Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICTY SYSTEM OPERATOR

By:_____

By:_____

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Credit Facility Grid Note

Date	Principal Advanced	Rate	Repayment Date and Principal Repaid	Interest Payment Date and Amount	Unpaid Principal Balance	Notation Made By

From:	Lisa Stein
To:	John Kim
Cc:	William Tan; Sarah Harris; Lisa Stein
Subject:	FHP credit facility agreement draft June 23 2017 IESO Legal July 26 v3.docx
Date:	Friday, November 10, 2017 3:58:53 PM
Attachments:	FHP credit facility agreement draft June 23 2017 IESO Legal July 26 v3.docx

Hi John,

Further to our discussion this afternoon, please see the notes re: the definition of "permitted liens" in the attached earlier draft version of the FHP agreement. I'm trying to find the IESO's e-mail that is referenced therein and will send via separate e-mail.

Lisa

Lisa N. Stein
Legal Counsel
Ontario Financing Authority
416-325-2320

****
This message, including any attachments, is intended only for the use of the individual(s) to which it is addressed and contains information that is privileged/confidential. Any other distribution, copying or disclosure is strictly prohibited. If you are not the intended recipient or have received this message in error, please notify the sender immediately by reply e-mail and permanently delete this message, including any attachments, without reading it or making a copy. Thank you.
****

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

as Borrower

and

ONTARIO FINANCING AUTHORITY

as Lender

REVOLVING CREDIT FACILITY AGREEMENT

Date: August~~July~~ (·), 2017~~)~~

Commented [WT1]: Date change.

REVOLVING CREDIT FACILITY AGREEMENT

THIS AGREEMENT is made as of the (·) day of August~~July~~ 2017,

BETWEEN:

INDEPENDENT ELECTRICTY SYSTEM OPERATOR, a statutory corporation without share capital existing under the *Electricity Act, 1998* (the "IESO")
(as Borrower)

AND

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* (the "OFA" and together with the IESO, the "Parties")
(as Lender)

RECITALS:

WHEREAS the IESO has requested a revolving credit facility for up to a maximum principal amount of $2 billion Dollars from the OFA for the purpose of supporting the IESO's role in the implementation and administration of the *Ontario Fair Hydro Plan Act, 2017*~~ (the "OFHP")~~.

THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the P~~p~~arties agree as follows:

ARTICLE 1

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"Advances" means advances made by the OFA to the IESO under Article 3 and "Advance" means any one of such advances and in the case of an election by the IESO under Section 3.3, may include a ~~or~~ "Continued Advance", ~~-~~as defined in Section 3.3(1), as applicable.

Commented [LS2]: Why was this deleted? Please add back as "Dollars" is defined.

Commented [LS3]: Based on discussion with IESO Counsel. Also see amendment to election notice.

"Advances Outstanding" means, at any time, an amount equal to the aggregate principal amount of all Advances outstanding at such time.

"Agreement", "herein", "hereby", "hereor', "hereunder" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression "Article" or "Section" followed by a number means the specified Article or Section of this Agreement.

"Borrowing Notice" has the meaning specified in Section 3.2(1).

"Business Day" means any day that is not a day on which banks are generally authorized or required by law or executive order to be closed in the City of Toronto.

"Clean Energy Adjustment" has the same meaning as ~~"clean energy adjustment" as~~ that term is defined in the OFHP.

Commented [WT4]: To be confirmed.

"Commitment" means, at any time, an amount equal to $2 billion.

"Consolidated Assets" means, at any time, the book value of the assets of the IESO and the Subsidiaries, determined as of such time on a consolidated basis in accordance with GAAP.

"**Continued Advance"** has the meaning specified in Section 3.3(1).

"Credit Facility" means the revolving credit facility to be made available to the IESO by the OFA under this Agreement for the purposes specified in Section 2.2.

"Default" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"Dollars" or **"$"** means lawful currency of Canada.

"Election Notice" has the meaning specified in Section 3.3(2).

"Event of Default" has the meaning specified in Section 5.1.

~~"**Financing Entity**" has the same meaning as "financing entity" as that term is defined in the OFHP.~~

Commented [WT5]: If the term "Financing Entity" is not used anywhere else in this document, we do not think it should be included.

Commented [LS6]: Agreed. Does anyone know why it was included in the first place?

"GAAP" means accounting policies and standards as established by the Chartered Professional Accountants of Canada~~, Public Sector Accounting Board~~ at the relevant time and applied on a consistent basis.

"Grid Note" has the meaning specified in Section 3.2(2).

"Indebtedness" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) every obligation of such Person for borrowed money;

(b) every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments;

(c) every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) every capital lease obligation of such Person; and

~~(f) the Swap Termination Value of each Swap Contract of such Person; and~~

(~~f~~g) every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"Lien" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"Material Subsidiary " means, at any time, a Subsidiary which has consolidated assets with a book value of more than $25 million determined in accordance with GAAP.

"**OFHP**" ~~has the meaning specified in the Recitals to this Agreement.~~means the *Ontario Fair Hydro Plan Act, 2017*.

"Permitted Liens" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

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(c) any obligations or duties, affecting the property of the IESO to any municipality or governmental, statutory or public authority, with respect to any franchise, grant, license or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by the IESO or such Material Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by the IESO or such Material Subsidiary;

(d) any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) the right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) any undetermined or inchoate Liens and charges incidental to the current operations of the IESO or a Material Subsidiary that have not at the time been filed against the IESO or such Material Subsidiary; provided, however, that if any such Lien or charge shall have been filed, the IESO or such Material Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) any Lien the validity of which is being contested at the time by the IESO or a Material Subsidiary in good faith and the enforcement of which has been stayed;

(h) any easements, rights-of-way and servitudes that in the opinion of the IESO will not in the aggregate materially and adversely impair the use or value of the land for the purpose for which it is held or occupied by the IESO or a Material Subsidiary;

(i) any Liens and privileges arising out of judgments or awards with respect to which the IESO or a Material Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall have secured a stay of execution pending such appeal or proceedings for review; and

(j) any other Liens of a nature similar to the foregoing which do not in the opinion of the IESO, acting reasonably, materially impair the use of the property subject thereto or the operation of the business of the IESO or any Material Subsidiary or the value of such property for the purpose of any such business

~~any Lien arising in connection with the IESO's role and obligations under the OFHP, including with respect to any amounts collected and held by IESO in relation to the Clean Energy Adjustment, or otherwise.~~

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Commented [WT7]: We query whether section (k) is necessary since we consider that section (j) "any other Liens" may already capture this. We defer to OFA Legal on this matter.

Commented [LS8]: Is there a concern with including this from a business perspective? See IESO's cover e-mail. Section (j) refers to Liens "of a nature similar to the foregoing" and may not capture liens in relation to the OFHP specifically. This change, if accepted by the OFA, must also be included in Amending Agreement #10.

"**Person**" means any individual, corporation, partnership joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"**Purchase Money Mortgage**" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or par of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"**Repayment Date**" means, in respect of the repayment of Advances, the repayment date contained in the most recent Borrowing Notice or Election Notice.

"**Stated Maturity**" when used with respect to any Indebtedness or any installment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such installment of interest is due and payable.

"Subsidiary" means:

(a) a corporation more than 50% of the voting power or the outstanding Voting Shares of which is owned, directly or indirectly, by the IESO or by one or more other Subsidiaries or by the IESO and one or more other Subsidiaries; or

(b) any Person (other than a corporation) in which the IESO, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

~~**"Swap Contract"** means any agreement whether or not in writing, relating to any transaction or derivative transaction including a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction currency swap, cross-currency rate swap, swaption, currency option or other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.~~

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~~**"Swap Termination Value"** means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap contracts:~~

~~(a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and~~

~~(b) for any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.~~

"Voting Shares" of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings.

The division of this Agreement into Articles and Sections and the insertion of headings are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and vice versa and words importing gender may include any gender. In this Agreement, (a) the words "including" and "includes" mean "including (or includes) without limitation", and (b) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" excluding".

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with GAAP.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the next succeeding Business Day.

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ARTICLE 2
REVOLVING CREDIT FACILITY

Section 2.1 Availability.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO. The OFA shall make each Advance in ~~Canadian~~ Dollars.

Section 2.2 Use of Proceeds.

The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the *Electricity Act*, *1998*, subject to the ~~following~~ condition that~~s~~:

~~(1)~~ ~~P~~proceeds of Advances may be used only for IESO's ~~short term~~ financing needs and requirements of any kind arising in connection with ~~due to cash flow timing differences incurred as a result of~~ the IESO's role with respect to and obligations under~~in the implementation and administration of~~ the OFHP.

~~The IESO is expected to recover or repay the proceeds for each Advance over a period of no more than 12 months from the date of such Advance."~~

Section 2.3 Credit Facility Limit.

The Advances Outstanding shall not at any time exceed the Commitment. The Credit Facility shall revolve and no payment under the Credit Facility shall reduce the Commitment.

Section 2.4 Mandatory Repayment.

Subject to Sections 2.5 and 5.2, the IESO shall repay each Advance together with the interest accrued thereon on the applicable Repayment Date, and, in any event, shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder on September 30, 2022.

Section 2.5 Prepayments.

The IESO is not entitled to prepay any part of the Advances Outstanding or the interest accrued thereon without the prior written consent of the OFA.

Section 2.6 Payments under this Agreement.

(1) The OFA shall make Advances to the IESO under this Agreement to or to the order of the IESO by wire transfer of immediately available funds in accordance with wire transfer instructions given by the IESO to the OFA from time to time, or in such other manner as the IESO may specify to the OFA from time to time.

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Commented [JB9]: We defer to OFA Legal and Electricity Branch on this matter.

Commented [LS10]: Business decision – defer to Electricity Branch

Commented [LS11]: IESO has provided an explanation in their cover e-mail regarding deletion of this 12-month requirement. It is a business decision whether to accept this change. Is it a requirement based on the supporting documentation (I don't believe it's captured in the directive)?

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(2) The IESO shall make any payment required hereunder to be made by it to the OFA, to or to the order of the OFA, by wire transfer of immediately available funds in accordance with wire transfer instruction given by the OFA to the IESO from time to time, or in such other manner as the OFA may specify to the IESO from time to time. The IESO shall make each such payment in Canadian Dollars.

Section 2.7 Computations of Interest.

(1) All computations of interest shall be made by the OFA taking into account the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest is payable on the basis of a year of 365 days or 366 days, as the case may be.

(2) For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Agreement for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding in the next calendar year and the denominator of which is the actual number of days in such period.

Section 2.8 Limit on Rate of Interest.

(1) Notwithstanding any provision contained in this Agreement, the IESO shall not be obliged to make any payments of interest or other amounts payable to the OFA hereunder in excess of the amount or rate which would be prohibited by applicable law or would result in the receipt by the OFA of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada)).

~~(2)~~ In the event that any such payments are limited or prohibited as provided in Section 2.8(1), the OFA shall have no further obligation to make any Advances available hereunder and the Advances Outstanding, together will all accrued interest and all other amounts owing hereunder, shall become immediately due and payable.

Section 2.~~8~~9 Application of Payments.

All payments made by the IESO under this Agreement shall be applied firstly to the payment of interest payable to the OFA on late payments of principal or interest hereunder, secondly, to the payment of accrued and unpaid interest payable to the OFA hereunder and thirdly, to the payment of the outstanding principal amount of any Advances payable to the OFA.

Commented [WT12]: We no longer include this language in in any of our debt documentation and query whether it is necessary.

Commented [LS13]: Who made the decision to exclude this language? I've sent an inquiry to MOF Legal.

Commented [LS14]: I've added back these clauses as per instructions/discussions. Perhaps this can be reviewed for future agreements.

ARTICLE 3
ADVANCES

Section 3.1 Advances.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO under the Credit Facility from time to time on any Business Day prior to September 23, 2022.

Section 3.2 Procedure for Advances.

(1) Subject to Section 3.3(3), each Advance shall be made subject to two Business Days' prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each notice of an Advance (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1, shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance, and (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall not be earlier than 5 days and not later than 95 days after the date of the requested Advance. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, the IESO shall execute and deliver to the OFA a grid promissory note in respect of Advances substantially in the form of Schedule 3 (the "**Grid Note**"). The IESO authorizes the OFA to record on the Grid Note (a) the date and amount of each Advance or Continued Advance; (b) the applicable rate of interest for each Advance or Continued Advance; (c) the Repayment Date of each Advance or Continued Advance; (d) the date and amount of each payment of interest and each payment of principal in respect of each Advance or Continued Advance; and (e) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of the such advances and repayments; provided that the failure of the OFA to record any amount, rate or date shall not affect the obligation of the IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement.

Section 3.3 Elections Regarding Advances.

(1) The IESO may elect to continue all or a portion of the principal amount of any Advance and any amount of interest on such Advance (together, the "**Continued Advance**") for a further period of at least 5 days and up to a maximum of 95 days beginning on the then current Repayment Date in accordance with Section 3.3(2).

(2) Each notice to continue an Advance for a further period (an "**Election Notice**") shall be provided by the IESO to the OFA at least two Business Day's prior to the Repayment Date of the Advance, and in each case, not later than 10:00 a.m. (Toronto time). Each such Election Notice shall be given substantially in the form of Schedule 2 and shall be irrevocable and binding upon the IESO and shall specify: (a) the Advance to which the election request applies (b) the new aggregate total amount of the proposed Continued

Commented [WT15]: Changed for consistency. In italics in Schedule 3.

Commented [LS16]: Ok

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Advance; and (c) the new Repayment Date of the proposed Continued Advance, which shall be no earlier than 5 days and not later than 95 days after the current Repayment Date. If the IESO fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date.

(3) The calculation of interest on a Continued Advance shall be determined in the same manner as an Advance under Section 3.4 and shall be recorded on the Grid Note in accordance with Section 3.2(2).

(4) Any portion of an Advance not continued for a further period in accordance with Section 3.3(2) shall be repayable on the applicable Repayment Date.

(5) ~~T~~the Credit Facility shall at all times rank *pari passu* with all other ~~unsubordinated~~ unsecured Indebtedness of the IESO~~, subject to the existence of (i) any Permitted Liens of the IESO, and (ii) any other Liens that secure Indebtedness in accordance with Section 4.6 hereof~~.

(6) All amounts owing in respect of the Advances shall be paid without exercising any right of set off or counterclaim by the IESO.

Commented [JB17]: We defer to OFA Legal on this matter

Commented [LS18]: Amended as per discussions. Still requires review/acceptance by IESO counsel.

Section 3.4 Interest on Advances.

(1) The IESO shall pay interest on the unpaid principal amount of each Advance in accordance with this Section 3.4 from and including the date of such Advance until the principal amount of such Advance is repaid in full.

(2) Interest shall accrue on the principal amount of each Advance from and including the date of the Advance to but excluding the Repayment Date of such Advance, at an annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum, before as well as after the date such principal amount or interest thereon becomes due hereunder and both before and after default and shall be payable on the Repayment Date for such Advance. Any amount of interest arising hereunder which is not paid when due shall bear interest at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment. The amount of interest payable on an Advance will be calculated by the OFA by dividing the interest rate applicable to the Advance by 365 or 366, as the case may be, and multiplying the result by the principal amount of the Advance and further multiplying the result by the number of days in the period from the date of the Advance to the Repayment Date of the Advance.

(3) If the IESO elects to continue an Advance in accordance with Section 3.3(2), the OFA shall determine the interest rate applicable after the original Repayment Date of the Advance and endorse the said rate on the grid forming part of the Grid Note~~-~~ in respect of Advances held by it.

Section 3.5 Conditions Precedent

The ~~obligation~~agreement of the OFA~~IESO~~ to make the Advances to IESO pursuant to Section 2.1 is subject to the following conditions being satisfied to the OFA's satisfaction at the time of making each Advance:

(a) that the representations and warranties of the IESO contained in this Agreement are true and correct as at the date of making the Advance;

(b) that no Event of Default has occurred and is continuing;

(c) that there shall, in the reasonable opinion of the OFA, have been no material adverse change in the financial condition of the IESO or a Material Subsidiary; and

(d) that the OFA has received such other documentation which it has reasonably requested to ensure that the IESO is in compliance with the terms and conditions of this Agreement, including certified true copies of any necessary resolutions, a written legal opinion from counsel to the IESO confirming that the borrowing is within the legal powers of the IESO and that the Agreement is a direct, unsecured obligation of the IESO enforceable against the IESO in form satisfactory to the OFA.

Commented [WT19]: To be confirmed.

Commented [LS20]: By whom? This language is standard.

ARTICLE 4
COVENANTS OF THE IESO

Section 4.1 Payment of Advances.

The IESO will duly and punctually pay all amounts owing under this Agreement in accordance with the terms and subject to the conditions of this Agreement.

Section 4.2 IESO will Maintain its Corporate Existence.

The IESO will at all times maintain its corporate existence.

Section 4.3 Maintenance of Properties.

The IESO will cause all property owned by the IESO or any Material Subsidiary to be maintained and kept in good condition, repair and~~an~~ working order, all as in the judgment of the IESO or any Material Subsidiary may be necessary for the proper operation of such property, except as and to the extent that the IESO or any Material Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 4.3 shall prevent the IESO or any Material Subsidiary from discontinuing the maintenance of any such property or

decommissioning any such property if such discontinuance or decommissioning is, in the judgment of the IESO or any such Material Subsidiary, desirable in the conduct of its business or the business of any such Material Subsidiary, or has been directly or indirectly requested or required by the Province of Ontario.

Section 4.4 Insurance.

The IESO will cause all property owned by the IESO or any Material Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the mature and to the extent that such property is usually insured by companies operating similar businesses.

Section 4.5 Conduct of Business.

The IESO will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in accordance with good business practice~~a proper, efficient and business-like manner and in accordance with good business practice.~~.

Section 4.6 Negative Pledge.

The IESO will not, and will not permit any Material Subsidiary to, create, incur or assume any Lien, charging the interest of the IESO or any Material Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, all amounts owing under this Agreement are secured equally and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) the creation, incurrence or assumption of any Purchase Money Mortgage;

(b) the grant of any Lien in the normal course of business to any banks or financial institutions for present or future I~~i~~ndebtedness of the IESO or any Material Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) any extension, renewal or replacement of any of the Liens referred to in Sections 4.6(a), (b) or (c), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased; and

(e) any Lien charging the interest of the IESO or any Material Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 4.6(a), (b) or (c),

provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 4.6(e) which is outstanding at such time does not exceed 10% of Consolidated Assets at such time.

Section 4.7 Payment of OFA Expenses

In addition to any liability of the IESO to the OFA under any other provision of this Agreement, the IESO will, on demand, reimburse and indemnify OFA for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OFA in connection with the ~~sServices~~Agreement (including those services incurred in the preservation of rights under or enforcement of this Agreement at any time during the continuance of a default or Event of Default and for any reasonable loss or expense incurred by OFA as a result of any failure by the IESO to fulfill any of its obligations under this Agreement). All such costs, charges and expenses shall bear interest at the Province of Ontario's cost of funds plus 0.25 percent per annum (as determined by the OFA) calculated and payable monthly not in advance from in each case from the date on which the OFA incurs the cost, charge or expense until the date on which the IESO reimbursement the OFA therefor. The OFA agrees, acting reasonably, to invoice the IESO for any such costs, charges and expense as they are incurred, together with interest at the aforesaid rate (with interest on overdue interest).

Section 4.8 Reporting.

The IESO will promptly provide to the OFA any reports or supporting documents that the OFA may request from time to time.

Section 4.9 Late Repayment of Advance.

In the event that the IESO fails to repay the principal amount of any Advance and all interest accrued thereon when due, the IESO shall pay interest on the unpaid amount of such Advance at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment.

ARTICLE 5
EVENTS OF DEFAULT AND REMEDIES

Section 5.1 Event of Default.

Wherever used in this Agreement, the term "Event of Default" means any of the following:

(a) the IESO's failure to pay any interest upon ~~the~~ any Advance when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) failure to pay the principal amount of any Advance on the applicable Repayment Date or the Advances Outstanding, all interest accrued thereon and all other amounts owing under this Agreement on September 30, 2022;

(c) failure on the part of the IESO to observe or perform its obligations set forth in Section 4.1;

(d) failure on the part of the IESO to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 20 days after the date on which written notice of such failure shall have been given to the IESO by the OFA;

(e) any representation or warranty made by the IESO in this Agreement or in any certificate or other document at any time delivered hereunder to the OFA was incorrect or misleading in any material respect;

(f) one or more breaches by the IESO of its covenants under one or more evidences of I~~i~~ndebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $5 million, which breaches:

(i) ~~(i)~~ constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist, or

(ii) have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived~~waive~~ or rescinded);

(g) the IESO or any Material Subsidiary :

(i) becomes unable~~generally not able~~ to pay its debts as they become due;

(ii) admits in writing its inability to pay its debts generally or makes a general assignment for the benefit its creditors or files a proposal or other scheme of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) institutes or has instituted against it any proceeding seeking:

(A) to adjudicate it as bankrupt or insolvent,

(B) liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, ~~I~~ insolvency, ~~I~~ reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors, or

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(C) the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets,

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismissed or unstayed for a period of 30 days, or any remedy sought in any such proceeding (including the entry of order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

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(iv) takes any corporate action to authorize any of the actions in Sections 5.l (h)(i) to (iii); or

(h) if there shall be rendered against the IESO or any Material Subsidiary a final judgment or judgments- for the payment of money in an aggregate amount in excess of $5 million by a court or courts of competent jurisdiction, and the IESO- or any Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments- discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 5.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case the OFA may at its option, suspend the right of the IESO to request any further Advance until the Event of Default has been cured to the OFA's satisfaction or, if the Event of Default is not cured within three (3) Business Days ~~of~~after the date on which written notice of ~~providing such written notice~~such Event of Default shall have been given to the IESO by the OFA, declare all amounts owing hereunder including all interest accrued to be due and payable immediately, by a notice in writing to the IESO, and upon any such declaration all such amounts shall become immediately due and payable.

Section 5.3 Suits for Enforcement by the OFA.

If an Event of Default occurs and is continuing, the OFA may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in the OFA by this Agreement or by law.

Section 5.4 OFA May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of the IESO under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property of the IESO, or if any other judicial proceedings relative to the IESO, its creditors or its property are pending, the OFA shall be entitled and empowered, by intention in such proceeding or otherwise:

(a) ~~(a)~~ to file and prove a claim for all amounts owing under~~und~~ this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of the OFA (including any claim for fees and disbursements of the OFA, its agents and counsel) allowed in such judicial proceeding; and

(b) to collect and receive any moneys or other property payable or deliverable on any such claim.

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Section 5.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to the OFA is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.6 Delay or Omission not Waiver.

No delay or omission of the OFA to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right or remedy given by this Article 5 or by law to OFA may be exercised from time to time, and as often as may be deemed expedient, by the OFA.

ARTICLE 6
REPRESENTATIONS AND WARRANTIES OF IESO

Section 6.1 Representations and Warranties of IESO

The IESO represents and warrants to the OFA that:

(a) the borrowing of money (including principal and accrued interest) by the IESO and the execution, delivery and performance of this Agreement are within the powers and capacities of the IESO and have been duly authorized by all necessary legal action and proper proceedings;

(b) the execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the compliance with the terms and conditions of this Agreement will not conflict with or result in a breach of any of the terms or provisions of the constituting documents or by-laws of the IESO, laws of Ontario, including laws of Canada applicable therein, applicable to the IESO or any contractual or other obligation binding on the IESO;

(c) this Agreement will, when executed and delivered, constitute the legal, valid and binding obligation of the IESO enforceable against it in accordance with its terms; and

(d) the moneysies advanced under this Agreement shall be used only by the IESO for the purposes set out in Section 2.2.

Commented [JB21]: Consistency with 5.4 (b)

Section 6.2 Continuation of Representation and Warranties

The representations and warranties set out in Section 6.1 herein shall survive the execution and delivery of this Agreement, the making of each Aadvance by the OFA, notwithstanding any investigations or examinations which may be made by counsel for the OFA.

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ARTICLE 7
GENERAL

Section 7.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy or other means of electronic communication addressed:

If to the IESO, to it at:

Independent Electricity System Operator
120 Adelaide Street West, Suite 1600
Toronto, ON M5H 1T1

Attention: Chief Financial Officer
Telephone: (416)969-6232
Fascimile: (905)403-6913

If to the OFA, to it at:

Ontario Financing Authority 1 Dundas Street West
Suite 1400 Toronto, Ontario M7A 1HY7

Attention: Executive Director – Capital Markets Division
Telephone: (416)325-8930
Facscimile~~Telecopier~~: (416)325-8111

provided that any Borrowing Notice or Election Notice shall be addressed as indicated on Schedule 1 or Schedule 2 respectively.

Any communication hereunder shall be deemed to have been validly and effectively given if (a) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p.~~m~~. (Toronto time), otherwise on the next Business Day, (b) transmitted by telecopier other means of electronic communication, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice give in accordance with this Section 7.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 7.1.

Section 7.2 Successors and Assigns.

This Agreement shall be binding on and enure to the benefit of the OFA and the IESO and their respective successors and permitted assigns, except that the IESO shall not, without the prior written consent of the OFA assign, pledge or hypothecate any rights or obligations with respect to this Agreement.

Section 7.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of the Parties~~OFA and the IESO~~.

Section 7.4 Waiver.

(1) No waiver of any provisions of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) or this Agreement nor shall such waiver be binding unless executed in writing by~~y~~ the party to be bound by the waiver.

(2) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude another or further exercise of such right or the exercise of any other right.

Section 7.5 Further Assurances.

Each of the IESO and the OFA shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement

Section 7.6 Severability.

In case any provision in this Agreement shall be in-valid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement shall not in any way be affected or impaired thereby.

Section 7.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 7.8 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Agreement~~instrument~~.

Commented [LS22]: Previous wording okay. Why the change?

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first written above.

ONTARIO FINANCING AUTHORITY

Per: _____

Name: Michael D. Manning
Title: Executive Director
Capital Markets Division

I have authority to bind the corporation.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services;
Chief Financial Officer; Treasurer

I have authority to bind the corporation.

SCHEDULE 1

FORM OF BORROWING NOTICE

Delivered Via Fax: 416-204-7920

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving ~~c~~Credit Facility ~~a~~Agreement between the IESO and the OFA dated ~~July~~August (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The aggregate amount of the Proposed Advance is $_____;
(c) The Repayment Date of the Proposed Advance is _____. [Not earlier than ~~57~~ days and not later than 95 days after the date of the Proposed Advance.]

Commented [LS23]: Consistent with S. 3.2 of Agreement. Program area please confirm.

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The undersigned herby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s):

(1) [indicate amount and purpose of funds requested]
(2) [indicate amount and purpose of funds requested]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:

Authorized Signatory

SCHEDULE 2

FORM OF ELECTION NOTICE

Delivered Via Fax: 416-204-7920

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving ~~c~~Credit Facility ~~A~~agreement between the IESO and the OFA dated ~~July~~August (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue all or a portion of an Advance or Continued Advance, as the case may be, for an additional term, and in connection with such election, sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The Advance to which the election request applies is _____; [Insert principal amount of Advance and Advance date];
(b) The new aggregate total amount of the proposed Continued Advance is $_____;
i. previous principal amount of Advance [or portion thereof] $_____
ii. accrued interest on Advance [or portion thereof] $_____
(c) The new Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _____. [Not earlier than 5~~7~~ days and not later than 95 days after the current Repayment Date for the Advance.]

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per:_____
Name:

Authorized Signatory

SCHEDULE 3 – FORM OF GRID NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $2,000,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR (the "**IESO**"), incorporated under the laws of the Province~~OFA~~ of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY** ("**OFA**") at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid ~~(the "**Grid** Note")~~ attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement (as defined below).

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the ~~Credit~~ Agreement dated ~~July~~August (·), 2017 as amended, supplemented or restated from time to time, between the Borrower and the OFA (the "~~Credit~~ Agreement"). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the ~~Credit~~ Agreement.

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the ~~Credit~~ Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICTY SYSTEM OPERATOR

By:_____

By:_____

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Credit Facility Grid Note

Date	Principal Advanced	Rate	Repayment Date and Principal Repaid	Interest Payment Date and Amount	Unpaid Principal Balance	Notation Made By

From:	Ryan Blackbyrne
To:	Sarah Harris
Subject:	FW: $160M revolving credit - amending agreement no.7 (Lisa Changes blackline) -LS comments.docx
Date:	Wednesday, November 29, 2017 3:00:57 PM
Attachments:	$160M revolving credit - amending agreement no.7 -LS comments.docx Amending Agrt no.6 - Revolving Credit Facility - OEFC_IESO_IESO Signed.pdf

Hi Sarah,

Lisa is asking for our direction on what to do with Paragraph 3.6(c) in amending agreement no.6 (this paragraph refers to a definition we are now deleting)

Thanks,
Ryan

From: Ryan Blackbyrne
Sent: Wednesday, November 29, 2017 2:13 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Subject: RE: $160M revolving credit - amending agreement no.7 (Lisa Changes blackline) -LS comments.docx

Hi Lisa,

As per your previous email, I reviewed the previous amending agreements and the only relevant amendment was in Amending Agreement No. 6 dated April 30, 2017. In that Amending Agreement a definition of Ontario's Fair Hydro Plan was added. As a result, I changed the attached agreement with language to "delete and replace" rather than just "add" the revised definition of OFHP. I also included your suggested edits in the attached. Please let us know if you have any comments.

Thank You,
Ryan

From: Lisa Stein
Sent: Wednesday, November 29, 2017 12:45 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Subject: $160M revolving credit - amending agreement no.7 (Lisa Changes blackline) -LS comments.docx

Hi Ryan,

Please see my comments and suggested amendments, attached (similar to previous amending agreement). However, as per my earlier e-mail, before proceeding, we need to ensure that there

were no relevant amendments under the previous amending agreements.

Thank you,

Lisa

Lisa N. Stein
Legal Counsel
Ontario Financing Authority
416-325-2320

****
This message, including any attachments, is intended only for the use of the individual(s) to which it is addressed and contains information that is privileged/confidential. Any other distribution, copying or disclosure is strictly prohibited. If you are not the intended recipient or have received this message in error, please notify the sender immediately by reply e-mail and permanently delete this message, including any attachments, without reading it or making a copy. Thank you.
****

AMENDING AGREEMENT NO. 7

This Amending Agreement is effective as of the • day of •, 2017.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIALCORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011, Amending Agreement No. 3 dated April 30, 2013, Amending Agreement No. 4 dated April 30, 2014, Amending Agreement No. 5 dated December 19, 2014 and Amending Agreement No. 6 dated April 30, 2017 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $160 million.

AND WHEREAS at the request of the IESO the parties wish to now amend the Agreement to accommodate IESO's role and obligations under the *Ontario Fair Hydro Plan Act, 2017*.

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. The following definition is added to Section 1.1 (Definitions) of the Agreement:

   "Clean Energy Adjustment" has the same meaning as that term is defined in the OFHP.

2. The definition of "Ontario's Fair Hydro Plan" originally added to Section 1.1 (Definitions) in Amending Agreement No. 6 dated April 30, 2017 is deleted and replaced with:

   "OFHP" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

3. The definition of "Permitted Liens" in Section 1.1 (Definitions) of the Agreement is amended by deleting the word "and" at the end of subsection 1.1(j); replacing the "." at the end of subsection (1.1 (k) and replacing it with "and"; and adding the following subsection 1.1(l):

(l) Any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael D. Manning
Title: Executive Director and Chief Investment Officer

AMENDING AGREEMENT NO. 6

This Amending Agreement is effective as of the 30 day of April, 2017.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011, Amending Agreement No. 3 dated April 30, 2013, Amending Agreement No. 4 dated April 30, 2014 and Amending Agreement No. 5 dated December 19, 2014 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $95 million.

AND WHEREAS IESO and OEFC wish to amend the Agreement to increase the revolving line of credit from a principal amount of CDN $95 million to a principal amount of up to CDN $160 million to provide funding for IESO Corporate Requirements (as defined herein);

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for an extension of the mandatory repayment date established in the Agreement to June 30, 2020;

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for the ability for Advances to be made on any business day up to a maximum of 12 times per year;

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. Section 1.1 Definitions of the Agreement is amended as follows:

   i) The definition of "Amalgamation" is deleted.

   ii) The definition of "Commitment" is deleted and replaced with:

   "Commitment" means, at any time, an amount equal to the principal amount of One Hundred and Sixty Million Dollars.

   iii) A definition of "IESO Corporate Requirements" is added as follows:

   "IESO Corporate Requirements" means any borrowing purposes authorized by O. Reg. 280/14 made under the *Electricity Act, 1998* (as such regulation may be amended or

replaced from time to time), other than for funding liquidity requirements relating to the settlement of the Ontario wholesale electricity markets.

iv) A definition of "Ontario's Fair Hydro Plan" is added as follows:

"Ontario's Fair Hydro Plan" means the plan announced March 2, 2017 by the Government of Ontario to affect the Ontario Energy Board's setting of electricity prices for certain Ontario consumers of electricity, which plan is referred to in the Ontario Energy Board's report dated April 20, 2017 and titled "Regulated Price Plan Price Report – May 1, 2017 to April 30, 2018", and including all relevant developments in or changes to such plan from time to time.

v) The definition of "New IESO" is deleted.

vi) The definition of "Note" is deleted and replaced with:

"Note" means the $160 Million Note issued pursuant to Section 2 of Amending Agreement No. 6 dated as of the 30th day of April, 2017.

vii) The definition of "OPA" is deleted.

viii) The definition of "Pre-Amalgamation IESO" is deleted.

2. IESO shall execute and deliver to OEFC a grid promissory note in the form attached as Schedule I hereto which shall be in an aggregate principal amount of up to One Hundred and Sixty Million Dollars (the "$160 Million Note") dated April 30, 2017 and on which shall be recorded the Advances Outstanding under the grid promissory note delivered pursuant to Amending Agreement No. 4. Upon receipt by OEFC of the $160 Million Note dated April 30, 2017, the $95 Million Note dated April 30, 2014 shall be of no further force and effect and shall be returned to the IESO marked "cancelled".

3. Section 2.3 of the Agreement is deleted and replaced by the following:

Section 2.3 Use of Proceeds

IESO shall use the proceeds of Advances for the funding of IESO Corporate Requirements.

4. Section 2.4 of the Agreement is deleted and replaced by the following:

Section 2.4 Mandatory Repayment.

Subject to Sections 3.5 and 5.2 of this Agreement, IESO shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, in full on or before June 30, 2020.

5. Section 3.1 of the Agreement is deleted and replaced by the following:

Section 3.1 Advances.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO under the Credit Facility on any Business Day in a month up to twelve (12) times per annum from and including May 1, 2017 to and including May 29, 2020

6. Paragraph 3.6(c) of the Agreement is deleted and replaced by the following:
   (c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO, provided however that any adverse change in IESO's financial condition related to or resulting from the discharge by IESO of its responsibilities under Ontario's Fair Hydro Plan shall be deemed not to be a material adverse change for the purposes of this Section; and

7. The Form of Borrowing Notice is deleted and replaced with the Form of Borrowing Notice attached hereto as Schedule 1.

8. This Amending Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

SCHEDULE 1

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $160,000,000 Date: 30 April, 2017

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("**IESO**"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid **("Grid")** attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No. 1 dated July 21, 2010, by Amending Agreement No. 2 dated October 14, 2011, by Amending Agreement No. 3 dated April 30, 2013, by Amending Agreement No. 4 dated April 30, 2014, by Amending Agreement No. 5 dated December 19, 2014, and by Amending Agreement No. 6 dated April 30, 2017 (collectively the "Agreement").

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before June 30, 2020.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance or part of an Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be p*rima facie* evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Agreement. All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment, demand, protest, notice of dishonour and notice

of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

(Revolving Credit Facility April 30, 2017)

DATE	PRINCIPAL ADVANCED	RATE	REPAYMENT DATE	INTEREST AMOUNT	AMOUNT OF PAYMENT		UNPAID BALANCE			NOTATION MADE BY
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	REFINANCED (AMOUNT & DATE)	

From:	Ryan Blackbyrne
To:	Sarah Harris
Subject:	FW: $160M revolving credit - amending agreement no.7 (Lisa Changes blackline) -LS comments.docx
Date:	Wednesday, November 29, 2017 3:00:57 PM
Attachments:	$160M revolving credit - amending agreement no.7 -LS comments.docx Amending Agrt no.6 - Revolving Credit Facility - OEFC_IESO_IESO Signed.pdf

Hi Sarah,

Lisa is asking for our direction on what to do with Paragraph 3.6(c) in amending agreement no.6 (this paragraph refers to a definition we are now deleting)

Thanks,

Ryan

From: Ryan Blackbyrne

Sent: Wednesday, November 29, 2017 2:13 PM

To: Lisa Stein

Cc: Sarah Harris ; Jean-Francois Beaupre

Subject: RE: $160M revolving credit - amending agreement no.7 (Lisa Changes blackline) -LS comments.docx

Hi Lisa,

As per your previous email, I reviewed the previous amending agreements and the only relevant amendment was in Amending Agreement No. 6 dated April 30, 2017. In that Amending Agreement a definition of Ontario's Fair Hydro Plan was added. As a result, I changed the attached agreement with language to "delete and replace" rather than just "add" the revised definition of OFHP. I also included your suggested edits in the attached. Please let us know if you have any comments.

Thank You,

Ryan

From: Lisa Stein

Sent: Wednesday, November 29, 2017 12:45 PM

To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>

Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>

Subject: $160M revolving credit - amending agreement no.7 (Lisa Changes blackline) -LS comments.docx

Hi Ryan,

Please see my comments and suggested amendments, attached (similar to previous amending agreement). However, as per my earlier e-mail, before proceeding, we need to ensure that there were no relevant amendments under the previous amending agreements.

Thank you,

Lisa

Lisa N. Stein
Legal Counsel
Ontario Financing Authority
416-325-2320

****
This message, including any attachments, is intended only for the use of the individual(s) to which it is addressed and contains information that is privileged/confidential. Any other distribution, copying or disclosure is strictly prohibited. If you are not the intended recipient or have received this message in error, please notify the sender immediately by reply e-mail and permanently delete this message, including any attachments, without reading it or making a copy. Thank you.
****

AMENDING AGREEMENT NO. 7

This Amending Agreement is effective as of the • day of •, 2017.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIALCORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011, Amending Agreement No. 3 dated April 30, 2013, Amending Agreement No. 4 dated April 30, 2014, Amending Agreement No. 5 dated December 19, 2014 and Amending Agreement No. 6 dated April 30, 2017 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $160 million.

AND WHEREAS at the request of the IESO the parties wish to now amend the Agreement to accommodate IESO's role and obligations under the *Ontario Fair Hydro Plan Act, 2017*.

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. The following definition is added to Section 1.1 (Definitions) of the Agreement:

   "Clean Energy Adjustment" has the same meaning as that term is defined in the OFHP.

2. The definition of "Ontario's Fair Hydro Plan" originally added to Section 1.1 (Definitions) in Amending Agreement No. 6 dated April 30, 2017 is deleted and replaced with:

   "OFHP" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

3. The definition of "Permitted Liens" in Section 1.1 (Definitions) of the Agreement is amended by deleting the word "and" at the end of subsection 1.1(j); replacing the "." at the end of subsection (1.1 (k) and replacing it with "and"; and adding the following subsection 1.1(l):

(l) Any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael D. Manning
Title: Executive Director and Chief Investment Officer

AMENDING AGREEMENT NO. 6

This Amending Agreement is effective as of the 30 day of April, 2017.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011, Amending Agreement No. 3 dated April 30, 2013, Amending Agreement No. 4 dated April 30, 2014 and Amending Agreement No. 5 dated December 19, 2014 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $95 million.

AND WHEREAS IESO and OEFC wish to amend the Agreement to increase the revolving line of credit from a principal amount of CDN $95 million to a principal amount of up to CDN $160 million to provide funding for IESO Corporate Requirements (as defined herein);

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for an extension of the mandatory repayment date established in the Agreement to June 30, 2020;

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for the ability for Advances to be made on any business day up to a maximum of 12 times per year;

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. Section 1.1 Definitions of the Agreement is amended as follows:

   i) The definition of "Amalgamation" is deleted.

   ii) The definition of "Commitment" is deleted and replaced with:

   "Commitment" means, at any time, an amount equal to the principal amount of One Hundred and Sixty Million Dollars.

   iii) A definition of "IESO Corporate Requirements" is added as follows:

   "IESO Corporate Requirements" means any borrowing purposes authorized by O. Reg. 280/14 made under the *Electricity Act, 1998* (as such regulation may be amended or

replaced from time to time), other than for funding liquidity requirements relating to the settlement of the Ontario wholesale electricity markets.

iv) A definition of "Ontario's Fair Hydro Plan" is added as follows:

"Ontario's Fair Hydro Plan" means the plan announced March 2, 2017 by the Government of Ontario to affect the Ontario Energy Board's setting of electricity prices for certain Ontario consumers of electricity, which plan is referred to in the Ontario Energy Board's report dated April 20, 2017 and titled "Regulated Price Plan Price Report – May 1, 2017 to April 30, 2018", and including all relevant developments in or changes to such plan from time to time.

v) The definition of "New IESO" is deleted.

vi) The definition of "Note" is deleted and replaced with:

"Note" means the $160 Million Note issued pursuant to Section 2 of Amending Agreement No. 6 dated as of the 30th day of April, 2017.

vii) The definition of "OPA" is deleted.

viii) The definition of "Pre-Amalgamation IESO" is deleted.

2. IESO shall execute and deliver to OEFC a grid promissory note in the form attached as Schedule I hereto which shall be in an aggregate principal amount of up to One Hundred and Sixty Million Dollars (the "$160 Million Note") dated April 30, 2017 and on which shall be recorded the Advances Outstanding under the grid promissory note delivered pursuant to Amending Agreement No. 4. Upon receipt by OEFC of the $160 Million Note dated April 30, 2017, the $95 Million Note dated April 30, 2014 shall be of no further force and effect and shall be returned to the IESO marked "cancelled".

3. Section 2.3 of the Agreement is deleted and replaced by the following:

Section 2.3 Use of Proceeds

IESO shall use the proceeds of Advances for the funding of IESO Corporate Requirements.

4. Section 2.4 of the Agreement is deleted and replaced by the following:

Section 2.4 Mandatory Repayment.

Subject to Sections 3.5 and 5.2 of this Agreement, IESO shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, in full on or before June 30, 2020.

5. Section 3.1 of the Agreement is deleted and replaced by the following:

Section 3.1 Advances.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO under the Credit Facility on any Business Day in a month up to twelve (12) times per annum from and including May 1, 2017 to and including May 29, 2020

6. Paragraph 3.6(c) of the Agreement is deleted and replaced by the following:
   (c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO, provided however that any adverse change in IESO's financial condition related to or resulting from the discharge by IESO of its responsibilities under Ontario's Fair Hydro Plan shall be deemed not to be a material adverse change for the purposes of this Section; and

7. The Form of Borrowing Notice is deleted and replaced with the Form of Borrowing Notice attached hereto as Schedule 1.

8. This Amending Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

SCHEDULE 1

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $160,000,000 Date: 30 April, 2017

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("**IESO**"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid **("Grid")** attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No. 1 dated July 21, 2010, by Amending Agreement No. 2 dated October 14, 2011, by Amending Agreement No. 3 dated April 30, 2013, by Amending Agreement No. 4 dated April 30, 2014, by Amending Agreement No. 5 dated December 19, 2014, and by Amending Agreement No. 6 dated April 30, 2017 (collectively the "Agreement").

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before June 30, 2020.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance or part of an Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be p*rima facie* evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Agreement. All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment, demand, protest, notice of dishonour and notice

of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

(Revolving Credit Facility April 30, 2017)

DATE	PRINCIPAL ADVANCED	RATE	REPAYMENT DATE	INTEREST AMOUNT	AMOUNT OF PAYMENT		UNPAID BALANCE			NOTATION MADE BY
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	REFINANCED (AMOUNT & DATE)	

From: Lisa Stein
To: William Tan
Cc: Caroline Swerdlyk; Sarah Harris
Subject: FW: (draft) OFHP IESO waiver_.OFA legaldocx.docx
Date: Thursday, March 08, 2018 4:28:34 PM
Attachments: (draft) OFHP IESO waiver_.OFA legaldocx.docx

Hi Will,

Further to my e-mail below, I wanted to clarify a couple of points:

- The signatory should be the OFA, not OEFC
- Do we need to consider imposing a specific minimum borrowing period of one day? Or, can the date of the Proposed Advance or Continued Advance be the same date as the new Repayment Date?
- As I was alluding to below, do the interest provisions as currently drafted continue to apply to the Proposed Advance or Continued Advance?

I have discussed this matter with Caroline and she will be available to discuss with you further tomorrow.

Thank you,

Lisa

From: Lisa Stein
Sent: Thursday, March 08, 2018 3:47 PM
To: William Tan
Cc: Sarah Harris ; Caroline Swerdlyk
Subject: (draft) OFHP IESO waiver_.OFA legaldocx.docx

Hi Will,

Please see attached my suggested black-lined amendments and comments on the draft waiver.

In addition to the attached comments, have you considered how this daylight borrowing period will work from an operational point of view, for both the new Proposed Advance and the Continued Advance? Will interest still be applicable and how will it be calculated? Do we need to specify further details in the waiver?

As I will be away on vacation starting tomorrow, I have copied Caroline on this e-mail. As previously noted, she will be able to assist you in my absence.

Thank you,

Lisa

Lisa N. Stein
Legal Counsel
Ontario Financing Authority
416-325-2320

****
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****

Ontario Financing Authority
1 Dundas Street West
Suite 1400
Toronto ON M7A 1Y7
Phone: 416-325-8000

Office ontarien de financement
1 rue Dundas ouest
Bureau 1400
Toronto ON M7A 1Y7

March ~~7~~ XX 2018

Kimberly Marshall
Independent Electricity System Operator
120 Adelaide Street, Suite 1600
Toronto, M5H 1T1

Re: **$530,000,000 Borrowing and Election Notice d~~D~~ated March 21, 2018 ~~waiver 5-day minimum advance period.~~**

Dear Kimberly,

The Ontario Financing Authority ("OFA") is in receipt of the Borrowing Notice and Election Notice provided by the Independent Electricity System Operator ("IESO") to the OFA dated March 21, 2018 for ~~the~~ a new P~~p~~roposed A~~a~~dvance of $208,000,000 ~~(the "March 21, 2018 Borrowing Notice")~~ and a proposed Continued Advance of $332,400,560.14 ~~(the "March 21, 2018 Election Notice)~~(the "March 2018 Borrowing and Election Notice") under the ~~FHP~~ Revolving Credit Facility Agreement ~~2017-2022~~ between the IESO and OFA dated November 6, 2017, as amended (the "Credit Agreement"), the terms defined therein being used herein as therein defined.

For the sole purpose of the March ~~21,~~ 2018 Borrowing and Election Notice~~Notice and Election Notice~~, the OFA hereby agrees to ~~modify~~ waive the requirement set out in ~~section 3.2 of the Credit Agreement that the Repayment Date of the Advance which shall not b earlier than 5 days and not later than 95 days after the date of the request Advance. OFA also agrees to modify the requirement set out in~~ section 3.3(1) of the Credit Agreement that a Continued Advance must be ~~any Advance and any amount of interest on such Advance (together, the "Continued Advance")~~for a further period of at least 5 days,~~5 says and up to a maximum of 95 days~~ beginning on the then current Repayment Date.

For greater clarity, for the purpose of the March 2018 Borrowing and Election Notice only, there shall be no minimum number of days required from the date of the Proposed Continued Advance to the New Repayment Date. Pursuant to section 3.3(3) of the Credit Agreement, the Repayment Date of the requested Proposed Advance under the March 2018 Borrowing and Election Notice shall be the New Repayment Date.
~~IESO consents to a Repayment Date of 1 day from the date of the proposed Advance and proposed Continued Advance under the Borrowing Notice and Election Notice, for the full principal amount of the proposed Advance and proposed Continued Advance.~~

Commented [LS1]: Please confirm date; letter provides below that the OFA is in receipt of the notice

Commented [LS2]: Please note and confirm

Commented [LS3]: NTD: There is no requirement to waive section 3.2(!) as the applicable section for a further Advance to be made on the Current Repayment Date is section 3(3), which refers to the New Repayment Date (which shall now have no minimum).

Commented [LS4]: No consent required as requirement for a minimum 5 days is waived.

Accordingly, OFA hereby agrees to waive~~s~~ the requirement for the IESO to certify on the March 2018 Borrowing and Election Notice that the ~~as set out in section 3.2 and Schedule 1 of the Credit Agreement for IESO to provide the following certification in the March 21, 2018 Borrowing Notice:~~

> ~~"(c) The Repayment Date of the Proposed Advance is_____. [Not earlier than 5 days and not later than 95 days after the date of the Proposed Advance.]"~~

~~Additionally, OFA waives the requirement~~New Repayment Date is not earlier than 5 days after the current Repayment Date for the Advance, as required in section 3.3(2) and Schedule 2 of the Credit Agreement. ~~as set out in section 3.3 and Schedule 2 of the Credit Agreement for IESO to provide the following certification in the March 21, 2018 Election Notice:~~

> ~~"(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _____. [Insert date not earlier than 5 days and not later than 95 days after the current Repayment Date for the Advance.]"~~

Subject to the foregoing, ~~section 3.2 and~~ section 3.3 of the Credit Agreement appl~~y~~ies in its entirety~~ies~~ to all future Proposed Advances and Continued Advances.

Best Regards,

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael D. Manning
Title: Executive Director & Chief Investment Officer,
Capital Markets Division

Commented [LS5]: Under Schedule 2 of the Credit Facility Agreement, the New Repayment Date is the same for the Proposed Advance and Proposed Continued Advance.

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Ontario Financing Authority
1 Dundas Street West
Suite 1400
Toronto ON M7A 1Y7
Phone: 416-325-8000

Office ontarien de financement
1 rue Dundas ouest
Bureau 1400
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March ~~7~~ XX 2018

Kimberly Marshall
Independent Electricity System Operator
120 Adelaide Street, Suite 1600
Toronto, M5H 1T1

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Best Regards,

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael D. Manning
Title: Executive Director & Chief Investment Officer,
Capital Markets Division

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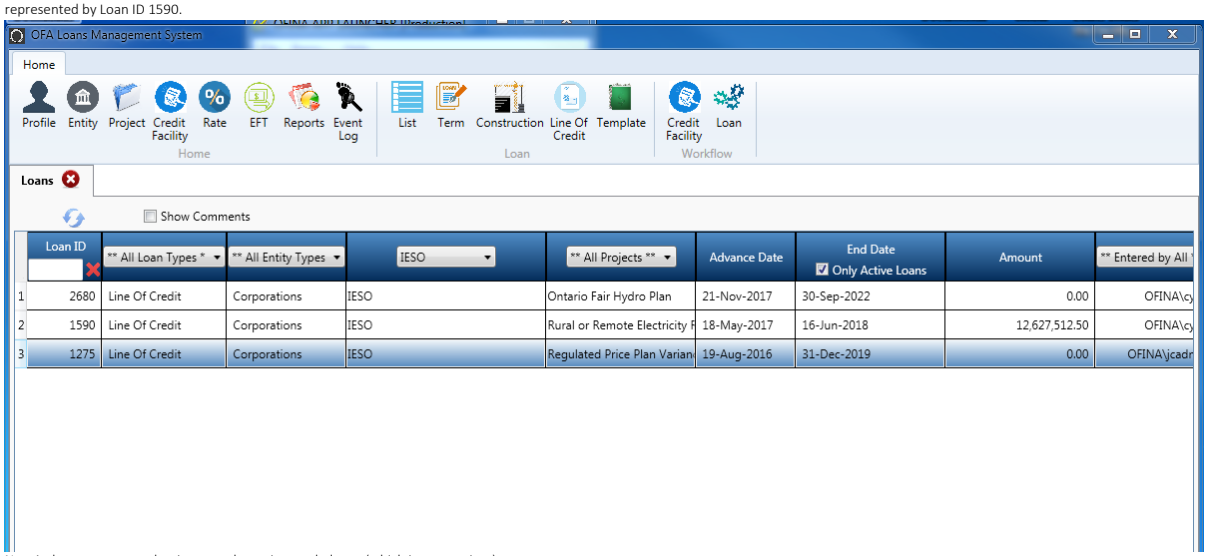
From: Andrea Dalgarno
To: Sarah Harris
Cc: William Tan
Subject: FW: 975M IESO LOC in OLMS-Status Concern
Date: Wednesday, January 24, 2018 10:04:53 AM
Attachments: image001.png
image002.png
image003.png

Hi,
Will checked further with Risa and the issue is that the 475M has two associated projects that need to be tracked separately apparently. OLMS does not allow for this and thus requires system enhancement.
They have a manual adjustment process in place to ensure proper tracking and reporting I guess by project. So really the 975M is a mere place holder for the second project.
For now, we can just keep this in mind when looking at OLMS. For the OFA BA tracking we would report 475M as used authority as that is the maximum that we have allowed them to potentially borrow.
Regards,
Andrea

From: Risa Thau
Sent: Wednesday, January 24, 2018 9:27 AM
To: William Tan
Cc: Sarah Harris ; Andrea Dalgarno
Subject: RE: 975M IESO LOC in OLMS-Status Concern
Hi Will,
OLMS still does not allow two different projects under one credit facility. That is why there are two credit facilities set up for IESO - one for $2 billion for the Ontario Fair Hydro Plan and the second one for $475 million for the Rural and Remote Electricity Rate Protection Variance. I will work with Craig Walsh and Vivek to enhance OLMS to correct this but it will probably take a few months.
Thanks,
Risa Thau

From: William Tan
Sent: Tuesday, January 23, 2018 10:52 AM
To: Risa Thau <Risa.Thau@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>
Subject: FW: 975M IESO LOC in OLMS-Status Concern
Hello Risa,
In OLMS, Andrea raised a question regarding Loan ID 1590 still appearing in the system as $975 million when she filters for "Line of Credit":
"List" and filters for "Line of Credit". Andrea is working on another matter but would like to understand the logic behind it to assist her in her understanding. More details below.
Thanks,
Will

From: Andrea Dalgarno
Sent: Tuesday, January 23, 2018 9:57 AM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: 975M IESO LOC in OLMS-Status Concern
Hi Will,
Sarah suggested you may be the best person to address this issue given your involvement in the amendment from 975 Million to 475 Million back in November.
It seems odd that when I call up active Lines of Credit (via "LIST" function) for IESO in OLMS below Loan Id 1275 is still appearing given it is the 975 Million which I think was replaced by the 475 million represented by Loan ID 1590.



Now it does not appear that it currently carries any balance (which is appropriate):

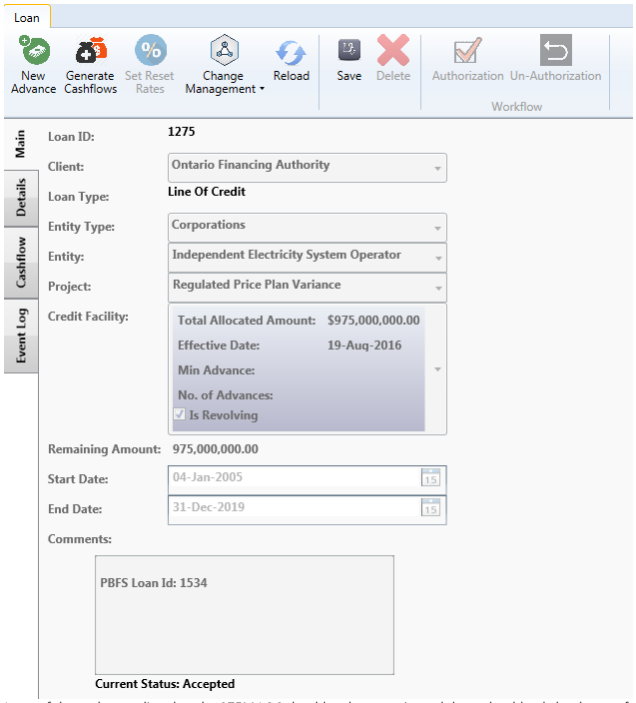
Ontario Financing Authority

Line of Credit Grid Note

Entity : IESO
Project: Regulated Price Plan Variance
Schedule of loan transactions to: 23-Jan-2018
Loan Limit: 975,000,000.00
Loan Advanced to: 23-Jan-2018

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days
19-Aug-2016	$94,951,024.00	0.8300%	19-Sep-2016	31	$65,321.10	$95,078,202.37	$94,951,024.00	$127,178.37	20-Jan-2017	154
21-Nov-2016	$64,793,065.20	0.8300%	24-Apr-2017	154	$44,201.30	$64,966,983.32	$64,793,065.20	$173,918.12	24-Apr-2017	154
21-Dec-2016	$70,276,310.40	0.8300%	24-Apr-2017	124	$49,905.81	$70,458,601.70	$70,276,310.40	$182,291.30	23-May-2017	153
20-Jun-2017	$109,986,030.30	1.2500%	21-Jul-2017	31	$116,765.99	$110,477,351.46	$109,986,030.30	$491,321.16	21-Nov-2017	154
21-Jul-2017	$136,581,867.69	1.2500%	21-Aug-2017	31	$145,001.30	$137,100,354.91	$136,581,867.69	$518,487.22	21-Nov-2017	123
21-Aug-2017	$148,134,438.04	1.2500%	21-Sep-2017	31	$157,266.01	$148,570,967.91	$148,134,438.04	$436,529.87	21-Nov-2017	92
21-Sep-2017	$210,261,264.44	1.2500%	20-Oct-2017	29	$223,222.58	$210,700,508.86	$210,261,264.44	$439,244.42	21-Nov-2017	61
20-Oct-2017	$220,675,501.53	1.2500%	21-Nov-2017	32	$234,278.79	$220,917,337.70	$220,675,501.53	$241,836.17	21-Nov-2017	32

But the end date is out in the future:



I was of the understanding that the 975M LOC should no longer exist and there should only be the one for 475M.
Can you sort through this if need be with the owners of the system (OLMS). If there is no problem with how it is appearing it would be helpful to know the rationale.
I noticed this issue as I am working with Corporate Finance on revised reporting for available authority related to OFA loans.
Thank you as always.
Regards,

Andrea Dalgarno
Documentation & Analysis Specialist
Ontario Financing Authority
Tel 416-212-7451

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OFA Loans Management System

Home

Profile | Entity | Project | Credit Facility | Rate | EFT | Reports | Event Log — Home

List | Term | Construction | Line Of Credit | Template — Loan

Credit Facility | Loan — Workflow

Loans

Show Comments

	Loan ID	** All Loan Types *	** All Entity Types	IESO	** All Projects **	Advance Date	End Date (Only Active Loans)	Amount	** Entered by All
1	2680	Line Of Credit	Corporations	IESO	Ontario Fair Hydro Plan	21-Nov-2017	30-Sep-2022	0.00	OFINA\cy
2	1590	Line Of Credit	Corporations	IESO	Rural or Remote Electricity F	18-May-2017	16-Jun-2018	12,627,512.50	OFINA\cy
3	1275	Line Of Credit	Corporations	IESO	Regulated Price Plan Varian	19-Aug-2016	31-Dec-2019	0.00	OFINA\jcadr

Ontario Financing Authority

Line of Credit Grid Note

Entity : IESO

Project: Regulated Price Plan Variance

Schedule of loan transactions to: 23-Jan-2018

Loan Limit: 975,000,000.00

Loan Advanced to: 23-Jan-2018

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days
19-Aug-2016	$94,951,024.00	0.8300%	19-Sep-2016	31	$65,321.10	$95,078,202.37	$94,951,024.00	$127,178.37	20-Jan-2017	154
21-Nov-2016	$64,793,065.20	0.8300%	24-Apr-2017	154	$44,201.30	$64,966,983.32	$64,793,065.20	$173,918.12	24-Apr-2017	154
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Loan

New Advance | Generate Cashflows | Set Reset Rates | Change Management | Reload | Save | Delete | Authorization | Un-Authorization

Workflow

Main | Details | Cashflow | Event Log

Loan ID: 1275

Client: Ontario Financing Authority

Loan Type: Line Of Credit

Entity Type: Corporations

Entity: Independent Electricity System Operator

Project: Regulated Price Plan Variance

Credit Facility:

Total Allocated Amount: $975,000,000.00

Effective Date: 19-Aug-2016

Min Advance:

No. of Advances:

Is Revolving

Remaining Amount: 975,000,000.00

Start Date: 04-Jan-2005

End Date: 31-Dec-2019

Comments:

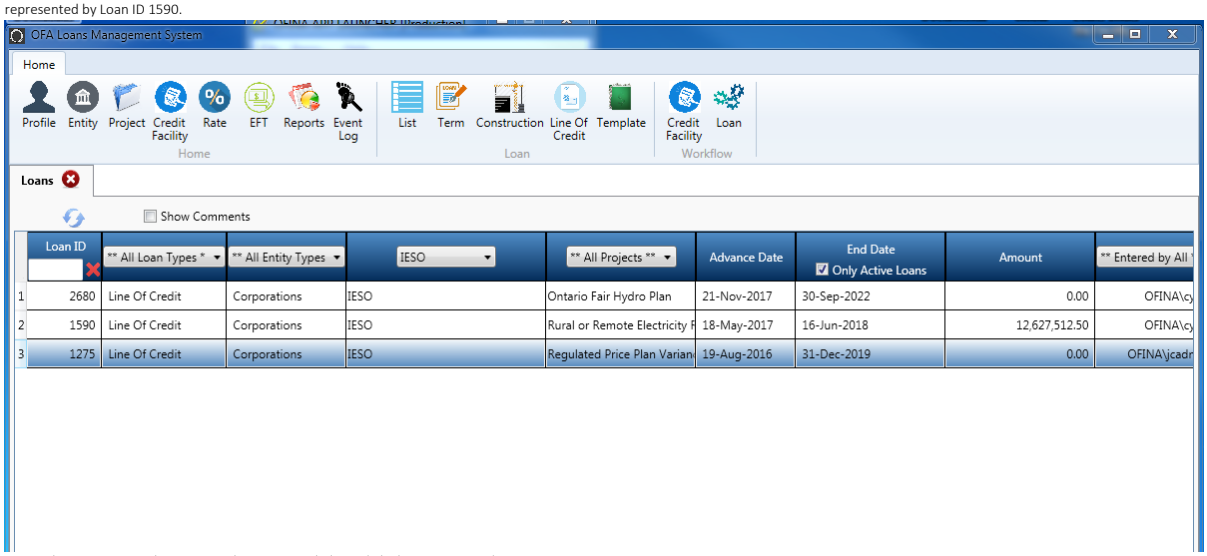
PBFS Loan Id: 1534

Current Status: Accepted

From: William Tan
To: Risa Thau
Cc: Sarah Harris; Andrea Dalgarno
Subject: FW: 975M IESO LOC in OLMS-Status Concern
Date: Tuesday, January 23, 2018 10:51:55 AM
Attachments: image001.png
image002.png
image003.png

Hello Risa,
In OLMS, Andrea raised a question regarding Loan ID 1590 still appearing in the system as $975 million when she filters for "Line of Credit":
"List" and filters for "Line of Credit". Andrea is working on another matter but would like to understand the logic behind it to assist her in her understanding. More details below.
Thanks,
Will

From: Andrea Dalgarno
Sent: Tuesday, January 23, 2018 9:57 AM
To: William Tan
Cc: Sarah Harris
Subject: 975M IESO LOC in OLMS-Status Concern
Hi Will,
Sarah suggesetd you may be the best person to address this issue given your involvement in the amendment from 975 Million to 475 Million back in November.
It seems odd that when I call up active Lines of Credit (via "LIST" function) for IESO in OLMS below Loan Id 1275 is still appearing given it is the 975 Million which I think was replaced by the 475 million represented by Loan ID 1590.



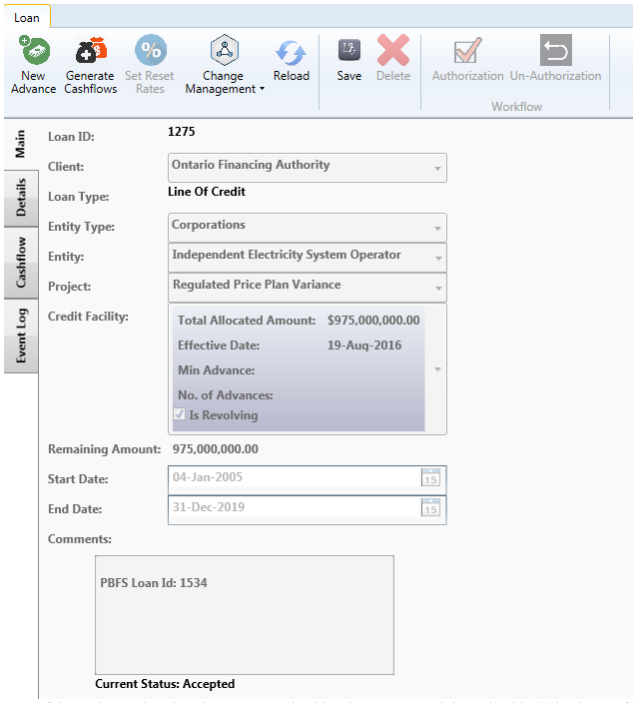
Now it does not appear that it currently carries any balance (which is appropriate):

Ontario Financing Authority
Line of Credit Grid Note

Entity : IESO
Project: Regulated Price Plan Variance
Schedule of loan transactions to: 23-Jan-2018
Loan Limit: 975,000,000.00
Loan Advanced to: 23-Jan-2018

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days
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But the end date is out in the future:



I was of the understanding that the 975M LOC should no longer exist and there should only be the one for 475M.
Can you sort through this if need be with the owners of the system (OLMS). If there is no problem with how it is appearing it would be helpful to know the rationale.
I noticed this issue as I am working with Corporate Finance on revised reporting for available authority related to OFA loans.
Thank you as always.
Regards,

Andrea Dalgarno
Documentation & Analysis Specialist
Ontario Financing Authority
Tel 416-212-7451

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Home

Profile | Entity | Project | Credit Facility | Rate | EFT | Reports | Event Log — Home

List | Term | Construction | Line Of Credit | Template — Loan

Credit Facility | Loan — Workflow

Loans

Show Comments

	Loan ID	** All Loan Types *	** All Entity Types	IESO	** All Projects **	Advance Date	End Date (Only Active Loans)	Amount	** Entered by All
1	2680	Line Of Credit	Corporations	IESO	Ontario Fair Hydro Plan	21-Nov-2017	30-Sep-2022	0.00	OFINA\cy
2	1590	Line Of Credit	Corporations	IESO	Rural or Remote Electricity F	18-May-2017	16-Jun-2018	12,627,512.50	OFINA\cy
3	1275	Line Of Credit	Corporations	IESO	Regulated Price Plan Varian	19-Aug-2016	31-Dec-2019	0.00	OFINA\jcadr

Ontario Financing Authority

Line of Credit Grid Note

Entity : IESO

Project: Regulated Price Plan Variance

Schedule of loan transactions to: 23-Jan-2018

Loan Limit: 975,000,000.00

Loan Advanced to: 23-Jan-2018

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days
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Loan

New Advance | Generate Cashflows | Set Reset Rates | Change Management | Reload | Save | Delete | Authorization | Un-Authorization

Workflow

Main | Details | Cashflow | Event Log

Loan ID: 1275

Client: Ontario Financing Authority

Loan Type: Line Of Credit

Entity Type: Corporations

Entity: Independent Electricity System Operator

Project: Regulated Price Plan Variance

Credit Facility:

Total Allocated Amount: $975,000,000.00

Effective Date: 19-Aug-2016

Min Advance:

No. of Advances:

Is Revolving

Remaining Amount: 975,000,000.00

Start Date: 04-Jan-2005

End Date: 31-Dec-2019

Comments:

PBFS Loan Id: 1534

Current Status: Accepted

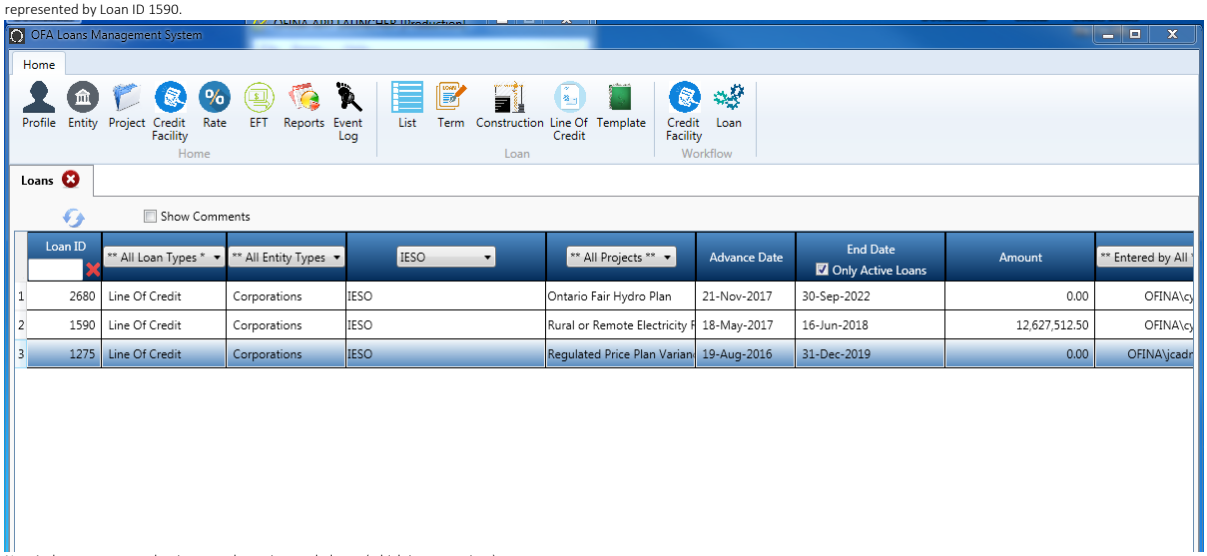
From: Andrea Dalgarno
To: Sarah Harris
Cc: William Tan
Subject: FW: 975M IESO LOC in OLMS-Status Concern
Date: Wednesday, January 24, 2018 10:04:53 AM
Attachments: image001.png
image002.png
image003.png

Hi,
Will checked further with Risa and the issue is that the 475M has two associated projects that need to be tracked separately apparently. OLMS does not allow for this and thus requires system enhancement.
They have a manual adjustment process in place to ensure proper tracking and reporting I guess by project. So really the 975M is a mere place holder for the second project.
For now, we can just keep this in mind when looking at OLMS. For the OFA BA tracking we would report 475M as used authority as that is the maximum that we have allowed them to potentially borrow.
Regards,
Andrea

From: Risa Thau
Sent: Wednesday, January 24, 2018 9:27 AM
To: William Tan
Cc: Sarah Harris ; Andrea Dalgarno
Subject: RE: 975M IESO LOC in OLMS-Status Concern
Hi Will,
OLMS still does not allow two different projects under one credit facility. That is why there are two credit facilities set up for IESO - one for $2 billion for the Ontario Fair Hydro Plan and the second one for $475 million for the Rural and Remote Electricity Rate Protection Variance. I will work with Craig Walsh and Vivek to enhance OLMS to correct this but it will probably take a few months.
Thanks,
Risa Thau

From: William Tan
Sent: Tuesday, January 23, 2018 10:52 AM
To: Risa Thau <Risa.Thau@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>
Subject: FW: 975M IESO LOC in OLMS-Status Concern
Hello Risa,
In OLMS, Andrea raised a question regarding Loan ID 1590 still appearing in the system as $975 million when she filters for "Line of Credit":
"List" and filters for "Line of Credit". Andrea is working on another matter but would like to understand the logic behind it to assist her in her understanding. More details below.
Thanks,
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Sent: Tuesday, January 23, 2018 9:57 AM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: 975M IESO LOC in OLMS-Status Concern
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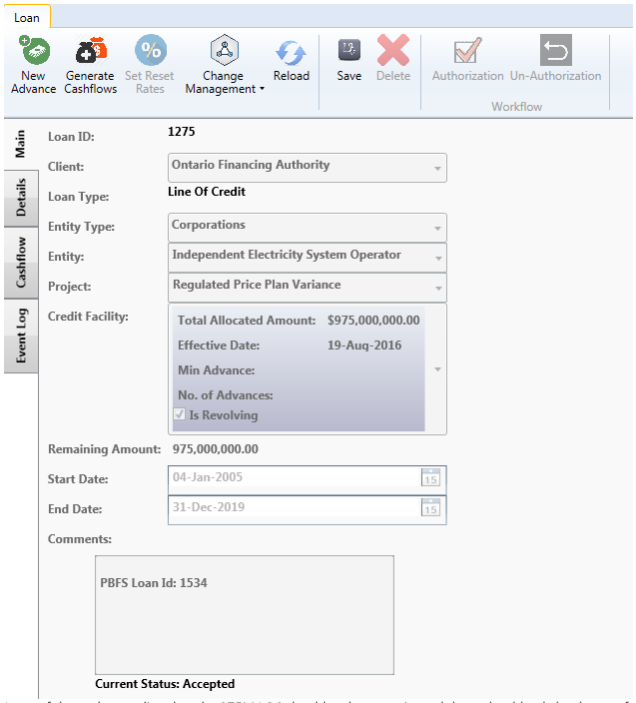
Ontario Financing Authority

Line of Credit Grid Note

Entity : IESO
Project: Regulated Price Plan Variance
Schedule of loan transactions to: 23-Jan-2018
Loan Limit: 975,000,000.00
Loan Advanced to: 23-Jan-2018

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Andrea Dalgarno
Documentation & Analysis Specialist
Ontario Financing Authority
Tel 416-212-7451

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Home

Profile | Entity | Project | Credit Facility | Rate | EFT | Reports | Event Log — Home

List | Term | Construction | Line Of Credit | Template — Loan

Credit Facility | Loan — Workflow

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Ontario Financing Authority

Line of Credit Grid Note

Entity : IESO

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Loan Limit: 975,000,000.00

Loan Advanced to: 23-Jan-2018

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Loan

New Advance | Generate Cashflows | Set Reset Rates | Change Management | Reload | Save | Delete | Authorization | Un-Authorization

Workflow

Main | Details | Cashflow | Event Log

Loan ID: 1275

Client: Ontario Financing Authority

Loan Type: Line Of Credit

Entity Type: Corporations

Entity: Independent Electricity System Operator

Project: Regulated Price Plan Variance

Credit Facility:

Total Allocated Amount: $975,000,000.00

Effective Date: 19-Aug-2016

Min Advance:

No. of Advances:

Is Revolving

Remaining Amount: 975,000,000.00

Start Date: 04-Jan-2005

End Date: 31-Dec-2019

Comments:

PBFS Loan Id: 1534

Current Status: Accepted

From: Sarah Harris
To: Jean-Francois Beaupre
Subject: FW: BN - Lending Directive for Loan to OCRC.docx
Date: Tuesday, March 27, 2018 3:39:33 PM

Hi JF,
You were originally copied on another strain of this, and I sent a smaller e-mail to Malle, and then this thing branched out again. I'm just forwarding this to you so you know you can pitch the other one.
Sarah

From: Opal Kandelas
Sent: Tuesday, March 27, 2018 3:34 PM
To: Garth Parish ; Sarah Harris ; Malle Hanslep (MOF)
Cc: Andrea Dalgarno ; Dimitri Markoulakis (MOF) ; Mara Bakic ; Anna Strathy
Subject: RE: BN - Lending Directive for Loan to OCRC.docx
Hi Garth,
Would you please share a briefing note, draft Minister's directive and any other pertinent materials with us. The date for submitting a package for the April 16 LRC has long passed, but we can work towards getting this item to the DMO. An LRC Note will need to be prepared by CEFD as soon as possible. I've cc'd Anna so that she is aware.
Please send Anna a brief description of the issue so as to inform her discussions with DMO.
Thanks,
Opal

From: Garth Parish
Sent: Tuesday, March 27, 2018 2:29 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>; Malle Hanslep (MOF) <Malle.Hanslep@ontario.ca>
Cc: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Dimitri Markoulakis (MOF) <Dimitri.Markoulakis@ontario.ca>; Mara Bakic <Mara.Bakic@ofina.on.ca>
Subject: RE: BN - Lending Directive for Loan to OCRC.docx
Hi Sarah,
As Malle says, the best approach and the approach we, including Gadi, are recommending is that the "commitment" (in whatever form) be provided by MOH.
However, it appears as though the loan will be required eventually and will only work under a 35 year amortization (again Gadi has agreed to this amortization in principle), so we will need to amend the OIC. Given that our Plan B, which may be needed, is to provide some joint assurance MOF/MOH to HOOPP by April 30, I would like to work with Capital Markets to try to get the OIC in place so that we can use Plan B if necessary.
If you agree, just let me know what you need from me.
Thanks,
Garth

From: Sarah Harris
Sent: March-27-18 1:11 PM
To: Malle Hanslep (MOF) <Malle.Hanslep@ontario.ca>
Cc: Garth Parish <Garth.Parish@ofina.on.ca>; Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>;

Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Dimitri Markoulakis (MOF) <Dimitri.Markoulakis@ontario.ca>
Subject: RE: BN - Lending Directive for Loan to OCRC.docx

Malle,

Thank you very much for your quick response.

Garth – I'm not familiar with the various inputs Malle has mentioned below with the loan, and the timing for getting these. Is it possible to obtain all the required approvals, etc. prior to April 30th? As Malle indicates, a binding commitment doesn't seem possible without these elements. On the other hand, if it is possible, we could try to make the case for including an amending OIC for the April 16th LRC.

Thanks,

Sarah

From: Hanslep, Malle (MOF) [mailto:Malle.Hanslep@ontario.ca]
Sent: Tuesday, March 27, 2018 12:49 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: Garth Parish <Garth.Parish@ofina.on.ca>; Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Dimitri Markoulakis (MOF) <Dimitri.Markoulakis@ontario.ca>
Subject: RE: BN - Lending Directive for Loan to OCRC.docx

Hi,

Dimitri has been working on this as well so copying him here. According to the current OIC's, OFA must repay the funds borrowed from the Province by 2040 (I haven't check them all now but assume that you have) so the OFA couldn't make a longer term loan to a third party such as the hospital without an amending OIC as you describe.

I think that the only thing that could be done is to see whether there is any possibility of walking this OIC in at this point if it is that critical. However, at the same time, I know that there have been numerous elements regarding this potential loan including possibly having MOHLTC provide an indemnity to the OFA regarding the repayment by the hospital. Not sure that we could in anyway provide a binding commitment that the money will be available in 2019 since there would be many other elements such as a Minister's directive, the negotiation of the loan agreement and due diligence that would make it conditional. However, it seems that the amendment to the OIC is a necessary precondition.

Also just thinking general about this project, is it anticipated that any other approvals or signing of agreements, etc. would be proposed during the writ period?

Thanks,

Malle

From: Sarah Harris [mailto:Sarah.Harris@ofina.on.ca]
Sent: March 27, 2018 12:21 PM
To: Hanslep, Malle (MOF)
Cc: Parish, Garth (OFA); Dalgarno, Andrea (OFA); Kandelas, Opal (OFA)
Subject: FW: BN - Lending Directive for Loan to OCRC.docx

Hello Malle,

I am writing to you to inquire about the timing for an approval for an OIC in relation to a loan that the OFA may be making to St. Michael's, as detailed below.

In short, the OFA has the available room under its existing lending OICs (i.e. the OICs where the OFA borrows from Her Majesty, and then in turn makes loans to public bodies), but the expiry dates of the existing OICs are shorter than the proposed maturity. The OICs expire in 2041 and the loan

would mature in late 2054. In order for the St. Micheal's loan to occur, there has to be a binding assurance to HOOPP by April 30th that funds will be available to be advance in the summer of 2019. In order for us to provide this, we would need to get approval for an amending OIC to extend the expiry dates of the existing OICs to 2055.

Given that the last LRC scheduled is for April 16th, and the deadlines for providing materials has passed (March 20th), it doesn't seem possible to get approval for an amending OIC prior to April 30th. Do you know of any options that might make this possible?

Thanks,

Sarah

From: Andrea Dalgarno
Sent: Tuesday, March 27, 2018 11:46 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: BN - Lending Directive for Loan to OCRC.docx

FYI

From: Garth Parish
Sent: Tuesday, March 27, 2018 11:43 AM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>
Cc: Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Daki Proudfoot <Daki.Proudfoot@ofina.on.ca>; Mara Bakic <Mara.Bakic@ofina.on.ca>; Bonnie Lemcke <Bonnie.Lemcke@ofina.on.ca>; Bonnie Zhang <Bonnie.Zhang@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: RE: BN - Lending Directive for Loan to OCRC.docx

Hi Andrea,

We are in discussions with St. Michael's Hospital to provide them with a $100M loan that would be amortized over 35 years. This is with regard to pension assets that they are transferring to HOOPP that need to be topped up by $100M.

A wrinkle is that they need to provide a binding assurance to HOOPP by April 30 that they have the funds although the effective date of the loan and the transfer of funds won't take place until July/August of 2019. This means that the loan wouldn't be paid off until late 2054.

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Please advise the best way to proceed towards the required OIC amendment re timing.

Thanks. I will call to follow up.

Thanks,

Garth

From: Andrea Dalgarno
Sent: December-06-17 2:10 PM
To: Garth Parish <Garth.Parish@ofina.on.ca>
Cc: Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Daki Proudfoot <Daki.Proudfoot@ofina.on.ca>; Mara Bakic <Mara.Bakic@ofina.on.ca>; Bonnie Lemcke <Bonnie.Lemcke@ofina.on.ca>
Subject: RE: BN - Lending Directive for Loan to OCRC.docx

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Regards,
Andrea

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Sent: Wednesday, December 06, 2017 1:52 PM
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Cc: Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Daki Proudfoot <Daki.Proudfoot@ofina.on.ca>; Mara Bakic <Mara.Bakic@ofina.on.ca>; Bonnie Lemcke <Bonnie.Lemcke@ofina.on.ca>
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Let me know should you have any further question or concerns.
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Cc: Bonnie Zhang <Bonnie.Zhang@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: BN - Lending Directive for Loan to OCRC.docx

Hi Jean-Francois,

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- $150 million to the Ontario Cannabis Retail Corporation
- $100 million to St Michael's hospital

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From: Lisa Stein
Sent: December-04-17 1:25 PM
To: Garth Parish <Garth.Parish@ofina.on.ca>
Cc: Bonnie Zhang <Bonnie.Zhang@ofina.on.ca>
Subject: BN - Lending Directive for Loan to OCRC.docx

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Thank you,

Lisa

Lisa N. Stein
Legal Counsel
Ontario Financing Authority
416-325-2320

****
This message, including any attachments, is intended only for the use of the individual(s) to which it is addressed and contains information that is privileged/confidential. Any other distribution, copying or disclosure is strictly prohibited. If you are not the intended recipient or have received this message in error, please notify the sender immediately by reply e-mail and permanently delete this message, including any attachments, without reading it or making a copy. Thank you.
****

From:	Sarah Harris
To:	Malle Hanslep (MOF)
Cc:	Garth Parish; Andrea Dalgarno; Opal Kandelas
Subject:	FW: BN - Lending Directive for Loan to OCRC.docx
Date:	Tuesday, March 27, 2018 12:20:39 PM
Attachments:	FW Public Service Responsibilities and Procedures Leading Up to and During the Election Period.msg

Hello Malle,

I am writing to you to inquire about the timing for an approval for an OIC in relation to a loan that the OFA may be making to St. Michael's, as detailed below.

In short, the OFA has the available room under its existing lending OICs (i.e. the OICs where the OFA borrows from Her Majesty, and then in turn makes loans to public bodies), but the expiry dates of the existing OICs are shorter than the proposed maturity. The OICs expire in 2041 and the loan would mature in late 2054. In order for the St. Micheal's loan to occur, there has to be a binding assurance to HOOPP by April 30th that funds will be available to be advance in the summer of 2019. In order for us to provide this, we would need to get approval for an amending OIC to extend the expiry dates of the existing OICs to 2055.

Given that the last LRC scheduled is for April 16th, and the deadlines for providing materials has passed (March 20th), it doesn't seem possible to get approval for an amending OIC prior to April 30th. Do you know of any options that might make this possible?

Thanks,

Sarah

From: Andrea Dalgarno
Sent: Tuesday, March 27, 2018 11:46 AM
To: Sarah Harris
Subject: FW: BN - Lending Directive for Loan to OCRC.docx

FYI

From: Garth Parish
Sent: Tuesday, March 27, 2018 11:43 AM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>
Cc: Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Daki Proudfoot <Daki.Proudfoot@ofina.on.ca>; Mara Bakic <Mara.Bakic@ofina.on.ca>; Bonnie Lemcke <Bonnie.Lemcke@ofina.on.ca>; Bonnie Zhang <Bonnie.Zhang@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: RE: BN - Lending Directive for Loan to OCRC.docx

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****

From: Anna Strathy []
To: OFA_STAFF [OFA_STAFF@ofina.on.ca]
Subject: FW: Public Service Responsibilities and Procedures Leading Up to and During the Election Period
Date: Thursday, March 01, 2018 09:47:54
Attachment 1: image001.jpg
Attachment 2: DMs - Public Service Responsibilities During Election Period - February 28 2018.docx
Attachment 3: image002.jpg

FYI, a memo from the Secretary of Cabinet outlining our responsibilities during the writ and election period. As the Secretary outlines below, "the long-held practice in Ontario is for the government to assume a "caretaker role" as soon as the writ for a general election is issued [Wednesday, May 9] … The essential element of the caretaker practice is that only routine, non-controversial, or urgent business is conducted".

From May 9 onward, all Cabinet and committee meetings, including Treasury Board and Management Board of Cabinet, are suspended unless required to ensure the continuation of government operations and public services during the writ period. Furthermore, regulations should not be filed during the caretaker period even if previously approved by Cabinet and signed by the Lieutenant Governor.

Please see below for further details.

From: McLean, David (MOF) [mailto:David.McLean@ontario.ca]
Sent: Wednesday, February 28, 2018 5:34 PM
To: @FIN-L-O-SMC-ADMs <FIN-L-O-SMC-ADMs@msgov.gov.on.ca>
Cc: @FIN-L-O-SMC-EAs <FIN-L-O-SMC-EAs@msgov.gov.on.ca>
Subject: FW: Public Service Responsibilities and Procedures Leading Up to and During the Election Period

Please share this memo with staff within your divisions.

From: Bosco, Pina (CAB) **On Behalf Of** Orsini, Steve (CAB)
Sent: February 28, 2018 11:20 AM
To: Adamson, Maureen (MTCS); Angus, Helen (TBS); Bell, Robert (MOHLTC); Betzner, Lynn (CAB); Bezzina, Alexander (MCI); Boniferro, Paul (MAG); Davidson, Steven (CAB); de Launay, David (MNDM); Dennis, Sophie (MOL); Erry, Sam (MCSCS); Evans, Paul (MOECC); Fougère, Marie-Lison (MFA); French, Kevin (MGCS); Gherson, Giles (MEDG/MRIS); Hartley, Hillary (CAB); Imbrogno, Serge (ENERGY); LeBlanc, Laurie (MMA/MHO); Matthews, Nancy (MCYS); Menard, Janet (MCSS); Meredith, Greg (OMAFRA); Orencsak, Greg (MAESD); Orsini, Steve (CAB); Phillips, Shirley (MIT); Rhodes, Stephen (MTO); Richardson, Deborah (MIRR); Rodrigues, Bruce (EDU); Thompson, Scott (MOF); Thornton, Bill (MNRF); Torigian, Matthew (MCSCS); Zegarac, George (MOI)
Cc: Bevan, Andrew (OPO); Bromm, William (CAB); Kwamena, Boafoa (CAB); @CAB-DM-EAs
Subject: Public Service Responsibilities and Procedures Leading Up to and During the Election Period

Sent on behalf of Secretary Steve Orsini.

The Cabinet Office	**Bureau du Conseil des ministres**
Secretary of the Cabinet Head of the Ontario Public Service	Secrétaire du Conseil des ministres Chef de la fonction publique de l'Ontario

Clerk of the Executive Council

99 Wellesley Street West
6th Floor, Whitney Block
Toronto, Ontario
M7A 1A1
Telephone: 416 325-7641
Fax: 416 314-8980

Greffier du Conseil exécutif

99, rue Wellesley Ouest
Édifice Whitney, 6e étage
Toronto (Ontario)
M7A 1A1
Téléphone : 416 325-7641
Télécopieur : 416 314-8980

February 28, 2018

MEMORANDUM TO: Deputy Ministers

SUBJECT: Public Service Responsibilities and Procedures Leading Up to and During the Election Period

As you know, pursuant to the *Election Act*, Ontario's 2018 general election is scheduled to take place on Thursday, June 7. In accordance with the Act, the election period will officially begin when the Chief Electoral Officer issues the writ of election on Wednesday, May 9 in accordance with an order of the Lieutenant Governor in Council.

This memorandum is a reminder of several key election-related procedures and our responsibilities as public servants during the election period. I would request that you share this memo with all of your staff and with the Chairs and CEOs of your agencies, boards and commissions, who have traditionally applied the same rules and procedures to their operations during this period. A similar memo will be sent by the Premier's Office to Ministers, Parliamentary Assistants and Ministry Chiefs of Staff.

Role of the Public Service

We must always be mindful of our *Public Service of Ontario Act* obligations to provide professional, neutral and non-partisan service. This obligation is never more important than during an election period.

The public service continues to be committed to supporting the government in fulfilling its mandate prior to the election. The public service also has an important role to play in overseeing the uninterrupted delivery of programs and services during the election campaign while preparing for a smooth transition for a returning or new government following an election.

Regardless of the election outcome, there will be a new Parliament – Ontario's 42nd – consisting of both returning and newly elected MPPs. The Lieutenant Governor will also swear in a new Executive Council on the recommendation of the Premier or Premier-elect.

Government Operations During the Election Period

The long-held practice in Ontario is for the government to assume a “caretaker role” as soon as the writ for a general election is issued. The caretaker period will commence with the dissolution of the Legislative Assembly scheduled for Wednesday, May 9, and can generally be expected to continue until the swearing-in of a returning or new government.

The essential element of the caretaker practice is that only routine, non-controversial, or urgent business is conducted. The caretaker role requires that there be no new policy or program initiatives, and restricts ongoing work, consultations, appointments, regulatory postings, public engagement, announcements and ministry events. Prior approval to engage in these activities does not provide authority to continue once the caretaker period has begun. Except for the normal implementation of routine government services and programs, any activity or action that would not reasonably be perceived as routine, non-controversial, urgent or time sensitive, should be suspended once the writ is issued.

In assessing whether ongoing work is consistent with the caretaker role of government, ask the following relevant questions:

- Is the proposed work truly routine or urgent?
- Is there a potential for the work to be raised as a political issue during the election?
- Have all the necessary policy, funding and human resource approvals been received?
- Is there a legislative or legal requirement to provide the program or service?
- Do any of the next steps require further political decision or direction?
- Is there any reason why the activity cannot wait?
- Does the program or service need to be communicated to the public?
- Would the work limit or impair the decision-making freedom of a future government?
- Would any future government agree the work was necessary during the writ period?

All Cabinet and committee meetings, including Treasury Board and Management Board of Cabinet, are suspended unless required to ensure the continuation of government operations and public services during the writ period. This would include any meetings required to respond to urgent or unforeseen circumstances. Should circumstances require a decision of Cabinet, the Cabinet Office will work with the Office of the Premier to determine the appropriate steps to take to convene Cabinet in a manner consistent with the caretaker role.

Regulations should not be filed during the caretaker period even if previously approved by Cabinet and signed by the Lieutenant Governor. If you believe there are urgent circumstances that may require the filing of a regulation during this time, the situation should be discussed with my office well in advance of the caretaker period. Otherwise

approved regulations should be held until after the election, at which time a returning or new Minister's office should be asked for direction. Please keep in mind that unfiled regulations will automatically "expire" four months from the day of approval unless the filing date is extended by the Lieutenant Governor in Council.

There may be some items that will require a careful consideration of these caretaker principles before a decision can be made on whether they should proceed. In assessing these issues, it is very important to avoid planning any activity that would require a Minister's or Cabinet's decision during or immediately after the election period unless absolutely necessary or critical to ongoing government operations. To help resolve these matters, I will be Chairing a Caretaker Committee of Central Agency Deputy Ministers to review areas that are deemed to be significant enough to warrant central agency review. If you have any questions, please contact Steven Davidson, Deputy Minister for Policy and Delivery, Cabinet Office on policy-related matters or Helen Angus, Secretary of the Treasury Board on matters related to funding or human resources. If necessary, they will be bringing these matters forward to the Committee for consideration.

Communication Activities

Pursuant to the provisions of the *Government Advertising Act*, government advertising will be restricted effective March 10, 2018. Details on this restriction have been communicated to you by Deputy Minister of Communications and Associate Secretary of the Cabinet, Lynn Betzner.

Once the writ period begins, these advertising restrictions will continue as part of the caretaker role of government. Further, additional restrictions will be placed on all other government events, communications activities and announcements. Deputy Betzner will forward a communications protocol for the writ period to you and your Director of Communications.

In accordance with these restrictions, communications activities and announcements by the government will be suspended unless related to a recognized activity such as:

- **An emergency situation** that needs to be communicated to the public, e.g. public health emergency.
- **A revenue-generating** communication by a government or government agency program intended to support revenue generating activities in Ontario, e.g. Foodland Ontario.
- **A time-sensitive, statutory, or seasonal** communication.
- **An Agency Mandate** communication necessary to support a scheduled agency's mandate, such as the LCBO.

Issues management support should continue as usual to address any issues where the public interest might require comment by your Minister. Such support should be consistent with the caretaker role of government during this period. The Premier's Office will be reminding Ministers, Parliamentary Assistants and Chiefs of Staff that the public

service must not support candidates in an election and that requests for information and support must continue to respect the neutral, non-partisan role of the public service.

Your ministry staff should work with their Cabinet Office policy and communications contacts and staff remaining in your Minister's office to ensure that issues are managed appropriately.

Members of the Legislative Assembly

The Legislative Assembly provides information to all MPPs regarding their rights and obligations as Members of the Assembly during the election period. For example, while MPPs technically no longer hold office once the Assembly is dissolved for the election, their constituency offices remain open during the election period to support the citizens of these ridings. It is entirely appropriate for the public service to work with your Ministers' Offices to support constituency offices with public information in the same professional, non-partisan manner as we would at any other time.

Role of Ministers and Parliamentary Assistants

Ministers remain members of the Executive Council until the Premier submits, and the Lieutenant Governor accepts, their resignations. Any minister who is not re-elected remains a member of the Executive Council until their resignation is submitted to the Lieutenant Governor. This means that Ministers retain the rights, privileges and responsibilities of their office during and after an election, although these rights, privileges and responsibilities must now be exercised in accordance with the caretaker role of government. It is our responsibility as public servants to continue to serve them in that capacity.

The Premier's Office will be sending out a memo regarding the roles and responsibilities of Ministers, Parliamentary Assistants and political staff during the election period that you should review closely. In that regard, Cabinet Office will work with the Premier's Office and you will work with your Minister's Office to ensure these instructions are properly understood and implemented.

Ministers will be asked to exercise care and avoid any perception that they are using their ministerial offices, resources or portfolios for political purposes. While most government events are postponed during the election period, should any such event be approved to proceed during this time, Ministers and Parliamentary Assistants will be advised not to attend. Other local MPPs or candidates will also not be invited to attend any such events. However, there may be circumstances where a particular situation or protocol requires a Minister's involvement. Such circumstances might include a provincial emergency or a national or international event or occurrence where protocol would reasonably require a statement by the Premier or a responsible Minister. Any such involvement will need to be cleared in advanced with the Premier's Office in consultation with my Office.

Ministers will be advised that their cars and drivers should not be used during the writ period, and will be asked to ensure that their government vehicles are parked in their reserved parking space and that the keys are given to Executive Transportation Services. Ministers will also be advised that they cannot use a car or driver from the government pool during the writ period unless it is in relation to a government activity that has been approved by the Premier's Office, in consultation with Cabinet Office.

Parliamentary Assistants are appointed by Order-in-Council and technically retain their positions until the order is revoked. However, Ministers have been asked to make sure that Parliamentary Assistant assignments or responsibilities are suspended during the writ period.

Political Staff

Ministers' office staff will receive instructions on their activities during the election period, including political activity rules and the appropriate use of government resources and equipment (e.g., computers, photocopiers, BlackBerrys, cell phones, faxes, etc.).

Most Ministers' offices will maintain only core staff during the writ period. You will play an important role in working with staff remaining in your Ministers' offices to support your Ministers as members of the Executive Council during the election.

Political Activity Rules for the Ontario Public Service

The *Public Service of Ontario Act* sets out specific rules outlining the political activities that are permissible by employees in all ministries, Ministers' offices and public bodies. Special rules apply in the case of elections, and it is important that we respect these rules and the political activity rights of all public servants during this time. The Secretary of the Treasury Board Helen Angus will provide detailed information on these rules and guidelines.

Minister's Correspondence

As will be set out in Deputy Betzner's memorandum, Ministers' correspondence should continue to be answered during the election period according to quality service standards. In some circumstances, it may be more appropriate for policy or program-related correspondence to be answered by a Deputy Minister, Assistant Deputy Minister or program area.

In cases where a Minister's reply is required, an acknowledgement letter should indicate that the correspondence will be brought to the Minister's attention immediately after the election.

Where appropriate, certain letters can be brought to the attention of your Minister's office throughout the writ period.

Deputy Betzner will be sending you additional information to provide further guidance on these issues. If you have any questions, please contact her office.

Freedom of Information Requests

The statutory obligation to respond to all *Freedom of Information and Protection of Privacy Act* requests within 30 days is not altered by an election call. These requests should continue to be processed as usual during the election period, and you should continue to advise your Minister's office contact as appropriate.

Preservation of Government Records

Records that were received or created in a Ministry, by a Minister, or in a Minister's office in connection with the official activities of the government are public records subject to the *Archives and Recordkeeping Act*, *2006* and the applicable records schedules approved by the Archivist of Ontario. The approved records schedules contain provisions regarding these recordkeeping obligations as they relate to general elections.

The Premier's Office has been and will be providing communications to all Ministers' offices and the offices of Parliamentary Assistants on the importance of meeting these requirements. We must also continue to ensure that we meet our own recordkeeping obligations under the *Archives and Recordkeeping Act*, *2006.*

I know you will work with your Minister's office and your staff to ensure plans are in place to meet these obligations. Additional guidance on recordkeeping during and after the election period will be provided by the Archivist of Ontario, John Roberts. Staff from the Archives of Ontario can offer detailed information and assistance. For assistance please contact:

Greg Brown
Archives of Ontario
Ministry of Government Services
Tel: (416) 327-1457
E-Mail: greg.brown@ontario.ca

Works of Art on Loan from the Government of Ontario Art Collection

Artwork in Ministers' offices is often part of the Government of Ontario Art Collection and is Crown property. The curator must be informed of any impending changes, moves or renovations to loan locations. Artworks must not be moved without the approval and assistance of the curator. The curator can be contacted as follows:

Lani Wilson
Curator, Government of Ontario Art Collection
Archives of Ontario
Tel: 416-327-2808
E-mail: lani.wilson@ontario.ca

Election Preparation Planning

As you know, planning to support a returning or new government following the election is an important part of our work leading up to and during an election period. As part of this process, and to avoid duplication, Cabinet Office will be tracking all commitments made by each party during the election. It is critical that no costing of platform commitments be undertaken during the election period. Cabinet Office will be providing you with relevant tools to support our commitment tracking exercise.

In addition, Cabinet Office will be requesting assistance from your ministries in the development of Election Preparation Planning documents required to support the government following the election. My office will work directly with your lead representative on these requests, and I would ask you to pay particular attention to the due date for these materials.

To assist in these matters, please identify one designated lead person from your office to work with William Bromm (416-325-7378) or Boafoa Kwamena (416-325-4400).

Our Best Advice

The application of the rules outlined in this memo and the preparations undertaken by the public service during this time is an important part of the democratic process. It ensures the public service is in a position to offer our best, non-partisan advice leading up to and following the election, and is an important part of the continuity of government.

Given the importance of the issues outlined in this memo, I am asking that you ensure your Minister's office understands your ongoing commitment to implementing the government's mandate, while also reinforcing the importance of having the Minister's office flow all requests through your office to ensure enhanced coordination.

I know I can rely on your full support during the coming months, and want to encourage you to actively engage your ministries in these critical activities. Please do not hesitate to call me or my office at any time if you have any questions.

Original signed by:

Steve Orsini

c. Andrew Bevan, Chief of Staff and Principal Secretary to the Premier[intra.infogo.gov.on.ca]
William Bromm, Senior Director and General Counsel[intra.infogo.gov.on.ca], Cabinet Office
Boafoa Kwamena, Executive Assistant and Strategic Policy

Advisor[intra.infogo.gov.on.ca], Cabinet Office


Ontario

The Cabinet Office

Secretary of the Cabinet
Head of the Ontario Public Service
Clerk of the Executive Council

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6th Floor, Whitney Block
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Bureau du Conseil des ministres

Secrétaire du Conseil des ministres
Chef de la fonction publique de l'Ontario
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Ontario

February 28, 2018

MEMORANDUM TO: Deputy Ministers

SUBJECT: **Public Service Responsibilities and Procedures Leading Up to and During the Election Period**

As you know, pursuant to the *Election Act*, Ontario's 2018 general election is scheduled to take place on Thursday, June 7. In accordance with the Act, the election period will officially begin when the Chief Electoral Officer issues the writ of election on Wednesday, May 9 in accordance with an order of the Lieutenant Governor in Council.

This memorandum is a reminder of several key election-related procedures and our responsibilities as public servants during the election period. I would request that you share this memo with all of your staff and with the Chairs and CEOs of your agencies, boards and commissions, who have traditionally applied the same rules and procedures to their operations during this period. A similar memo will be sent by the Premier's Office to Ministers, Parliamentary Assistants and Ministry Chiefs of Staff.

Role of the Public Service

We must always be mindful of our *Public Service of Ontario Act* obligations to provide professional, neutral and non-partisan service. This obligation is never more important than during an election period.

The public service continues to be committed to supporting the government in fulfilling its mandate prior to the election. The public service also has an important role to play in overseeing the uninterrupted delivery of programs and services during the election campaign while preparing for a smooth transition for a returning or new government following an election.

Regardless of the election outcome, there will be a new Parliament – Ontario's 42nd – consisting of both returning and newly elected MPPs. The Lieutenant Governor will also swear in a new Executive Council on the recommendation of the Premier or Premier-elect.

…/2

Government Operations During the Election Period

The long-held practice in Ontario is for the government to assume a “caretaker role” as soon as the writ for a general election is issued. The caretaker period will commence with the dissolution of the Legislative Assembly scheduled for Wednesday, May 9, and can generally be expected to continue until the swearing-in of a returning or new government.

The essential element of the caretaker practice is that only routine, non-controversial, or urgent business is conducted. The caretaker role requires that there be no new policy or program initiatives, and restricts ongoing work, consultations, appointments, regulatory postings, public engagement, announcements and ministry events. Prior approval to engage in these activities does not provide authority to continue once the caretaker period has begun. Except for the normal implementation of routine government services and programs, any activity or action that would not reasonably be perceived as routine, non-controversial, urgent or time sensitive, should be suspended once the writ is issued.

In assessing whether ongoing work is consistent with the caretaker role of government, ask the following relevant questions:

- Is the proposed work truly routine or urgent?
- Is there a potential for the work to be raised as a political issue during the election?
- Have all the necessary policy, funding and human resource approvals been received?
- Is there a legislative or legal requirement to provide the program or service?
- Do any of the next steps require further political decision or direction?
- Is there any reason why the activity cannot wait?
- Does the program or service need to be communicated to the public?
- Would the work limit or impair the decision-making freedom of a future government?
- Would any future government agree the work was necessary during the writ period?

All Cabinet and committee meetings, including Treasury Board and Management Board of Cabinet, are suspended unless required to ensure the continuation of government operations and public services during the writ period. This would include any meetings required to respond to urgent or unforeseen circumstances. Should circumstances require a decision of Cabinet, the Cabinet Office will work with the Office of the Premier to determine the appropriate steps to take to convene Cabinet in a manner consistent with the caretaker role.

Regulations should not be filed during the caretaker period even if previously approved by Cabinet and signed by the Lieutenant Governor. If you believe there are urgent circumstances that may require the filing of a regulation during this time, the situation should be discussed with my office well in advance of the caretaker period. Otherwise approved regulations should be held until after the election, at which time a returning or new Minister’s office should be asked for direction. Please keep in mind that unfiled regulations will automatically “expire” four months from the day of approval unless the filing date is extended by the Lieutenant Governor in Council.

…/3

There may be some items that will require a careful consideration of these caretaker principles before a decision can be made on whether they should proceed. In assessing these issues, it is very important to avoid planning any activity that would require a Minister's or Cabinet's decision during or immediately after the election period unless absolutely necessary or critical to ongoing government operations. To help resolve these matters, I will be Chairing a Caretaker Committee of Central Agency Deputy Ministers to review areas that are deemed to be significant enough to warrant central agency review. If you have any questions, please contact Steven Davidson, Deputy Minister for Policy and Delivery, Cabinet Office on policy-related matters or Helen Angus, Secretary of the Treasury Board on matters related to funding or human resources. If necessary, they will be bringing these matters forward to the Committee for consideration.

Communication Activities

Pursuant to the provisions of the *Government Advertising Act*, government advertising will be restricted effective March 10, 2018. Details on this restriction have been communicated to you by Deputy Minister of Communications and Associate Secretary of the Cabinet, Lynn Betzner.

Once the writ period begins, these advertising restrictions will continue as part of the caretaker role of government. Further, additional restrictions will be placed on all other government events, communications activities and announcements. Deputy Betzner will forward a communications protocol for the writ period to you and your Director of Communications.

In accordance with these restrictions, communications activities and announcements by the government will be suspended unless related to a recognized activity such as:

- **An emergency situation** that needs to be communicated to the public, e.g. public health emergency.
- **A revenue-generating** communication by a government or government agency program intended to support revenue generating activities in Ontario, e.g. Foodland Ontario.
- **A time-sensitive, statutory, or seasonal** communication.
- **An Agency Mandate** communication necessary to support a scheduled agency's mandate, such as the LCBO.

Issues management support should continue as usual to address any issues where the public interest might require comment by your Minister. Such support should be consistent with the caretaker role of government during this period. The Premier's Office will be reminding Ministers, Parliamentary Assistants and Chiefs of Staff that the public service must not support candidates in an election and that requests for information and support must continue to respect the neutral, non-partisan role of the public service.

Your ministry staff should work with their Cabinet Office policy and communications contacts and staff remaining in your Minister's office to ensure that issues are managed appropriately.

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Members of the Legislative Assembly

The Legislative Assembly provides information to all MPPs regarding their rights and obligations as Members of the Assembly during the election period. For example, while MPPs technically no longer hold office once the Assembly is dissolved for the election, their constituency offices remain open during the election period to support the citizens of these ridings. It is entirely appropriate for the public service to work with your Ministers' Offices to support constituency offices with public information in the same professional, non-partisan manner as we would at any other time.

Role of Ministers and Parliamentary Assistants

Ministers remain members of the Executive Council until the Premier submits, and the Lieutenant Governor accepts, their resignations. Any minister who is not re-elected remains a member of the Executive Council until their resignation is submitted to the Lieutenant Governor. This means that Ministers retain the rights, privileges and responsibilities of their office during and after an election, although these rights, privileges and responsibilities must now be exercised in accordance with the caretaker role of government. It is our responsibility as public servants to continue to serve them in that capacity.

The Premier's Office will be sending out a memo regarding the roles and responsibilities of Ministers, Parliamentary Assistants and political staff during the election period that you should review closely. In that regard, Cabinet Office will work with the Premier's Office and you will work with your Minister's Office to ensure these instructions are properly understood and implemented.

Ministers will be asked to exercise care and avoid any perception that they are using their ministerial offices, resources or portfolios for political purposes. While most government events are postponed during the election period, should any such event be approved to proceed during this time, Ministers and Parliamentary Assistants will be advised not to attend. Other local MPPs or candidates will also not be invited to attend any such events. However, there may be circumstances where a particular situation or protocol requires a Minister's involvement. Such circumstances might include a provincial emergency or a national or international event or occurrence where protocol would reasonably require a statement by the Premier or a responsible Minister. Any such involvement will need to be cleared in advanced with the Premier's Office in consultation with my Office.

Ministers will be advised that their cars and drivers should not be used during the writ period, and will be asked to ensure that their government vehicles are parked in their reserved parking space and that the keys are given to Executive Transportation Services. Ministers will also be advised that they cannot use a car or driver from the government pool during the writ period unless it is in relation to a government activity that has been approved by the Premier's Office, in consultation with Cabinet Office.

Parliamentary Assistants are appointed by Order-in-Council and technically retain their positions until the order is revoked. However, Ministers have been asked to make sure that Parliamentary Assistant assignments or responsibilities are suspended during the writ period.

Political Staff

Ministers' office staff will receive instructions on their activities during the election period, including political activity rules and the appropriate use of government resources and equipment (e.g., computers, photocopiers, BlackBerrys, cell phones, faxes, etc.).

Most Ministers' offices will maintain only core staff during the writ period. You will play an important role in working with staff remaining in your Ministers' offices to support your Ministers as members of the Executive Council during the election.

Political Activity Rules for the Ontario Public Service

The *Public Service of Ontario Act* sets out specific rules outlining the political activities that are permissible by employees in all ministries, Ministers' offices and public bodies. Special rules apply in the case of elections, and it is important that we respect these rules and the political activity rights of all public servants during this time. The Secretary of the Treasury Board Helen Angus will provide detailed information on these rules and guidelines.

Minister's Correspondence

As will be set out in Deputy Betzner's memorandum, Ministers' correspondence should continue to be answered during the election period according to quality service standards. In some circumstances, it may be more appropriate for policy or program-related correspondence to be answered by a Deputy Minister, Assistant Deputy Minister or program area.

In cases where a Minister's reply is required, an acknowledgement letter should indicate that the correspondence will be brought to the Minister's attention immediately after the election.

Where appropriate, certain letters can be brought to the attention of your Minister's office throughout the writ period.

Deputy Betzner will be sending you additional information to provide further guidance on these issues. If you have any questions, please contact her office.

Freedom of Information Requests

The statutory obligation to respond to all *Freedom of Information and Protection of Privacy Act* requests within 30 days is not altered by an election call. These requests should continue to be processed as usual during the election period, and you should continue to advise your Minister's office contact as appropriate.

Preservation of Government Records

Records that were received or created in a Ministry, by a Minister, or in a Minister's office in connection with the official activities of the government are public records subject to the *Archives and Recordkeeping Act*, *2006* and the applicable records schedules approved by the Archivist of Ontario. The approved records schedules contain provisions regarding these recordkeeping obligations as they relate to general elections.

The Premier's Office has been and will be providing communications to all Ministers' offices and the offices of Parliamentary Assistants on the importance of meeting these requirements. We must also continue to ensure that we meet our own recordkeeping obligations under the *Archives and Recordkeeping Act*, *2006.*

I know you will work with your Minister's office and your staff to ensure plans are in place to meet these obligations. Additional guidance on recordkeeping during and after the election period will be provided by the Archivist of Ontario, John Roberts. Staff from the Archives of Ontario can offer detailed information and assistance. For assistance please contact:

Greg Brown
Archives of Ontario
Ministry of Government Services
Tel: (416) 327-1457
E-Mail: greg.brown@ontario.ca

Works of Art on Loan from the Government of Ontario Art Collection

Artwork in Ministers' offices is often part of the Government of Ontario Art Collection and is Crown property. The curator must be informed of any impending changes, moves or renovations to loan locations. Artworks must not be moved without the approval and assistance of the curator. The curator can be contacted as follows:

Lani Wilson
Curator, Government of Ontario Art Collection
Archives of Ontario
Tel: 416-327-2808
E-mail: lani.wilson@ontario.ca

…/7

Election Preparation Planning

As you know, planning to support a returning or new government following the election is an important part of our work leading up to and during an election period. As part of this process, and to avoid duplication, Cabinet Office will be tracking all commitments made by each party during the election. It is critical that no costing of platform commitments be undertaken during the election period. Cabinet Office will be providing you with relevant tools to support our commitment tracking exercise.

In addition, Cabinet Office will be requesting assistance from your ministries in the development of Election Preparation Planning documents required to support the government following the election. My office will work directly with your lead representative on these requests, and I would ask you to pay particular attention to the due date for these materials.

To assist in these matters, please identify one designated lead person from your office to work with William Bromm (416-325-7378) or Boafoa Kwamena (416-325-4400).

Our Best Advice

The application of the rules outlined in this memo and the preparations undertaken by the public service during this time is an important part of the democratic process. It ensures the public service is in a position to offer our best, non-partisan advice leading up to and following the election, and is an important part of the continuity of government.

Given the importance of the issues outlined in this memo, I am asking that you ensure your Minister’s office understands your ongoing commitment to implementing the government's mandate, while also reinforcing the importance of having the Minister’s office flow all requests through your office to ensure enhanced coordination.

I know I can rely on your full support during the coming months, and want to encourage you to actively engage your ministries in these critical activities. Please do not hesitate to call me or my office at any time if you have any questions.

Original signed by:

Steve Orsini

c. Andrew Bevan, Chief of Staff and Principal Secretary to the Premier
William Bromm, Senior Director and General Counsel, Cabinet Office
Boafoa Kwamena, Executive Assistant and Strategic Policy Advisor, Cabinet Office


Ontario

From:	Sarah Harris
To:	Malle Hanslep (MOF)
Cc:	Garth Parish; Andrea Dalgarno; Opal Kandelas
Subject:	FW: BN - Lending Directive for Loan to OCRC.docx
Date:	Tuesday, March 27, 2018 12:20:39 PM
Attachments:	FW Public Service Responsibilities and Procedures Leading Up to and During the Election Period.msg

Hello Malle,

I am writing to you to inquire about the timing for an approval for an OIC in relation to a loan that the OFA may be making to St. Michael's, as detailed below.

In short, the OFA has the available room under its existing lending OICs (i.e. the OICs where the OFA borrows from Her Majesty, and then in turn makes loans to public bodies), but the expiry dates of the existing OICs are shorter than the proposed maturity. The OICs expire in 2041 and the loan would mature in late 2054. In order for the St. Micheal's loan to occur, there has to be a binding assurance to HOOPP by April 30th that funds will be available to be advance in the summer of 2019. In order for us to provide this, we would need to get approval for an amending OIC to extend the expiry dates of the existing OICs to 2055.

Given that the last LRC scheduled is for April 16th, and the deadlines for providing materials has passed (March 20th), it doesn't seem possible to get approval for an amending OIC prior to April 30th. Do you know of any options that might make this possible?

Thanks,

Sarah

From: Andrea Dalgarno
Sent: Tuesday, March 27, 2018 11:46 AM
To: Sarah Harris
Subject: FW: BN - Lending Directive for Loan to OCRC.docx

FYI

From: Garth Parish
Sent: Tuesday, March 27, 2018 11:43 AM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>
Cc: Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Daki Proudfoot <Daki.Proudfoot@ofina.on.ca>; Mara Bakic <Mara.Bakic@ofina.on.ca>; Bonnie Lemcke <Bonnie.Lemcke@ofina.on.ca>; Bonnie Zhang <Bonnie.Zhang@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: RE: BN - Lending Directive for Loan to OCRC.docx

Hi Andrea,

We are in discussions with St. Michael's Hospital to provide them with a $100M loan that would be amortized over 35 years. This is with regard to pension assets that they are transferring to HOOPP that need to be topped up by $100M.

A wrinkle is that they need to provide a binding assurance to HOOPP by April 30 that they have the funds although the effective date of the loan and the transfer of funds won't take place until July/August of 2019. This means that the loan wouldn't be paid off until late 2054.

We understand that the latest dated OIC is 844/2008 which ends June 1, 2041, so in order to make this loan we would need an OIC out to say, 2055 – although we may wish to make it later. A smaller request from Grand River hospital would be similar. Both loans would fit within the existing

authorized amounts but not the repayment date.
Please advise the best way to proceed towards the required OIC amendment re timing.
Thanks. I will call to follow up.
Thanks,
Garth

From: Andrea Dalgarno
Sent: December-06-17 2:10 PM
To: Garth Parish <Garth.Parish@ofina.on.ca>
Cc: Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Daki Proudfoot <Daki.Proudfoot@ofina.on.ca>; Mara Bakic <Mara.Bakic@ofina.on.ca>; Bonnie Lemcke <Bonnie.Lemcke@ofina.on.ca>
Subject: RE: BN - Lending Directive for Loan to OCRC.docx

Hi,
I have a place holder for when we do the next joint update to add the new 2 billion OIC 1279/2017 and the associated 2 billion line of credit (IESO-OFA credit facility FHP related). Also note the IESO 975m one will be removed while the IESO 475M will remain- it will be one line representing 475M.
Regards,
Andrea

From: Garth Parish
Sent: Wednesday, December 06, 2017 1:52 PM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>
Cc: Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Daki Proudfoot <Daki.Proudfoot@ofina.on.ca>; Mara Bakic <Mara.Bakic@ofina.on.ca>; Bonnie Lemcke <Bonnie.Lemcke@ofina.on.ca>
Subject: RE: BN - Lending Directive for Loan to OCRC.docx

Hi Andrea,
That's great. Thank you very much.
We may have some updates/comments to follow.
Thanks,
Garth

From: Andrea Dalgarno
Sent: December-06-17 12:30 PM
To: Garth Parish <Garth.Parish@ofina.on.ca>
Cc: Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Daki Proudfoot <Daki.Proudfoot@ofina.on.ca>
Subject: RE: BN - Lending Directive for Loan to OCRC.docx

Hi Garth,
I have been asked to respond to your query. Attached is the most current listing we have available of the OFA loans under the two OIC's. This listing was finalized in conjunction with Daki in Corporate Finance.
Based on this July 11, 2017 listing, the remaining authority under the two OIC's are as follows:

1) OIC 675/97 (the currently active one) has remaining authority of $721,594,955.57 as of July 11, 2017

2) OIC 767/99 has authority in the amount of $656,000,000.00 as of July 11, 2017

So it seems, we should be able to draw on OIC 675/97 for the additional loans you reference given it was noted in the BN you attached that the 2017-2018 OFA Borrowing and On-lending Plan was set at $486 million and apparently $250 million of that was postponed to 2018-2019.
Let me know should you have any further question or concerns.
Regards,
Andrea

From: Garth Parish
Sent: Tuesday, December 05, 2017 3:37 PM
To: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Cc: Bonnie Zhang <Bonnie.Zhang@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: BN - Lending Directive for Loan to OCRC.docx

Hi Jean-Francois,
You will see in the highlighted section below that Lisa is asking that we confirm that 2 OFA loans we are working on:

- $150 million to the Ontario Cannabis Retail Corporation
- $100 million to St Michael's hospital

are covered by the "existing on-lending OIC's".
I don't know who would keep a registry of the OICs and what loans they cover. Would your group have this registry?
Thanks,
Garth

From: Lisa Stein
Sent: December-04-17 1:25 PM
To: Garth Parish <Garth.Parish@ofina.on.ca>
Cc: Bonnie Zhang <Bonnie.Zhang@ofina.on.ca>
Subject: BN - Lending Directive for Loan to OCRC.docx

Hi Garth,
Please find attached some comments and suggested amendments to the draft briefing note, attached. I did not review the attachments; however, as discussed on Friday, they still reference the loan to St. Michael's hospital as well (and these references should be deleted).
I'm still working on the directive for the OCRC loan. In the meantime, can you please confirm that this loan is covered by the existing on-lending OICs (as referenced in the draft note)?
Thank you,
Lisa

Lisa N. Stein
Legal Counsel
Ontario Financing Authority
416-325-2320

****
This message, including any attachments, is intended only for the use of the individual(s) to which it is addressed and contains information that is privileged/confidential. Any other distribution, copying or disclosure is strictly prohibited. If you are not the intended recipient or have received this message in error, please notify the sender immediately by reply e-mail and permanently delete this message, including any attachments, without reading it or making a copy. Thank you.
****

From: Anna Strathy []
To: OFA_STAFF [OFA_STAFF@ofina.on.ca]
Subject: FW: Public Service Responsibilities and Procedures Leading Up to and During the Election Period
Date: Thursday, March 01, 2018 09:47:54
Attachment 1: image001.jpg
Attachment 2: DMs - Public Service Responsibilities During Election Period - February 28 2018.docx
Attachment 3: image002.jpg

FYI, a memo from the Secretary of Cabinet outlining our responsibilities during the writ and election period. As the Secretary outlines below, "the long-held practice in Ontario is for the government to assume a "caretaker role" as soon as the writ for a general election is issued [Wednesday, May 9] … The essential element of the caretaker practice is that only routine, non-controversial, or urgent business is conducted".

From May 9 onward, all Cabinet and committee meetings, including Treasury Board and Management Board of Cabinet, are suspended unless required to ensure the continuation of government operations and public services during the writ period. Furthermore, regulations should not be filed during the caretaker period even if previously approved by Cabinet and signed by the Lieutenant Governor.

Please see below for further details.

From: McLean, David (MOF) [mailto:David.McLean@ontario.ca]
Sent: Wednesday, February 28, 2018 5:34 PM
To: @FIN-L-O-SMC-ADMs <FIN-L-O-SMC-ADMs@msgov.gov.on.ca>
Cc: @FIN-L-O-SMC-EAs <FIN-L-O-SMC-EAs@msgov.gov.on.ca>
Subject: FW: Public Service Responsibilities and Procedures Leading Up to and During the Election Period

Please share this memo with staff within your divisions.

From: Bosco, Pina (CAB) **On Behalf Of** Orsini, Steve (CAB)
Sent: February 28, 2018 11:20 AM
To: Adamson, Maureen (MTCS); Angus, Helen (TBS); Bell, Robert (MOHLTC); Betzner, Lynn (CAB); Bezzina, Alexander (MCI); Boniferro, Paul (MAG); Davidson, Steven (CAB); de Launay, David (MNDM); Dennis, Sophie (MOL); Erry, Sam (MCSCS); Evans, Paul (MOECC); Fougère, Marie-Lison (MFA); French, Kevin (MGCS); Gherson, Giles (MEDG/MRIS); Hartley, Hillary (CAB); Imbrogno, Serge (ENERGY); LeBlanc, Laurie (MMA/MHO); Matthews, Nancy (MCYS); Menard, Janet (MCSS); Meredith, Greg (OMAFRA); Orencsak, Greg (MAESD); Orsini, Steve (CAB); Phillips, Shirley (MIT); Rhodes, Stephen (MTO); Richardson, Deborah (MIRR); Rodrigues, Bruce (EDU); Thompson, Scott (MOF); Thornton, Bill (MNRF); Torigian, Matthew (MCSCS); Zegarac, George (MOI)
Cc: Bevan, Andrew (OPO); Bromm, William (CAB); Kwamena, Boafoa (CAB); @CAB-DM-EAs
Subject: Public Service Responsibilities and Procedures Leading Up to and During the Election Period

Sent on behalf of Secretary Steve Orsini.

The Cabinet Office	**Bureau du Conseil des ministres**
Secretary of the Cabinet Head of the Ontario Public Service	Secrétaire du Conseil des ministres Chef de la fonction publique de l'Ontario

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February 28, 2018

MEMORANDUM TO: Deputy Ministers

SUBJECT: Public Service Responsibilities and Procedures Leading Up to and During the Election Period

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This memorandum is a reminder of several key election-related procedures and our responsibilities as public servants during the election period. I would request that you share this memo with all of your staff and with the Chairs and CEOs of your agencies, boards and commissions, who have traditionally applied the same rules and procedures to their operations during this period. A similar memo will be sent by the Premier's Office to Ministers, Parliamentary Assistants and Ministry Chiefs of Staff.

Role of the Public Service

We must always be mindful of our *Public Service of Ontario Act* obligations to provide professional, neutral and non-partisan service. This obligation is never more important than during an election period.

The public service continues to be committed to supporting the government in fulfilling its mandate prior to the election. The public service also has an important role to play in overseeing the uninterrupted delivery of programs and services during the election campaign while preparing for a smooth transition for a returning or new government following an election.

Regardless of the election outcome, there will be a new Parliament – Ontario's 42nd – consisting of both returning and newly elected MPPs. The Lieutenant Governor will also swear in a new Executive Council on the recommendation of the Premier or Premier-elect.

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The long-held practice in Ontario is for the government to assume a “caretaker role” as soon as the writ for a general election is issued. The caretaker period will commence with the dissolution of the Legislative Assembly scheduled for Wednesday, May 9, and can generally be expected to continue until the swearing-in of a returning or new government.

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In assessing whether ongoing work is consistent with the caretaker role of government, ask the following relevant questions:

- Is the proposed work truly routine or urgent?
- Is there a potential for the work to be raised as a political issue during the election?
- Have all the necessary policy, funding and human resource approvals been received?
- Is there a legislative or legal requirement to provide the program or service?
- Do any of the next steps require further political decision or direction?
- Is there any reason why the activity cannot wait?
- Does the program or service need to be communicated to the public?
- Would the work limit or impair the decision-making freedom of a future government?
- Would any future government agree the work was necessary during the writ period?

All Cabinet and committee meetings, including Treasury Board and Management Board of Cabinet, are suspended unless required to ensure the continuation of government operations and public services during the writ period. This would include any meetings required to respond to urgent or unforeseen circumstances. Should circumstances require a decision of Cabinet, the Cabinet Office will work with the Office of the Premier to determine the appropriate steps to take to convene Cabinet in a manner consistent with the caretaker role.

Regulations should not be filed during the caretaker period even if previously approved by Cabinet and signed by the Lieutenant Governor. If you believe there are urgent circumstances that may require the filing of a regulation during this time, the situation should be discussed with my office well in advance of the caretaker period. Otherwise

approved regulations should be held until after the election, at which time a returning or new Minister's office should be asked for direction. Please keep in mind that unfiled regulations will automatically "expire" four months from the day of approval unless the filing date is extended by the Lieutenant Governor in Council.

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service must not support candidates in an election and that requests for information and support must continue to respect the neutral, non-partisan role of the public service.

Your ministry staff should work with their Cabinet Office policy and communications contacts and staff remaining in your Minister's office to ensure that issues are managed appropriately.

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Role of Ministers and Parliamentary Assistants

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The Premier's Office will be sending out a memo regarding the roles and responsibilities of Ministers, Parliamentary Assistants and political staff during the election period that you should review closely. In that regard, Cabinet Office will work with the Premier's Office and you will work with your Minister's Office to ensure these instructions are properly understood and implemented.

Ministers will be asked to exercise care and avoid any perception that they are using their ministerial offices, resources or portfolios for political purposes. While most government events are postponed during the election period, should any such event be approved to proceed during this time, Ministers and Parliamentary Assistants will be advised not to attend. Other local MPPs or candidates will also not be invited to attend any such events. However, there may be circumstances where a particular situation or protocol requires a Minister's involvement. Such circumstances might include a provincial emergency or a national or international event or occurrence where protocol would reasonably require a statement by the Premier or a responsible Minister. Any such involvement will need to be cleared in advanced with the Premier's Office in consultation with my Office.

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Ministers' office staff will receive instructions on their activities during the election period, including political activity rules and the appropriate use of government resources and equipment (e.g., computers, photocopiers, BlackBerrys, cell phones, faxes, etc.).

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Political Activity Rules for the Ontario Public Service

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Minister's Correspondence

As will be set out in Deputy Betzner's memorandum, Ministers' correspondence should continue to be answered during the election period according to quality service standards. In some circumstances, it may be more appropriate for policy or program-related correspondence to be answered by a Deputy Minister, Assistant Deputy Minister or program area.

In cases where a Minister's reply is required, an acknowledgement letter should indicate that the correspondence will be brought to the Minister's attention immediately after the election.

Where appropriate, certain letters can be brought to the attention of your Minister's office throughout the writ period.

Deputy Betzner will be sending you additional information to provide further guidance on these issues. If you have any questions, please contact her office.

Freedom of Information Requests

The statutory obligation to respond to all *Freedom of Information and Protection of Privacy Act* requests within 30 days is not altered by an election call. These requests should continue to be processed as usual during the election period, and you should continue to advise your Minister's office contact as appropriate.

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Records that were received or created in a Ministry, by a Minister, or in a Minister's office in connection with the official activities of the government are public records subject to the *Archives and Recordkeeping Act*, *2006* and the applicable records schedules approved by the Archivist of Ontario. The approved records schedules contain provisions regarding these recordkeeping obligations as they relate to general elections.

The Premier's Office has been and will be providing communications to all Ministers' offices and the offices of Parliamentary Assistants on the importance of meeting these requirements. We must also continue to ensure that we meet our own recordkeeping obligations under the *Archives and Recordkeeping Act*, *2006.*

I know you will work with your Minister's office and your staff to ensure plans are in place to meet these obligations. Additional guidance on recordkeeping during and after the election period will be provided by the Archivist of Ontario, John Roberts. Staff from the Archives of Ontario can offer detailed information and assistance. For assistance please contact:

Greg Brown
Archives of Ontario
Ministry of Government Services
Tel: (416) 327-1457
E-Mail: greg.brown@ontario.ca

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Lani Wilson
Curator, Government of Ontario Art Collection
Archives of Ontario
Tel: 416-327-2808
E-mail: lani.wilson@ontario.ca

Election Preparation Planning

As you know, planning to support a returning or new government following the election is an important part of our work leading up to and during an election period. As part of this process, and to avoid duplication, Cabinet Office will be tracking all commitments made by each party during the election. It is critical that no costing of platform commitments be undertaken during the election period. Cabinet Office will be providing you with relevant tools to support our commitment tracking exercise.

In addition, Cabinet Office will be requesting assistance from your ministries in the development of Election Preparation Planning documents required to support the government following the election. My office will work directly with your lead representative on these requests, and I would ask you to pay particular attention to the due date for these materials.

To assist in these matters, please identify one designated lead person from your office to work with William Bromm (416-325-7378) or Boafoa Kwamena (416-325-4400).

Our Best Advice

The application of the rules outlined in this memo and the preparations undertaken by the public service during this time is an important part of the democratic process. It ensures the public service is in a position to offer our best, non-partisan advice leading up to and following the election, and is an important part of the continuity of government.

Given the importance of the issues outlined in this memo, I am asking that you ensure your Minister's office understands your ongoing commitment to implementing the government's mandate, while also reinforcing the importance of having the Minister's office flow all requests through your office to ensure enhanced coordination.

I know I can rely on your full support during the coming months, and want to encourage you to actively engage your ministries in these critical activities. Please do not hesitate to call me or my office at any time if you have any questions.

Original signed by:

Steve Orsini

c. Andrew Bevan, Chief of Staff and Principal Secretary to the Premier[intra.infogo.gov.on.ca]
William Bromm, Senior Director and General Counsel[intra.infogo.gov.on.ca], Cabinet Office
Boafoa Kwamena, Executive Assistant and Strategic Policy

Advisor[intra.infogo.gov.on.ca], Cabinet Office


Ontario

The Cabinet Office

Secretary of the Cabinet
Head of the Ontario Public Service
Clerk of the Executive Council

99 Wellesley Street West
6th Floor, Whitney Block
Toronto, Ontario
M7A 1A1

Telephone: 416 325-7641
Fax: 416 314-8980

Bureau du Conseil des ministres

Secrétaire du Conseil des ministres
Chef de la fonction publique de l'Ontario
Greffier du Conseil exécutif

99, rue Wellesley Ouest
Édifice Whitney, 6e étage
Toronto (Ontario)
M7A 1A1

Téléphone : 416 325-7641
Télécopieur : 416 314-8980

Ontario

February 28, 2018

MEMORANDUM TO: Deputy Ministers

SUBJECT: **Public Service Responsibilities and Procedures Leading Up to and During the Election Period**

As you know, pursuant to the *Election Act*, Ontario's 2018 general election is scheduled to take place on Thursday, June 7. In accordance with the Act, the election period will officially begin when the Chief Electoral Officer issues the writ of election on Wednesday, May 9 in accordance with an order of the Lieutenant Governor in Council.

This memorandum is a reminder of several key election-related procedures and our responsibilities as public servants during the election period. I would request that you share this memo with all of your staff and with the Chairs and CEOs of your agencies, boards and commissions, who have traditionally applied the same rules and procedures to their operations during this period. A similar memo will be sent by the Premier's Office to Ministers, Parliamentary Assistants and Ministry Chiefs of Staff.

Role of the Public Service

We must always be mindful of our *Public Service of Ontario Act* obligations to provide professional, neutral and non-partisan service. This obligation is never more important than during an election period.

The public service continues to be committed to supporting the government in fulfilling its mandate prior to the election. The public service also has an important role to play in overseeing the uninterrupted delivery of programs and services during the election campaign while preparing for a smooth transition for a returning or new government following an election.

Regardless of the election outcome, there will be a new Parliament – Ontario's 42nd – consisting of both returning and newly elected MPPs. The Lieutenant Governor will also swear in a new Executive Council on the recommendation of the Premier or Premier-elect.

…/2

Government Operations During the Election Period

The long-held practice in Ontario is for the government to assume a “caretaker role” as soon as the writ for a general election is issued. The caretaker period will commence with the dissolution of the Legislative Assembly scheduled for Wednesday, May 9, and can generally be expected to continue until the swearing-in of a returning or new government.

The essential element of the caretaker practice is that only routine, non-controversial, or urgent business is conducted. The caretaker role requires that there be no new policy or program initiatives, and restricts ongoing work, consultations, appointments, regulatory postings, public engagement, announcements and ministry events. Prior approval to engage in these activities does not provide authority to continue once the caretaker period has begun. Except for the normal implementation of routine government services and programs, any activity or action that would not reasonably be perceived as routine, non-controversial, urgent or time sensitive, should be suspended once the writ is issued.

In assessing whether ongoing work is consistent with the caretaker role of government, ask the following relevant questions:

- Is the proposed work truly routine or urgent?
- Is there a potential for the work to be raised as a political issue during the election?
- Have all the necessary policy, funding and human resource approvals been received?
- Is there a legislative or legal requirement to provide the program or service?
- Do any of the next steps require further political decision or direction?
- Is there any reason why the activity cannot wait?
- Does the program or service need to be communicated to the public?
- Would the work limit or impair the decision-making freedom of a future government?
- Would any future government agree the work was necessary during the writ period?

All Cabinet and committee meetings, including Treasury Board and Management Board of Cabinet, are suspended unless required to ensure the continuation of government operations and public services during the writ period. This would include any meetings required to respond to urgent or unforeseen circumstances. Should circumstances require a decision of Cabinet, the Cabinet Office will work with the Office of the Premier to determine the appropriate steps to take to convene Cabinet in a manner consistent with the caretaker role.

Regulations should not be filed during the caretaker period even if previously approved by Cabinet and signed by the Lieutenant Governor. If you believe there are urgent circumstances that may require the filing of a regulation during this time, the situation should be discussed with my office well in advance of the caretaker period. Otherwise approved regulations should be held until after the election, at which time a returning or new Minister’s office should be asked for direction. Please keep in mind that unfiled regulations will automatically “expire” four months from the day of approval unless the filing date is extended by the Lieutenant Governor in Council.

…/3

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Original signed by:

Steve Orsini

c. Andrew Bevan, Chief of Staff and Principal Secretary to the Premier
William Bromm, Senior Director and General Counsel, Cabinet Office
Boafoa Kwamena, Executive Assistant and Strategic Policy Advisor, Cabinet Office


Ontario

From:	Andrea Dalgarno
To:	Sarah Harris
Subject:	FW: BN - Lending Directive for Loan to OCRC.docx
Date:	Tuesday, March 27, 2018 11:45:41 AM

FYI

From: Garth Parish
Sent: Tuesday, March 27, 2018 11:43 AM
To: Andrea Dalgarno
Cc: Opal Kandelas ; Jean-Francois Beaupre ; Daki Proudfoot ; Mara Bakic ; Bonnie Lemcke ; Bonnie Zhang ; Lisa Stein
Subject: RE: BN - Lending Directive for Loan to OCRC.docx

Hi Andrea,

We are in discussions with St. Michael's Hospital to provide them with a $100M loan that would be amortized over 35 years. This is with regard to pension assets that they are transferring to HOOPP that need to be topped up by $100M.

A wrinkle is that they need to provide a binding assurance to HOOPP by April 30 that they have the funds although the effective date of the loan and the transfer of funds won't take place until July/August of 2019. This means that the loan wouldn't be paid off until late 2054.

We understand that the latest dated OIC is 844/2008 which ends June 1, 2041, so in order to make this loan we would need an OIC out to say, 2055 – although we may wish to make it later. A smaller request from Grand River hospital would be similar. Both loans would fit within the existing authorized amounts but not the repayment date.

Please advise the best way to proceed towards the required OIC amendment re timing.

Thanks. I will call to follow up.

Thanks,

Garth

From: Andrea Dalgarno
Sent: December-06-17 2:10 PM
To: Garth Parish <Garth.Parish@ofina.on.ca>
Cc: Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Daki Proudfoot <Daki.Proudfoot@ofina.on.ca>; Mara Bakic <Mara.Bakic@ofina.on.ca>; Bonnie Lemcke <Bonnie.Lemcke@ofina.on.ca>
Subject: RE: BN - Lending Directive for Loan to OCRC.docx

Hi,

I have a place holder for when we do the next joint update to add the new 2 billion OIC 1279/2017 and the associated 2 billion line of credit (IESO-OFA credit facility FHP related). Also note the IESO 975m one will be removed while the IESO 475M will remain- it will be one line representing 475M.

Regards,

Andrea

From: Garth Parish
Sent: Wednesday, December 06, 2017 1:52 PM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>
Cc: Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Daki Proudfoot <Daki.Proudfoot@ofina.on.ca>; Mara Bakic

<Mara.Bakic@ofina.on.ca>; Bonnie Lemcke <Bonnie.Lemcke@ofina.on.ca>
Subject: RE: BN - Lending Directive for Loan to OCRC.docx

Hi Andrea,

That's great. Thank you very much.

We may have some updates/comments to follow.

Thanks,

Garth

From: Andrea Dalgarno
Sent: December-06-17 12:30 PM
To: Garth Parish <Garth.Parish@ofina.on.ca>
Cc: Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Daki Proudfoot <Daki.Proudfoot@ofina.on.ca>
Subject: RE: BN - Lending Directive for Loan to OCRC.docx

Hi Garth,

I have been asked to respond to your query. Attached is the most current listing we have available of the OFA loans under the two OIC's. This listing was finalized in conjunction with Daki in Corporate Finance.

Based on this July 11, 2017 listing, the remaining authority under the two OIC's are as follows:

1) OIC 675/97 (the currently active one) has remaining authority of $721,594,955.57 as of July 11, 2017

2) OIC 767/99 has authority in the amount of $656,000,000.00 as of July 11, 2017

So it seems, we should be able to draw on OIC 675/97 for the additional loans you reference given it was noted in the BN you attached that the 2017-2018 OFA Borrowing and On-lending Plan was set at $486 million and apparently $250 million of that was postponed to 2018-2019.

Let me know should you have any further question or concerns.

Regards,

Andrea

From: Garth Parish
Sent: Tuesday, December 05, 2017 3:37 PM
To: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Cc: Bonnie Zhang <Bonnie.Zhang@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: BN - Lending Directive for Loan to OCRC.docx

Hi Jean-Francois,

You will see in the highlighted section below that Lisa is asking that we confirm that 2 OFA loans we are working on:

- $150 million to the Ontario Cannabis Retail Corporation
- $100 million to St Michael's hospital

are covered by the "existing on-lending OIC's".

I don’t know who would keep a registry of the OICs and what loans they cover. Would your group have this registry?
Thanks,
Garth

From: Lisa Stein
Sent: December-04-17 1:25 PM
To: Garth Parish <Garth.Parish@ofina.on.ca>
Cc: Bonnie Zhang <Bonnie.Zhang@ofina.on.ca>
Subject: BN - Lending Directive for Loan to OCRC.docx

Hi Garth,
Please find attached some comments and suggested amendments to the draft briefing note, attached. I did not review the attachments; however, as discussed on Friday, they still reference the loan to St. Michael’s hospital as well (and these references should be deleted). I’m still working on the directive for the OCRC loan. In the meantime, can you please confirm that this loan is covered by the existing on-lending OICs (as referenced in the draft note)?
Thank you,
Lisa

Lisa N. Stein
Legal Counsel
Ontario Financing Authority
416-325-2320

****
This message, including any attachments, is intended only for the use of the individual(s) to which it is addressed and contains information that is privileged/confidential. Any other distribution, copying or disclosure is strictly prohibited. If you are not the intended recipient or have received this message in error, please notify the sender immediately by reply e-mail and permanently delete this message, including any attachments, without reading it or making a copy. Thank you.
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Subject: RE: BN - Lending Directive for Loan to OCRC.docx

Hi Andrea,

We are in discussions with St. Michael's Hospital to provide them with a $100M loan that would be amortized over 35 years. This is with regard to pension assets that they are transferring to HOOPP that need to be topped up by $100M.

A wrinkle is that they need to provide a binding assurance to HOOPP by April 30 that they have the funds although the effective date of the loan and the transfer of funds won't take place until July/August of 2019. This means that the loan wouldn't be paid off until late 2054.

We understand that the latest dated OIC is 844/2008 which ends June 1, 2041, so in order to make this loan we would need an OIC out to say, 2055 – although we may wish to make it later. A smaller request from Grand River hospital would be similar. Both loans would fit within the existing authorized amounts but not the repayment date.

Please advise the best way to proceed towards the required OIC amendment re timing.

Thanks. I will call to follow up.

Thanks,

Garth

From: Andrea Dalgarno
Sent: December-06-17 2:10 PM
To: Garth Parish <Garth.Parish@ofina.on.ca>
Cc: Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Daki Proudfoot <Daki.Proudfoot@ofina.on.ca>; Mara Bakic <Mara.Bakic@ofina.on.ca>; Bonnie Lemcke <Bonnie.Lemcke@ofina.on.ca>
Subject: RE: BN - Lending Directive for Loan to OCRC.docx

Hi,

I have a place holder for when we do the next joint update to add the new 2 billion OIC 1279/2017 and the associated 2 billion line of credit (IESO-OFA credit facility FHP related). Also note the IESO 975m one will be removed while the IESO 475M will remain- it will be one line representing 475M.

Regards,

Andrea

From: Garth Parish
Sent: Wednesday, December 06, 2017 1:52 PM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>
Cc: Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Daki Proudfoot <Daki.Proudfoot@ofina.on.ca>; Mara Bakic

<Mara.Bakic@ofina.on.ca>; Bonnie Lemcke <Bonnie.Lemcke@ofina.on.ca>
Subject: RE: BN - Lending Directive for Loan to OCRC.docx

Hi Andrea,

That's great. Thank you very much.

We may have some updates/comments to follow.

Thanks,

Garth

From: Andrea Dalgarno
Sent: December-06-17 12:30 PM
To: Garth Parish <Garth.Parish@ofina.on.ca>
Cc: Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Daki Proudfoot <Daki.Proudfoot@ofina.on.ca>
Subject: RE: BN - Lending Directive for Loan to OCRC.docx

Hi Garth,

I have been asked to respond to your query. Attached is the most current listing we have available of the OFA loans under the two OIC's. This listing was finalized in conjunction with Daki in Corporate Finance.

Based on this July 11, 2017 listing, the remaining authority under the two OIC's are as follows:

1) OIC 675/97 (the currently active one) has remaining authority of $721,594,955.57 as of July 11, 2017

2) OIC 767/99 has authority in the amount of $656,000,000.00 as of July 11, 2017

So it seems, we should be able to draw on OIC 675/97 for the additional loans you reference given it was noted in the BN you attached that the 2017-2018 OFA Borrowing and On-lending Plan was set at $486 million and apparently $250 million of that was postponed to 2018-2019.

Let me know should you have any further question or concerns.

Regards,

Andrea

From: Garth Parish
Sent: Tuesday, December 05, 2017 3:37 PM
To: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Cc: Bonnie Zhang <Bonnie.Zhang@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: BN - Lending Directive for Loan to OCRC.docx

Hi Jean-Francois,

You will see in the highlighted section below that Lisa is asking that we confirm that 2 OFA loans we are working on:

- $150 million to the Ontario Cannabis Retail Corporation
- $100 million to St Michael's hospital

are covered by the "existing on-lending OIC's".

I don’t know who would keep a registry of the OICs and what loans they cover. Would your group have this registry?
Thanks,
Garth

From: Lisa Stein
Sent: December-04-17 1:25 PM
To: Garth Parish <Garth.Parish@ofina.on.ca>
Cc: Bonnie Zhang <Bonnie.Zhang@ofina.on.ca>
Subject: BN - Lending Directive for Loan to OCRC.docx

Hi Garth,
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Thank you,
Lisa

Lisa N. Stein
Legal Counsel
Ontario Financing Authority
416-325-2320

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****

From:	Jean-Francois Beaupre
To:	Opal Kandelas
Cc:	Sarah Harris
Subject:	FW: BN - Lending Directive for Loan to OCRC.docx
Date:	Tuesday, December 05, 2017 3:45:21 PM
Attachments:	BN - Lending Directive for Loan to OCRC.docx

Hi Opal,

I am not aware of any specific OICs for the below loans. Should I check with LSB if the general Loan Act and/or refinancing OICs can be used for such purposes or would we need to use on "OFA OIC" as we did for the auto loans?

Thanks,

J-F

From: Garth Parish
Sent: Tuesday, December 05, 2017 3:37 PM
To: Jean-Francois Beaupre
Cc: Bonnie Zhang ; Lisa Stein ; Sarah Harris
Subject: FW: BN - Lending Directive for Loan to OCRC.docx

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Lisa

Lisa N. Stein
Legal Counsel
Ontario Financing Authority
416-325-2320

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LENDING DIRECTIVE
ONTARIO FINANCING AUTHORITY 2017-18 LOAN TO
ONTARIO CANNABIS RETAILING CORPORATION

ISSUE

Attached for the Minister of Finance's review and consideration for approval is a l~~L~~ending d~~D~~irective for an Ontario Financing Authority ("OFA") loan of up to $150 million to the Ontario Cannabis Retailing Corporation ("OCRC") (the "Lending Directive"). This ~~Lending Directive~~loan is not included in the ~~would be in addition to the~~ 2017-18 OFA Annual Lending Directive. ~~authorizing the OFA to lend up to $639.5 million to public bodies.~~

RECOMMENDATION

It is recommended that the Minister of Finance approve and sign the attached Lending Directive. ~~with respect to the:~~

- ~~OFA loan to the OCRC for up to $150 million over 12 years for start-up expenses.~~
- ~~OFA to charge and retain a total spread over the Province's cost of funds including:~~
  - ~~The approved matrix for commercial risk of up to 75 basis points (Appendix I), plus~~
  - ~~2.5 basis points for cost recovery.~~

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WHAT IS THE MINISTER BEING ASKED TO SIGN?

The Minister is being asked to sign the attached Lending Directive, which would authorize the OFA to lend up to $150 million to the OCRC. The proposed Lending Directive would also direct the OFA to charge and retain a spread in accordance with the established matrix which reflects the underlying commercial risks of the project, and to recover the costs of OFA's direct borrowing and on-lending activities.

FISCAL IMPACT

By signing the Lending Directive, the Minister ensures that long-term financing may be provided to the OCRC which will save the Province interest costs over the long term.

It is conservatively estimated that ~~these loans~~this loan will save the Province about $1.25 million in annual interest costs. Given that the OFA will not advance the loan unless the borrower has~~s have~~ demonstrated that ~~they have~~ it has adequate expected revenue sources to repay the loan, the loan will be made with the full expectation that it will be repaid.

Commented [LS1]: Confirm. Was this based on the the SM loan as well?

NET LOAN REQUIREMENT

In June 2017, the OFA Board of Directors approved 2017-18 OFA Borrowing and On-lending Plan for a net loan amount of $486 million. The request of up to $150 million for OCRC will not increase the approved amount as the forecast for the Fall Statement has poseponed loans to the colleges and universities of $250 million to fiscal 2018-19.

INTEREST RATE SPREADS

- The proposed spreads will be calculated according to the 2017-18 matrix (Appendix I) approved by the OFA Board on June 16, 2017.
    - The determination of the spread to charge public bodies is consistent with the methodology utilized by the OFA since the Province's implementation of the Financing Public Bodies Framework in 2007.
- This loan, as are the cases of all OFA loans to public bodies with the exception of loans to universities, is subject to the Minister's approval pursuant to section 28 of the *Financial Administration Act* ("FAA").
- The existing on-lending OICs under the *Capital Investment Act, 1993*, were amended by OIC 1051/2012 made July 18, 2012, to authorize the Minister of Finance to determine the spread retained by the OFA on loans to public bodies. The purpose of the amendment was to ensure that the amount of interest charged by the OFA reflects current conditions in the credit markets and that the OFA can cover its costs in relation to these loans. With this Annual Lending Directive, the Minister will be authorizing the OFA to charge and retain up to a maximum 77.5 basis point spread on the specific individual or class of loans. The basis point spread is composed of a 2.5 basis points cost recovery fee as well as a proxy commercial spread of up to 75 basis points if the loan is deemed to be commercial in nature.

COMMENTS

- This Lending Directive sets out the maximum authorized amounts of the loan~~s~~ to the OCRC~~ and the SMH~~. The terms and conditions of the loan~~s~~ are subject to determination by the CEO of the OFA or the Assistant Deputy Minister, Corporate and Electricity Finance Division, OFA, or a person designated by either of them for approval.
- This Lending Directive authorizes the OFA to enter into the loan agreement~~s~~ with ~~borrower~~OCRC~~s~~ and the FAA section 28 approval for ~~the borrowers~~OCRC to incur additional indebtedness. Depending on the term~~s~~ of the loan~~s~~ and timing of the advance(s), funds may not be disbursed in the current fiscal year.
- The OFA will exercise due diligence to review and assess the loan risks and terms and recommend for the FAA section 28 approval prior to the entering into the loan agreement~~s~~.

Commented [LS2]: TBC. Will there be more than one advance?

Garth Parish (5-1478) / Bonnie Zhang (5-1369)
Corporate Finance Branch, CEFD
Ontario Financing Authority, ~~November 28~~, 2017

Appendix I - Interest Rate Spread Matrix

AVERAGE DSCR	PERCENTAGE OF REVENUE FROM GOVERNMENT SOURCES	
	LESS THAN 30%	GREATER THAN 30%
LESS THAN 1.35X	"C" Rating	"B" Rating
GREATER THAN 1.35X	"B" Rating	"A" Rating

Where: "C" Risk Rating = Province's cost of funds + cost recovery fee + 75 bps.
"B" Risk Rating = Province's cost of funds + cost recovery fee + 50 bps.
"A" Risk Rating = Province's cost of funds + cost recovery fee + 25 bps.

SPECIAL DIRECTIVE AND DETERMINATION
MINISTER OF FINANCE
OFA LOANS TO PUBLIC BODIES
FISCAL YEAR 2017-18

To: Ontario Financing Authority ("OFA")

Pursuant to subsection 16(2) of the *Capital Investment Plan Act, 1993,* the OFA was directed by the Ministry of Finance to make loans to (i) public bodies and (ii) individual public bodies within the class of public bodies (e.g. colleges, Crown agencies, and universities) as set out in the OFA's Annual Borrowing and On-Lending Plan for Fiscal Year 2017-18. The total aggregate amount of the specified loans was $639,500,000.

By this Special Directive the OFA is directed to make two additional loans:

1. To the Ontario Cannabis Retailing Corporation ("OCRC"), a loan of up to $150 million.

2. To St. Michael's Hospital ("SMH"), a loan of up to $100 million.

The following terms and conditions shall apply in respect of the Loans:

1. Each Loan shall be made for the purpose specified for that Loan in Schedule A.

2. A Loan to a public body will only be made at the request and on the recommendation of the responsible ministry for the public body.

3. Except in the case of Loans to universities, each Loan is conditional upon prior written approval pursuant to Section 28 of the *Financial Administration Act* (FAA) to be requested by the ministry responsible for the public body. The CEO of the OFA will not act as the delegate of the Minister of Finance to provide approval under Section 28 of the FAA for any of the Loans.

4. The OFA will charge interest on the each of the Loans determined in accordance with the OFA's Lending Policy as approved by the OFA Board of Directors (the "Loan Rate"); provided that the Loan Rate shall be comprised of
    a. The Province's total cost of funds, including commissions, to fund the Loan (the "Province's Cost of Funds"),
    b. a two and one-half (2.5) basis point spread over the Province's Cost of Funds to recover the OFA's lending costs (the "Cost Recovery Fee"), and
    c. in addition to the Cost Recovery Fee, on Loans for projects of a commercial nature, a spread over the Province's Cost of Funds of

up to seventy-five (75) basis points to reflect the commercial risk determined in accordance with the OFA's Lending Policy (the "Commercial Spread").

5. Each of the Loans shall be evidenced by a loan agreement containing terms and conditions consistent with this Directive and the OFA's Lending Policy and approved by the CEO of the OFA or the Assistant Deputy Minister, Corporate and Electricity Finance Division, OFA, or a person designated by either of them.

Pursuant to Orders in Council 675/97 and 767/99, all as previously amended, and to the extent amended by Order in Council 1051/2012, made under subsection 22(1) of the *Capital Investment Plan Act, 1993*, the Minister of Finance is authorized to make loans to the OFA and to determine the amount of the spread to be retained by the OFA where those funds are subsequently loaned to public bodies. It is hereby determined that for each Loan made under the authority of this Directive, the amount of the spread retained by the OFA is equal to the sum of the Cost Recovery Fee and the Commercial Spread, if any, for the Loan as set out above.

Dated , 2017

CHARLES SOUSA
Minister of Finance

SCHEDULE "A"

SPECIAL LENDING DIRECTIVE
MINISTER OF FINANCE
OFA LOANS TO CONSOLIDATED PUBLIC BODIES
FISCAL YEAR 2017-18

CONSOLIDATED PUBLIC BODIES	AMOUNT	PURPOSE
OCRC	Up to $150 million	OCRC start-up costs
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From: Garth Parish
To: Jean-Francois Beaupre
Cc: Bonnie Zhang; Lisa Stein; Sarah Harris
Subject: FW: BN - Lending Directive for Loan to OCRC.docx
Date: Tuesday, December 05, 2017 3:37:25 PM
Attachments: BN - Lending Directive for Loan to OCRC.docx

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Dated , 2017

CHARLES SOUSA
Minister of Finance

SCHEDULE "A"

SPECIAL LENDING DIRECTIVE
MINISTER OF FINANCE
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FISCAL YEAR 2017-18

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From: Sarah Harris
To: Jean-Francois Beaupre
Subject: FW: BN - Lending Directive for Loan to OCRC.docx
Date: Tuesday, March 27, 2018 3:39:33 PM

Hi JF,
You were originally copied on another strain of this, and I sent a smaller e-mail to Malle, and then this thing branched out again. I'm just forwarding this to you so you know you can pitch the other one.
Sarah

From: Opal Kandelas
Sent: Tuesday, March 27, 2018 3:34 PM
To: Garth Parish ; Sarah Harris ; Malle Hanslep (MOF)
Cc: Andrea Dalgarno ; Dimitri Markoulakis (MOF) ; Mara Bakic ; Anna Strathy
Subject: RE: BN - Lending Directive for Loan to OCRC.docx
Hi Garth,
Would you please share a briefing note, draft Minister's directive and any other pertinent materials with us. The date for submitting a package for the April 16 LRC has long passed, but we can work towards getting this item to the DMO. An LRC Note will need to be prepared by CEFD as soon as possible. I've cc'd Anna so that she is aware.
Please send Anna a brief description of the issue so as to inform her discussions with DMO.
Thanks,
Opal

From: Garth Parish
Sent: Tuesday, March 27, 2018 2:29 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>; Malle Hanslep (MOF) <Malle.Hanslep@ontario.ca>
Cc: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Dimitri Markoulakis (MOF) <Dimitri.Markoulakis@ontario.ca>; Mara Bakic <Mara.Bakic@ofina.on.ca>
Subject: RE: BN - Lending Directive for Loan to OCRC.docx
Hi Sarah,
As Malle says, the best approach and the approach we, including Gadi, are recommending is that the "commitment" (in whatever form) be provided by MOH.
However, it appears as though the loan will be required eventually and will only work under a 35 year amortization (again Gadi has agreed to this amortization in principle), so we will need to amend the OIC. Given that our Plan B, which may be needed, is to provide some joint assurance MOF/MOH to HOOPP by April 30, I would like to work with Capital Markets to try to get the OIC in place so that we can use Plan B if necessary.
If you agree, just let me know what you need from me.
Thanks,
Garth

From: Sarah Harris
Sent: March-27-18 1:11 PM
To: Malle Hanslep (MOF) <Malle.Hanslep@ontario.ca>
Cc: Garth Parish <Garth.Parish@ofina.on.ca>; Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>;

Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Dimitri Markoulakis (MOF) <Dimitri.Markoulakis@ontario.ca>
Subject: RE: BN - Lending Directive for Loan to OCRC.docx

Malle,

Thank you very much for your quick response.

Garth – I'm not familiar with the various inputs Malle has mentioned below with the loan, and the timing for getting these. Is it possible to obtain all the required approvals, etc. prior to April 30th? As Malle indicates, a binding commitment doesn't seem possible without these elements. On the other hand, if it is possible, we could try to make the case for including an amending OIC for the April 16th LRC.

Thanks,

Sarah

From: Hanslep, Malle (MOF) [mailto:Malle.Hanslep@ontario.ca]
Sent: Tuesday, March 27, 2018 12:49 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: Garth Parish <Garth.Parish@ofina.on.ca>; Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Dimitri Markoulakis (MOF) <Dimitri.Markoulakis@ontario.ca>
Subject: RE: BN - Lending Directive for Loan to OCRC.docx

Hi,

Dimitri has been working on this as well so copying him here. According to the current OIC's, OFA must repay the funds borrowed from the Province by 2040 (I haven't check them all now but assume that you have) so the OFA couldn't make a longer term loan to a third party such as the hospital without an amending OIC as you describe.

I think that the only thing that could be done is to see whether there is any possibility of walking this OIC in at this point if it is that critical. However, at the same time, I know that there have been numerous elements regarding this potential loan including possibly having MOHLTC provide an indemnity to the OFA regarding the repayment by the hospital. Not sure that we could in anyway provide a binding commitment that the money will be available in 2019 since there would be many other elements such as a Minister's directive, the negotiation of the loan agreement and due diligence that would make it conditional. However, it seems that the amendment to the OIC is a necessary precondition.

Also just thinking general about this project, is it anticipated that any other approvals or signing of agreements, etc. would be proposed during the writ period?

Thanks,

Malle

From: Sarah Harris [mailto:Sarah.Harris@ofina.on.ca]
Sent: March 27, 2018 12:21 PM
To: Hanslep, Malle (MOF)
Cc: Parish, Garth (OFA); Dalgarno, Andrea (OFA); Kandelas, Opal (OFA)
Subject: FW: BN - Lending Directive for Loan to OCRC.docx

Hello Malle,

I am writing to you to inquire about the timing for an approval for an OIC in relation to a loan that the OFA may be making to St. Michael's, as detailed below.

In short, the OFA has the available room under its existing lending OICs (i.e. the OICs where the OFA borrows from Her Majesty, and then in turn makes loans to public bodies), but the expiry dates of the existing OICs are shorter than the proposed maturity. The OICs expire in 2041 and the loan

would mature in late 2054. In order for the St. Micheal's loan to occur, there has to be a binding assurance to HOOPP by April 30th that funds will be available to be advance in the summer of 2019. In order for us to provide this, we would need to get approval for an amending OIC to extend the expiry dates of the existing OICs to 2055.

Given that the last LRC scheduled is for April 16th, and the deadlines for providing materials has passed (March 20th), it doesn't seem possible to get approval for an amending OIC prior to April 30th. Do you know of any options that might make this possible?

Thanks,

Sarah

From: Andrea Dalgarno
Sent: Tuesday, March 27, 2018 11:46 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: BN - Lending Directive for Loan to OCRC.docx

FYI

From: Garth Parish
Sent: Tuesday, March 27, 2018 11:43 AM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>
Cc: Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Daki Proudfoot <Daki.Proudfoot@ofina.on.ca>; Mara Bakic <Mara.Bakic@ofina.on.ca>; Bonnie Lemcke <Bonnie.Lemcke@ofina.on.ca>; Bonnie Zhang <Bonnie.Zhang@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: RE: BN - Lending Directive for Loan to OCRC.docx

Hi Andrea,

We are in discussions with St. Michael's Hospital to provide them with a $100M loan that would be amortized over 35 years. This is with regard to pension assets that they are transferring to HOOPP that need to be topped up by $100M.

A wrinkle is that they need to provide a binding assurance to HOOPP by April 30 that they have the funds although the effective date of the loan and the transfer of funds won't take place until July/August of 2019. This means that the loan wouldn't be paid off until late 2054.

We understand that the latest dated OIC is 844/2008 which ends June 1, 2041, so in order to make this loan we would need an OIC out to say, 2055 – although we may wish to make it later. A smaller request from Grand River hospital would be similar. Both loans would fit within the existing authorized amounts but not the repayment date.

Please advise the best way to proceed towards the required OIC amendment re timing.

Thanks. I will call to follow up.

Thanks,

Garth

From: Andrea Dalgarno
Sent: December-06-17 2:10 PM
To: Garth Parish <Garth.Parish@ofina.on.ca>
Cc: Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Daki Proudfoot <Daki.Proudfoot@ofina.on.ca>; Mara Bakic <Mara.Bakic@ofina.on.ca>; Bonnie Lemcke <Bonnie.Lemcke@ofina.on.ca>
Subject: RE: BN - Lending Directive for Loan to OCRC.docx

Hi,
I have a place holder for when we do the next joint update to add the new 2 billion OIC 1279/2017 and the associated 2 billion line of credit (IESO-OFA credit facility FHP related). Also note the IESO 975m one will be removed while the IESO 475M will remain- it will be one line representing 475M.
Regards,
Andrea

From: Garth Parish
Sent: Wednesday, December 06, 2017 1:52 PM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>
Cc: Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Daki Proudfoot <Daki.Proudfoot@ofina.on.ca>; Mara Bakic <Mara.Bakic@ofina.on.ca>; Bonnie Lemcke <Bonnie.Lemcke@ofina.on.ca>
Subject: RE: BN - Lending Directive for Loan to OCRC.docx
Hi Andrea,
That's great. Thank you very much.
We may have some updates/comments to follow.
Thanks,
Garth

From: Andrea Dalgarno
Sent: December-06-17 12:30 PM
To: Garth Parish <Garth.Parish@ofina.on.ca>
Cc: Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Daki Proudfoot <Daki.Proudfoot@ofina.on.ca>
Subject: RE: BN - Lending Directive for Loan to OCRC.docx
Hi Garth,
I have been asked to respond to your query. Attached is the most current listing we have available of the OFA loans under the two OIC's. This listing was finalized in conjunction with Daki in Corporate Finance.
Based on this July 11, 2017 listing, the remaining authority under the two OIC's are as follows:

1) OIC 675/97 (the currently active one) has remaining authority of $721,594,955.57 as of July 11, 2017

2) OIC 767/99 has authority in the amount of $656,000,000.00 as of July 11, 2017

So it seems, we should be able to draw on OIC 675/97 for the additional loans you reference given it was noted in the BN you attached that the 2017-2018 OFA Borrowing and On-lending Plan was set at $486 million and apparently $250 million of that was postponed to 2018-2019.
Let me know should you have any further question or concerns.
Regards,
Andrea

From: Garth Parish
Sent: Tuesday, December 05, 2017 3:37 PM
To: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>

Cc: Bonnie Zhang <Bonnie.Zhang@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: BN - Lending Directive for Loan to OCRC.docx

Hi Jean-Francois,

You will see in the highlighted section below that Lisa is asking that we confirm that 2 OFA loans we are working on:

- $150 million to the Ontario Cannabis Retail Corporation
- $100 million to St Michael's hospital

are covered by the "existing on-lending OIC's".

I don't know who would keep a registry of the OICs and what loans they cover. Would your group have this registry?

Thanks,

Garth

From: Lisa Stein
Sent: December-04-17 1:25 PM
To: Garth Parish <Garth.Parish@ofina.on.ca>
Cc: Bonnie Zhang <Bonnie.Zhang@ofina.on.ca>
Subject: BN - Lending Directive for Loan to OCRC.docx

Hi Garth,

Please find attached some comments and suggested amendments to the draft briefing note, attached. I did not review the attachments; however, as discussed on Friday, they still reference the loan to St. Michael's hospital as well (and these references should be deleted).

I'm still working on the directive for the OCRC loan. In the meantime, can you please confirm that this loan is covered by the existing on-lending OICs (as referenced in the draft note)?

Thank you,

Lisa

Lisa N. Stein
Legal Counsel
Ontario Financing Authority
416-325-2320

****
This message, including any attachments, is intended only for the use of the individual(s) to which it is addressed and contains information that is privileged/confidential. Any other distribution, copying or disclosure is strictly prohibited. If you are not the intended recipient or have received this message in error, please notify the sender immediately by reply e-mail and permanently delete this message, including any attachments, without reading it or making a copy. Thank you.
****

From: William Tan
To: Sarah Harris
Subject: FW: Comments
Date: Thursday, September 20, 2018 6:02:17 PM
Attachments: PIP -April 30 2018 to July 2018 draft completion.doc
PIP -September 2018 to December 2018 draft .doc

Hello Sarah,

I have include my comments in the April to July draft. I don't have any comments for the September to December draft.

Thanks,

Will

From: William Tan
Sent: Wednesday, September 19, 2018 8:20 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Comments

Hi Sarah,

I will provide comments by Friday morning.

Thanks,

Will

From: Sarah Harris
Sent: Tuesday, September 18, 2018 6:05 PM
To: William Tan <William.Tan@ofina.on.ca>
Subject: RE: Comments

Hi Will,

I haven't received your comments on the PIPs. Please provide them to me by Friday morning; if I don't receive any at such point, I will conclude that you do not have any comments on the PIPs.

Thanks,
Sarah

From: Sarah Harris
Sent: Friday, September 14, 2018 1:50 PM
To: William Tan <William.Tan@ofina.on.ca>

Subject: RE: Comments

Hi Will,

Please provide any comments you have by Tuesday morning.

Thanks,
Sarah

From: William Tan
Sent: Tuesday, September 11, 2018 9:24 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Comments

Hi Sarah,

Yes, I do have comments. Things have been busy at work lately. I will look over the PIP and the new draft tomorrow. I will send a meeting invite tomorrow too, if that if fine with you?

Thanks,

Will

From: Sarah Harris
Sent: Tuesday, September 11, 2018 9:17 AM
To: William Tan <William.Tan@ofina.on.ca>
Subject: Comments

Hi Will,

Do you have any comments on your last completed PIP or the new draft? I'd like to finalize them as soon as possible. Also, please send me a meeting request so we can go over your current files and discuss a work plan for the files.

Thanks,

Sarah

Willie Chun Jung Tan
Employee Id: 448307
Email: William.tan@ofina.on.ca

PERFORMANCE IMPROVEMENT PLAN

Home Position: Documentation & Analysis Specialist
Documentation, Capital Markets Operations, Capital Markets Division, Ontario Financing Authority
Start Date: 05/01/16

Purpose

This PIP is develop to provide support and guidance to William in performing his job as a Documentation and Analysis Specialist with the Ontario Financing Authority.
The PIP identifies areas that require improvement, and the expected outcomes in the next 3 month period (April 30, 2018 to July 30, 2018).
Manager will arrange monthly review meetings with William on this PIP. The regular weekly meeting will be focus on progress on assigned projects/files and provide feedback on work products.

Performance Commitment			
Improvement Objective	**Measure**	**Support**	**Results Achieved**
Time/project management skills to set, manage, coordinate and complete assigned work within required timeframes	- Well developed workplan demonstrates understanding of project priority and consideration of all relevant factors to plan appropriate completion times for tasks/files; complete tasks in an appropriate timeframes, especially those for which there has been previous/training or experience	-regular consultation with manager to review work progress	- on the whole, completes routine functions (i.e. weekly T-Bills, OILC Loan confirmations, invoices, monthly BSC scheduling) within required timelines - has satisfactorily moved some files forward (i.e. IO file has followed up in reasonable timeframes; was pro-active in sending out decision note in manager's absence in order to get to IO before board meeting) - for non-structured ('unfamiliar') assignments, workplans have not consistently been established and/or completed within reasonable/established timeframes (i.e. T-Bill note started late due to insufficient planning, 3+ work weeks to complete; EMTN presentation revision not completed at time of PIP completion– 2 months)
Knowledge, research, and analysis of Province's (and public bodies) legal documentation, borrowing/lending framework, and related operational and capital markets matters	- The review, drafting and revision of documentation and agreements demonstrates thorough knowledge, technical (legal, financial) proficiency and critical analysis of issues and provisions; proposed solutions are recommended, as appropriate - Submitted work product	- Regular meetings with manager to review work products - Manager to provide resources and mentoring to assist in building up knowledge base of	- has worked to satisfactorily resolve certain issues/discrepancies with internal/external parties (i.e. signatory alternative for IESO credit facility, FX confirmation review with Settlements) - generally more research is attempted before asking questions and guidance from others, resulting in more informed questions

	(memos, summaries, notes, etc.) demonstrates independent research and analysis, with minimal/limited reliance on colleague verification/doublechecks	Province's borrowing framework	- has not achieved the required level of knowledge, research and analytical skills to proficiently review and draft documentation at the required level; in particular, analysis of agreement provisions has not been consistently accurate and there has been an overreliance on assistance from manager/ coordinator (i.e. notice and cure provisions in IO agreements; using loan act OIC expiry language in OILC OIC) - was not able to produce T-Bill briefing note without extensive guidance and edits of manager/coordinator, nor multiple re-writes in order to provide appropriate critical analysis and recommendations – this is important to ensure all relevant factors are considered for making a decision with respect to Agent deviating from negotiated issuance procedure, the result of which could potentially cause risk for the Province being able to issue short-term debt - has not demonstrated skills to consistently contextually analyze and communicate the frameworks for borrowing/loan documentation (i.e. EMTN presentation listed various regs and provisions but did not provide contextual clarity; communication of notice period default for IO Loans to traders did not provide background/context for them to make a decision)

Written Communication and Attention to Detail	- Ensure that written communications, drafts and agreements minimize typos, particularly with respect to numerical calculations - Write e-mails and other drafts using appropriate syntax and context, while incorporating relevant information and demonstrating technical expertise	- Review samples - Manager available to review and provide input	- typos and calculations have improved. - single topic e-mails and e-mails with lists are generally drafted in a satisfactory manner, with occasional polishing required (i.e. complete sentences, verb concordance, plural vs. singular, not attaching files) - drafts that require communication of more complex issues and/or which are multi-faceted are required, significant review/input from manager/coordinator has been needed at times (i.e. IO kickoff e-mail, T-Bill note); must able to produce such drafts without extensive review - written communications do not consistently reflect logical and concise development of ideas, and complete sentence structure

Initial Review and Comments

Date	Reviewed	Comments
Date of Discussion:		
Employee Signature:		
Manager Signature:		

1st Results Review and Comments

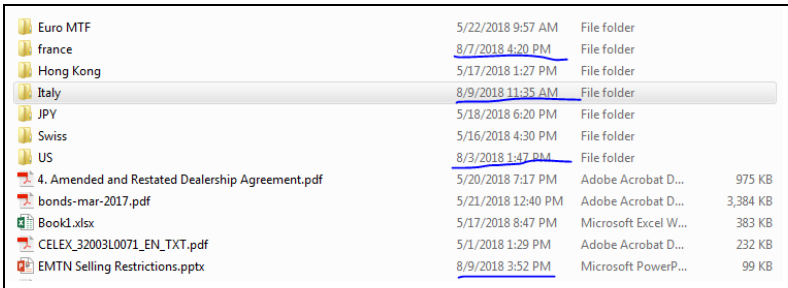
Date	Reviewed	Comments
		Discussed e-mails, EMTN presentation, T-Bill Note, OILC facility, IESO. Key points: - A better job has been done in prioritizing projects in last couple of weeks and letting me know the status - Questions seem more targeted/better researched - Add more analysis and less history to briefing note to come up with targeted recommendations. - Read agreement provisions slowly and break them apart in order to ascertain the full meaning (i.e. IO Notice Provisions) - Good job finding options and resolving IESO signatory issue - Include contextual information in communications/drafts to help parties understand the issue and/or make decision - Take time to write e-mails/drafts to logically present information and minimize typos
Date of Discussion:	June 18, 2018	

Employee Signature:	
Manager Signature:	

Final Results Review and Comments

Date	Reviewed	Comments
August 28,2018		Will has made a demonstrated effort to apply himself to improving aspects outlined in the PIP. Generally, he completes ongoing tasks reliably, within required timelines. He has been doing more research in order to understand issues, with an aim to relying less on others for verification/confirmation. Will has worked to move IO file forward, generally following up as necessary and reminding parties of upcoming deadlines. For other unstructured assignments, Will must work from the beginning of file to develop an appropriate workplan, and complete assignments within tighter timeframes. With respect to communication, drafts are usually written with appropriate tone, with an improvement in the amount of typos/numerical calculations. Shorter drafts are generally written satisfactorily, although some could benefit with re-reading to ensure they do not contain errors that are easily correctable. Drafts requiring communication of more complex or multi-step ideas continue to require extensive review and input from manager/coordinator to ensure all relevant information is captured in a logical, concise fashion, which is important for planning and decision making. Technical proficiency and critical analysis of provision and issues have not been consistently demonstrated at the level required for the position. With certain operational issues, Will has successfully worked with legal counsel to resolve problems having their roots in loan documentation. However, Will has also misinterpreted agreement provisions, and struggled to analyze other issues which frame some of the daily duties for which he is responsible. The position of Documentation and Analysis Specialist handles a wide array of functions related to the OFA's and the Province's borrowing, investment, and lending activities. While some functions are routine, many issues will be "new", or "complex", and all analysts must be able to independently analyze, summarize, problem-solve and communicate well (orally and in writing). This is critical because analyst who is not able do this consistently can put the Province at significant risk, ranging from reputational damage for the Province, to negatively impacting the Province's ability to issue debt (due to poor analysis and resultant wrong-decision making). This is Will's third Performance Improvement Plan, At this point, Will has not demonstrated the required skills consistently, without ongoing enhanced levels of supervision and review.
		I appreciate the feedback Sarah. Regarding "T-bill note starting late due to insufficient planning 3+ work

		weeks to complete" or July 6. Below is a timeline to help illustrate some of the challenges encountered during that period. May 24, 2018 – BN assigned at end of day. May 30 night – May 31, 2018 off for family Emergency. June 1, 2018 – WFH submitted draft of T-bill BN. Versions of the T-bill BN was provided on the following days: June 4, V2; June 5, V3; June 6, V4; June 7, V5, June 21, V6; July 4, V7 and July 5, V8. Jean-Francois was on vacation for approximately two weeks in June. During that period I understood that the OILC CF Agreement was the priority tried with great effort to produce manage both files while manage my regular tasks. During that period I worked with LSB on multiple rounds of drafts for the agreement. I encountered an IESO emergency COI, DN By-law review, documented nine OILC Loans, new OILC Delegation of Authority, redocumented OILC loans because of the a new delegation of authority. Occasionally I feel conflicted to ask for assistance because it may be interpreted as insufficient planning, weakness, and that my tasks are routine should be done in less time. I had many questions relating to the T-bill file because of voluminous amount of material in the folders. Some of materials spanned 10 years. Earlier documents did not carry the same weight as later documents. Some materials were provided by CDS and served purposes and perspective only. During my research I discovered additional folders that I wasn't aware of before. Because of the volume of information, I have made several attempts to book time with Jean-Francois to find answers to my questions, but JF suggested that I email the briefing note and he would provide comments on the briefing note. I was able to ask him a few questions but recommended the email approach. This method of coaching spawned multiple versions of the note. During a team HR session I had expressed to JF that I would value some more face-to-face coaching opposed email coaching. On the PIP as of July 30, the EMTN denotes 2 months. Because of other priority deliverables, I am concerned that this number may increase. The EMTN presentation revision was requested around June 18, while I was working on other files (Examples of files and dates above). In August I had some spare time and worked on the EMTN presentation revision. Unfortunately, there was other priorities so I had no choice but to put the EMTN presentation aside again. If this is a priority file I would be happy to revise the presentation as a priority.



During my research I reviewed the offering memorandum and Amended and Restated Dealership Agreement. I asked a coordinator if there is anything significant beyond these documents with regards to international selling restrictions EMTN Restrictions (because another colleague will likely cover US selling restrictions). I understood that generally we rely on legal counsel to provide international selling restrictions analysis and there isn't much else to be covered on this topic. Some feedback by attendees over the course of the three rounds of presentations is that that the slides were heavy in content. I took this as feedback to reduce the amount substance to be put on slides. If I didn't provide the adequate amount of analysis for the EMTN presentation, it was a miscalculation and understanding on my part. My original presentation had 17 slides. As of August I have increased the slide count to 23. More slides will be added with more analysis once I have completed the revision. Sab currently has the most slides at 24.

Overreliance on assistance from manager is difficult subject for me to discuss. In some cases this is true. You are copied on almost all emails regarding the IO file. Overreliance stems from my fear of making mistakes. Mistakes causes me to revert back to asking for input on a matter. When a mistake is pointed out on email, it "rings in my ears". "Taking back the wheel" in a coach/mentee situation while moving in lock-step at the same time is difficult but I welcome the challenge. But let me be clear, I welcome the coaching. I appreciate the help, I really do.

In regards the notice and cure and period, Anjlee pushed back on the notice and cure period. May 24, I did a comparison on all other agreements. I made the suggestion to host a conference call to understand IO's concern. On May 31, you replied to Nicole to push back one more time on the cure period and notice period (I was away on a family emergency). You had a difference in approach. That was how I remembered it. I acknowledge that analysis is something I need to work on.

I don't recall the OIC expiry language mistake.

I appreciate the assistance and feedback in regards to my business writing. I am committed to improving my writing skills and witnessed high level of business writing by you and Jean-Francois. In fairness to myself there are three other people on the Documentation team that requires improvement in this skillset. Having said that, I am only focused on myself and my own development.

Date of Discussion:	

Employee Signature:	
Manager Signature:	

Closure Status

(Not Closed, Improved, or Not Improved

Willie Chun Jung Tan
Employee Id: 448307
Email: William.tan@ofina.on.ca

PERFORMANCE IMPROVEMENT PLAN

Home Position: Documentation & Analysis Specialist
Documentation, Capital Markets Operations, Capital Markets Division, Ontario Financing Authority
Start Date: 05/01/16

Purpose

This PIP is develop to provide support and guidance to William in performing his job as a Documentation and Analysis Specialist with the Ontario Financing Authority.
The PIP identifies areas that require improvement, and the expected outcomes in the next 3 month period (September 5, 2018 to December 5, 2018).
Manager will arrange monthly review meetings with William on this PIP. The regular weekly meeting will be focus on progress on assigned projects/files and provide feedback on work products.

Performance Commitment			
Improvement Objective	**Measure**	**Support**	**Results Achieved**
Time/project management skills to set, manage, coordinate and complete assigned work within required timeframes	- Well developed workplan demonstrates understanding of project priority and consideration of all relevant factors to plan appropriate completion times for tasks/files; complete tasks in appropriate timeframes	-regular consultation with manager to review work progress	
Knowledge, research, and analysis of Province's (and public bodies) legal documentation, borrowing/lending framework, and related operational and capital markets matters	- The review, drafting and revision of documentation and agreements demonstrates thorough knowledge, technical (legal, financial) proficiency and critical analysis of issues and provisions; proposed solutions are recommended, as appropriate - Submitted work product (memos, summaries, notes, etc.) demonstrates independent research and analysis, with minimal/limited reliance on manager/coordinator input	- Regular meetings with manager to review work products - Manager to provide resources and mentoring to assist in building up knowledge base of Province's borrowing framework	
Written Communication and Attention to Detail	- Ensure that written communications, drafts and agreements are properly edited (i.e. spelling and	- Review samples - Manager available to review and provide input	

	grammar) - Write e-mails and other drafts using appropriate syntax and context, while incorporating relevant information and demonstrating technical expertise		

Initial Review and Comments		
Date	Reviewed	Comments
Date of Discussion:		
Employee Signature:		
Manager Signature:		

1st Results Review and Comments		
Date	Reviewed	Comments
Date of Discussion:		
Employee Signature:		
Manager Signature:		

Final Results Review and Comments		
Date	Reviewed	Comments
Date of Discussion:		
Employee Signature:		
Manager Signature:		

Closure Status
(Not Closed, Improved, or Not Improved

From:	Sarah Harris
To:	Opal Kandelas
Subject:	FW: Documentation Agreements in the Portal
Date:	Tuesday, February 27, 2018 11:16:44 AM
Attachments:	TEST Copy of Agreement Due Date Tracker (20-Dec-2017).xlsx

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From: Karin Sze
Sent: Wednesday, January 03, 2018 2:13 PM
To: Sarah Harris
Subject: FW: Documentation Agreements in the Portal

From: Karin Sze
Sent: Wednesday, December 20, 2017 11:32 AM
To: Brian Scott <Brian.Scott@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: Documentation Agreements in the Portal

Hi Brian,

Documentation is organizing its different agreements with various counter parties and would like to post them on Portal eventually.

Years ago, George Welcher who helped us build the Derivatives repository in the Portal: http://portal.ofina.on.ca/sites/cms/doc/default.aspx. We are looking for something similar in that nature but the agreements base is not as big as Derivatives.

We would like to seek your advice as to what are the options and functionalities that the Portal can do that will help us organizing the agreements and who shall we ask for assistance in this project.

FYI, I attach a copy of the Agreements framework that we have built.

Please let me know if you have any questions.

Thank you,

Karin
(416) 212-1064

	Category	Parties	Amount	File Folder	Agreement Expiry Date	Date to be notified before Agreement Expiry Date
	Credit Facilities Agreements					
1	**Credit Agreement**	IESO (formerly OPA), OFA	$475,000,000	1. Credit Agmts	31-Dec-2019	(IT project lead to insert datepicker to send alert)
2	**Revolving Credit Facility Agreement**	IESO, OEFC	$160,000,000	2. Revolving Cr Facility Agmt	30-Jun-2020	(IT project lead to insert datepicker to send alert)
3	**Agreement Providing for Issuance of a Note**	IESO (formerly IEMO, Ontario Hydro), OEFC	$120,000,000	3. Agmt providg for Iss of Note	30-Jun-2020	(IT project lead to insert datepicker to send alert)
4	**General Corporate Requirements Credit Facility Agreement**	OPG, OEFC	$2,350,000,000	4. Gen Corp req Cr Facility Agm	31-Dec-2018	(IT project lead to insert datepicker to send alert)
5	**Long Term Non-Revolving Credit Facility Agreement**	OILC, Province	$2,500,000,000	5. L-T Non-Rev Cr Fac Agmt	14-Nov-2018	(IT project lead to insert datepicker to send alert)
6	**Short-Term Revolving Credit Facility Agreement**	OILC, Province	$900,000,000	6. S-T Rev Cr Fac Agmt	26-May-2020	(IT project lead to insert datepicker to send alert)
7	**Revolving Credit Facility Agreement (Line of Credit)**	OILC (formerly OIPC), OFA	$200,000,000	7. Rev Cr Fac Agmt (Line of Cr)	29-Jun-2019	(IT project lead to insert datepicker to send alert)
8	**Revolving Credit Facility Agreement**	IESO, OFA	$2,000,000,000	8. Rev Cr Fac Agmt	30-Sep-2022	(IT project lead to insert datepicker to send alert)
	Service Agreements					
9	**Services (Level) Agreement**	OILC, OFA	N/A	9. Services (Level) Agmt	31-Mar-2020	(IT project lead to insert datepicker to send alert)
10	**Treasury Bill Issuing & Paying Agency Agreement**	TD, Province	$3,500,000,000	10.T-Bill Iss & Pay Agency Agmt	10-Jun-2019	(IT project lead to insert datepicker to send alert)
11	**Financial Services Agreement**	OCGC, OFA	$165,000,000	11.Fin Services Agmt OCGC & OFA	As long as OCGC has an investment in any of the Funds, or on such other date as agreed to by the Parties.	(IT project lead to insert datepicker to send alert)
	Investment Management Agreements					
12		OFA, DICO	N/A	12.Inv Mgt Agmt OFA & DICO	Termination: ▪ <30 days by writing; or ▪ mutual agreement	(IT project lead to insert datepicker to send alert)
13		OFA, PBGF	N/A	13. Inv Mgt Agmt OFA & PBGF	Termination: ▪ <30 days by writing; or ▪ mutual agreement	(IT project lead to insert datepicker to send alert)
14		OFA, OTF	N/A	14.Inv Mgt Agmt OFA & OTF	Termination: ▪ <30 days by writing; or ▪ mutual agreement	(IT project lead to insert datepicker to send alert)

Credit Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OPA, OFA	1-Jan-2005	$500,000,000	▪ Advances: 30-Nov-2006. ▪ Manadatory Repayment: 31-Dec-2006.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\OFA-OPA Original Credit Agreement.pdf
Amendment No. 1 (letter)		14-Feb-2005		▪ clause 4.7 substituting the word "Agreement" for the "Services".	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 1\Amendment No. 1.pdf
Amending Agreement No. 3	OPA, OFA	11-Oct-2005	$975,000,000	▪ Increased credit amount.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 3\(Signed) Aendment 3.Final.pdf
Amending Agreement No. 4	OPA, OFA	27-Sep-2006		▪ Mandatory Repayment: 31-Dec-2010.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 4\(Signed) Amendment 4.Final.pdf
Amending Agreement No. 5	OPA, OFA	13-Jul-2007		▪ Advances: 30-Nov-2010.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 5\(Signed) Amendment 5.Final.pdf
Amending Agreement No. 6	OPA, OFA	9-Nov-2010		▪ Mandatory Repayment: 31-Dec-2013. ▪ Advances: 30-Nov-2013.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 6\Amendmen #6 (Executed).pdf
Amending Agreement No. 7	OPA, OFA	20-Dec-2013		▪ Mandatory Repayment: 31-Dec-2016. ▪ Advances: 30-Nov-2016.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 7\(Executed) OPA Amending Agreement No 7.pdf
Amending Agreement No. 8	Amalgamation	19-Dec-2014		▪ OPA and Pre-Amalgamation IESO effective 1-Ja-2015.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 8 (Amalgamation with IESO)\OFA-OPA Amending Agreement No. 8 (Executed).PDF
Amending Agreement No. 9	IESO, OFA	30-Nov-2016		▪ 1-Jan-2015: OPA amalgamated with IESO and OPA became obligations of the IESO. ▪ Mandatory Repayment: 31-Dec-2019. ▪ Advances: 30-Nov-2019.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 9\OPA IESO Amendment No 9 (Executed).pdf
Amending Agreement No. 10	IESO, OFA	21-Nov-2017	$475,000,000.00	▪ Decrease credit amount. ▪ Add "Intercept" clause.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 10\OFA IESO Amending Agreement No. to Jan 1, 2005 Credit Facility Nov 6,2007 - OFA signed.pdf

Revolving Credit Facility Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	IESO, OEFC	23-Apr-2010	$60,000,000		S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010\Credit Facility Agreement. April 23. 2010. executed..pdf
Amending Agreement No. 1		21-Jul-2010		▪ Commitment and facility limits. ▪ Repayments conditions.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010\Amending Agreement No. 1\Amending Agreement #1 (Executed).pdf
Amending Agreement No. 2		14-Oct-2011	$110,000,000	▪ Interest Rate 30-day term: up to $60M (+ 0.25% p.a.); in excess of $60M (+0.5% p.a.) ▪ A new Grid Promissory Note of $110M.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010\Amending Agreement No. 2\(executed) Amending Agreement No. 2 14-Oct-11.pdf
Amending Agreement No. 3		30-Apr-2013		▪ Interest Rate 30-day term: +0.5% p.a. ▪ Mandatory Repayment: 30-Apr-2014.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010\Amending Agreement No. 3\IESO $110 M credit facility Amending Agreement No. 3 (executed copy).PDF
Amending Agreement No. 4		30-Apr-2014	$95,000,000	▪ Interest Rate 30-day term: +0.5% p.a. ▪ Mandatory Repayment: 30-Apr-2017.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010\Amending Agreement No. 4\IESO $95 M Credit Facility Amending Agreement No. 4 Executed Copy.PDF
Amending Agreement No. 5	Amalgamation	19-Dec-2014	N/A	▪ Amalgamation of IESO with OPA effective as of 1-Jan-2015. *Note* : No executed copy. The Amending Agreement date was obtained from the first paragraph in the Amending Agreement No. 6.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010\Amending Agreement No. 5 (Amalgamation)\IESO Amending Agreement No 5 (Amalgamation) (Draft).doc
Amending Agreement No. 6	IESO, OEFC	30-Apr-2017	$160,000,000	▪ Mandatory Repayment: 30-Jun-2020. ▪ Advances: up to a maximum of 12 times per year.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010\Amending Agreement No. 6\Amending Agrt no.6 - Revolving Credit Facility - OEFC_IESO_IESO Signed.pdf

Agreement Providing for Issuance of a Note	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	IEMO, OEFC	1-Apr-1999	$70,300,000	Transferring staff, assets, liabilities, rights and obligations of Ontario Hydroto IEMO. ▪ Term of loan maturity: 1-May-2009. ▪ Interest: 7.9% p.a.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Original Agreement.pdf
Amending Agreement No. 1		23-Mar-2000	$78,200,000	▪ Increased principal amount by $7.9M.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement NO 1.pdf
Amending Agreement No. 2	IESO (formerly IEMO) , OEFC	23-Apr-2009		▪ Term of the loan maturity: 1-May-2011.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement#2 (ExecutedCopy).pdf
Amending Agreement No. 3		1-May-2011		▪ Issuance of a 2nd Refinancing Note maturing 1-May-2013 and to delete the prepayment provisions.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement No. 3\[Executed] Amending Agreement No. 3.pdf
Amending Agreement No. 4		1-May-2013		▪ Issuance of a 3rd Refinancing Note maturing 30-Apr-2014.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement No. 4\IESO Amending Agreement No. 4 for $78.2M loan (executed copy).PDF
Amending Agreement No. 5		30-Apr-2014	$90,000,000	▪ Issuance of a 4th Refinancing Note maturing 30-Apr-2017. ▪ OEFC advanced loans to IESO: $11.8M.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement No. 5\IESO Amending Agreement No. 5 Executed Copy.PDF
Amending Agreement No. 6		30-Apr-2017	$120,000,000	▪ Issuance of a 5th Refinancing Note maturing 30-Jun-2020. ▪ OEFC advanced loans to IESO: $30M. ▪ Extend maturity date to 30-Jun-2020.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement No. 6\Amending Agrt no.6 re Issuance of Note - OEFC_IESO - IESO SignedCounterpart.pdf also in: S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement No. 6\IESOExecutedCopyAgreement.pdf S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement No. 6\OEFCExecutedPageCounterpart.pdf

General Corporate Requirements Credit Facility Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OPG, OEFC	17-Jun-2016	$700,000,000	▪ Financing for the period 1-Jun-2016 to 31-Dec-2017 re Darlington Refurbishment Project.	S:\Users\CMB\Documentation\OPG Loans from OEFC\Loans to OPG\2017 OPG $700 Million CF\$700 million OEFC-OPG Credit Facility (Executed Original).pdf also in: S:\Users\CMB\Documentation\OPG Loans from OEFC\Loans to OPG\2017 OPG $700 Million CF\$700 million OEFC-OPG Credit Facility (Executed).pdf
Amending Agreement No. 1		7-Sep-2016		▪ Financing for the period 1-Jan-2017 to 31-Dec-2017.	S:\Users\CMB\Documentation\OPG Loans from OEFC\Loans to OPG\2017 OPG $700 Million CF\Amending Agreement\2017 $700 Million Facility Amending Agreement 1 (Executed original).pdf also in: S:\Users\CMB\Documentation\OPG Loans from OEFC\Loans to OPG\2017 OPG $700 Million CF\Amending Agreement\2017 $700 Million Facility Amending Agreement 1 (Executed).pdf
Amending Agreement No. 2		2-Feb-2017		▪ Proposed advances may be for a term of up to 30 years.	S:\Users\CMB\Documentation\OPG Loans from OEFC\Loans to OPG\2017 OPG $700 Million CF\Amending Agreement\Amending No 2 (executed).pdf
Amending Agreement No. 3		6-Sep-2017	$2,350,000,000	▪ No more than $1.5B to be advanced prior to 1-Jan-2018. ▪ Advances occurred for the period 1-Jan-2017 to 31-Dec-2018.	S:\Users\CMB\Documentation\OPG Loans from OEFC\Loans to OPG\2017 OPG $700 Million CF\Amending Agreement\Amendment No 3 (executed).pdf

Long-Term Non-Revolving Credit Facility Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OILC, Province	14-Nov-2016	$2,500,000,000	▪ Pursuant to OILC By-law 3U. ▪ Borrowing authoity may be exercised is for 2 years from the date of approval of this By-law 3U. ▪ No funds is to remain outstanding after 42 years from the date of approval of this By-law or November 14, 2016, whichever is later.	S:\Users\CMB\Documentation\OILC (formerly OIPC)\OILC Credit facility Agreement 2016-2018\Current Version\OILC2016-18 Long-Term Credit Facility Agreement - Executed.pdf also in: S:\Users\CMB\Documentation\OILC (formerly OIPC)\OILC Credit facility Agreement 2016-2018\OILC2016-18 Long-Term Credit Facility Agreement - Executed.pdf S:\Users\CMB\Documentation\OILC (formerly OIPC)\By-laws\By-Law 3U

Short-Term Revolving Credit Facility Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OILC, Province	26-May-2014	$900,000,000	▪ 5-year period beginning on the effective date of By-Law 3Q. ▪ OIC 631/2014. ▪ Mandatory Repayment: 26-May-2020.	S:\Users\CMB\Documentation\OILC (formerly OIPC)\2014 Short Term Revolving Credit Facility (OILC-PROV)\{Executed) Agreement-OILC Short Term Revolving Credit Facility-May 26, 2014.pdf

Revolving Credit Facility Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OILC (formerly OIPC), OFA	23-Jun-2006	$200,000,000	▪ Mandatory Repayment: 23-Jun-2016. ▪ May prepay any advances outstanding or interest accrued upon 5 business days' notice to OFA. ▪ Advances: 23-Jun-2011.	● Z:\Users\CMB\Documentation\OILC (formerly OIPC)\Credit Facility 2006\Revolving Credit Facility Agreement.pdf
Amending Agreement		5-Jul-2011		▪ OIPC, the Ontario Realty Corporation and the Stadium Corporation of Ontario Limited were amalgamated and continued as a coporation under the name OILC. ▪ Mandatory Repayment: 29-Jun-2019. ▪ Advances: 29-Jun-2016.	● S:\Users\CMB\Documentation\OILC (formerly OIPC)\Credit Facility 2006\Amending Agreement 2011 Expires June 2016\Signed Amending Agreemen July 5_2011.pdf

Revolving Credit Facility Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	IESO, OFA	6-Nov-2017	$2,000,000,000	▪ Advances: 23-Sep-2017. ▪ Mandatory Repayment: 30-Sep-2022.	S:\Users\CMB\Documentation\IESO-OPA Merger\OFHP IESO OFA Credit Facility\FHP Credit Agreement OFA IESO - Nov 6, 2017 - OFA Signed.pdf

Services (Level) Agreement	Parties	Agreement/ Amendment Date	Program and Authorized Amount	Notes	Link to Site
Services Level Agreement	OIPC, OFA	1-Apr-2007	N/A	Background: Ontario Infrastructure Projects Corporation Act, 2006 (the "OIPC Act"), which amalgamated Infrastructure Ontario and the Ontario Strategic Infrastructure Financing Authority ("OSIFA") to form the Ontario Infrastructure Projects Corporation was proclaimed into force on July 17, 2006. Expired: 31-March-2012.	● S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OILC Ontario Infrastructure and Lands Corporation\OIPC Service Level Agreement\OIPC.Final Executed SLA.pdf also in: ● S:\Users\CMB\Documentation\Service Level Agreement\OIPC Service Level Agreement with OFA.pdf
Services Agreement	OILC, OFA	1-Feb-2015	N/A	Background: The Ontario Infrastructure and Lands Corporation Act, 2011 (the "OILC Act"), which amalgamated OIPC, Ontario Realty Corporation and Stadium Corporation of Ontario Limited to form Infrastructure Ontario was proclaimed into force on June 6, 2011. Extended the above Service Level Agreement between OILC and OFA until 31-Jan-2015.	● S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OILC Ontario Infrastructure and Lands Corporation\Service Level Agreements\SLA February 2015\Services Agreement between OFA and OILC effective February 1, 2015.pdf also in: ● S:\Users\CMB\Documentation\OILC (formerly OIPC)\SLA February 2015\ervices Agreement between OFA and OILC effective February 1, 2015.pdf ● S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OILC Ontario Infrastructure and Lands Corporation\Service Level Agreements\SLA February 2015\SLA Feb 1, 2015.pdf

Issuing and Paying Agency Agreement	Parties	Agreement/ Amendment Date	Program and Authorized Amount	Notes	Link to Site
Original	BMO, Province	18-Dec-2001	various amounts under various OICs	So long as the Global Treasury Bill is outstanding, there shall at all times be an issuing agent, registrar and paying agent.	S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Issue and Paying Agency Agreement (2003)\Issuing and Paying Agency Agrt with BMO 2001.pdf
Original	TD, Province	10-Jun-2003	various amounts under various OICs	▪ Terminated BMO. ▪ New agreement with TD.	S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill (T-Bill) services\Termination letter to BMO\Treasury Bills Termination Letter to BMO 2003.wpd S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Issue and Paying Agency Agreement (2003)\(signed) Issuing & Paying Agency Agmt 2003.pdf
1st Extension (Letter)	TD, Province	8-Jun-2010		▪ 1 year term ended 10-Jun-2010. ▪ Extended 2 years term from 10-Jun-2010 to 10-Jun-2012.	S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Approval for Extension of 2003 Contract to 2012\Approval TD contract extension (exe Gadi).pdf S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Approval for Extension of 2003 Contract to 2012\A&R IPAA Extension letter exe 2010 - 10Jun2012.PDF
1st Amendment	TD, Province	10-Jun-2010	various amounts under various OICs	▪ Retained TD to provide certain services.	S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Amended and Restated IPA (2010)\Amended Restated Issuing Paying Agency Agrt and TD cert of incumbency.PDF
2nd Amendment	TD, Province	6-Jun-2011	$30,500,000,000	▪ Cancelled Global T-bill 21-July-2010. ▪ Issued new Global T-Bill 6-Jun-2011. ▪ Amended s. 20(7) of FAA. ▪ Deleted reference of 25-year borrowing period.	S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Amended and Restated IPA -to remove expiry dates (2011)\Execution Copies\AR-IPAA exe 6Jun11.PDF
2nd Extension (Approval Note)	TD, Province	8-Aug-2011		▪ Extended additional 2 years term from 10-Jun-2012 to 10-Jun-2014.	S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Approval for Extension of 2003 Contract to 2014\Approval (exe Gadi) and briefing note - TD contract extension to 2014.pdf S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Approval for Extension of 2003 Contract to 2014\Second Extension. Extension LEtte Executed Sept 2011 to extend to 2014. TD Letter of Incumbency.pdf
3rd Extension (Letter)	TD, Province	28-May-2014		▪ Extended additional 5 years term from 10-Jun-2014 to 10-Jun-2019.	S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Approval for Extension of 2003 Contract to 2019\TD Treasury Bill Services Extension Letter May 28, 2014 (Fully Executed).PDF

Financial Services Agreement	Parties	Agreement/ Amendment Date	Program and Authorized Amount	Notes	Link to Site
Original	OCGC, OFA	27-Feb-2009	$90,000,000	Background: OCGC's Ontario Venture Capital Fund Agreement in Ontario Venture Capital Fund LP. ▪ OFA to provide investment and cash mgt services for the admin of Ontario's Venture Capital Fund LP.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OCGC Financial Services Agreement\FSA, Financial Services Agreement\OCGC Financial Services Agreement October 1, 2014\OCGC.Financial Services Agrmt.pdf
		1-Oct-2014	$50,000,000	▪ Province committed $90M to OVCF LP; OCGC committed $50M to Northleaf Venture Catalyst Fund LP.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OCGC Financial Services Agreement\FSA, Financial Services Agreement\OCGC Financial Services Agreement October 1, 2014\OCGC Financial Sservices Agreement October 1, 2014 (Executed).PDF
Amending Agreement No. 1		20-Mar-2017	$25,000,000	▪ $25M provincial commitment to ScaleUP Venture Fund I, LP.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OCGC Financial Services Agreement\Amendments\Amending Agreement 1 (Scaleup Fund Addition)\OCGC FSA Amend 1 March 20, 2017.pdf also in: S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OCGC Financial Services Agreement\Amendments\OCGC FSA Amend 1 March 20, 2017.pdf

Investment Management Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OFA, DICO	28-Sep-2005	N/A	Background: DICO to maintain the Deposite Insurance Reserve Fund (DIRF), a fund which exists to provide for the funding of deposite insurance claims and other purposes as specified under the CUCPA.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\DICO\IMA\IMA_DICO OFA_2005Sep28.pdf
Amending Agreement No. 1		30-Mar-2012	N/A	▪ Revised Investment Management Mandate (IMM) and the Transaction and Custody Fees by replacing a few schedules.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\DICO\Amending Agreements\Amending Agreement No. 1 (laddered investments)\Amending Agreement No 1 April 12 2012 (Executed) .PDF also in: S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\DICO\Amending Agreements\Amending Agreement No. 1 (laddered investments)\DICO Amending Agrmt No 1 March 30 2012 (Execution Copy).PDF
Amending Agreement No. 2		29-Aug-2012	N/A	▪ Revised SIPP by replacing existing schedules.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\DICO\Amending Agreements\Amending Agreement No. 2 (updated SIPP)\Amending Agreement No. 2 August 29 2012 (Executed).pdf
Amending Agreement No. 3		22-Jul-2014	N/A	▪ Revised Investment Policy and changed existing schedules.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\DICO\Amending Agreements\Amending Agreement No. 3\DICO Amending Agreement #3 Executed Copy.pdf
Amending Agreement No. 4		4-Jul-2016	N/A	▪ Changes to DICO representatives.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\DICO\Amending Agreements\Amending Agreement No. 3\DICO Amending Agreement #4 Executed Copy.pdf

Investment Management Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OFA, PBGF	1-Apr-2005	N/A	Background: ▪ FSCO as administrator of PBGF. ▪ FSCO appointed OFA as investment manager.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\PBGF\IMA\IMA_PBGF OFA_01April2005.doc
Amending Agreement No. 1		24-Mar-2014	N/A	▪ Revised Statement of Investment Policies and Guidelines to provide a different asset mix (Revised SIPG). ▪ New transaction and custody fees. ▪ Replaced appendices accordingly.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\PBGF\Amending Agreements\Amending Agreement No. 1 (laddered investments)\PBGF Amending Agreement No.1 March 2014 (Executed).PDF
Amending Agreement No. 2		25-Sep-2015	N/A	▪ Revised Appendix B (FSCO as administrator of the Pension Benefits Guarantee Fund) representatives and specimen signatures.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\PBGF\Amending Agreements\Amending Agreement No. 2 (Appendix B-current representatives)\PBGF Amending Armt No 2 (Final-Executed).pdf

Investment Management Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OFA, OTF	26-Apr-2007	N/A	Background: OTF provides grants to eligible charitable and not-for-profit organizations.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\IMA\Executed.OTF IMA 2007.pdf
Amending Agreement No. 1		22-Mar-2011	N/A	▪ Revised Statement of Investment Policies and Procedures to provide a different asset mix (Revised SIPP). ▪ New transaction and custody fees. ▪ Replaced schedules accordingly.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\Amending Agreements\Amending Agreement No. 1 (laddered investments)\Amending Agreement & Schedules March 22, 2011.PDF also in: S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\Amending Agreements\Amending Agreement No. 1 (laddered investments)\Amending Agreement No. 1.pdf
Amending Agreement No. 2		28-May-2012	N/A	▪ Change in name of Ministry under which OTF operates. ▪ Revised SIPP, replaced schedule accordingly.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\Amending Agreements\Amending Agreement No. 2 (Ministry Name Change and new SIPP)\Amending Agreement No. 2 (executed).pdf also in: S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\Amending Agreements\Amending Agreement No. 3 (Signature Change and new SIPP)\Amending Agreement No. 2 (executed).pdf
Amending Agreement No. 3		6-Oct-2015	N/A	▪ Revised Statement of Investment Policies and Procedures (Revised SIPP). ▪ New transaction and custody fees. ▪ Replaced schedules accordingly.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\Amending Agreements\Amending Agreement No. 3 (Signature Change and new SIPP)\Amending Agreement No. 3 (executed).pdf
Amending Agreement No. 4		21-Oct-2016	N/A	▪ Revised list of OTF representatives. ▪ Revised SIPP.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\Amending Agreements\Amending Agreement No. 4 (New signatory and new SIPP)\Amending Agreement No.4.pdf also in: S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\Amending Agreements\Amending Agreement No. 4 (New signatory and new SIPP)\Amending Agreement, Sch B & E, signature specimen and SIPP (final signed).pdf

3 months
6 months
9 months
1 year

From: Sarah Harris
To: Opal Kandelas
Subject: FW: Documentation Agreements in the Portal
Date: Tuesday, January 16, 2018 11:28:47 AM
Attachments: TEST Copy of Agreement Due Date Tracker (20-Dec-2017).xlsx

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Hi Opal,
To discuss during our weekly meeting.
Thanks,
Sarah

From: Karin Sze
Sent: Wednesday, January 03, 2018 2:13 PM
To: Sarah Harris
Subject: FW: Documentation Agreements in the Portal

	Category	Parties	Amount	File Folder	Agreement Expiry Date	Date to be notified before Agreement Expiry Date
	Credit Facilities Agreements					
1	**Credit Agreement**	IESO (formerly OPA), OFA	$475,000,000	1. Credit Agmts	31-Dec-2019	(IT project lead to insert datepicker to send alert)
2	**Revolving Credit Facility Agreement**	IESO, OEFC	$160,000,000	2. Revolving Cr Facility Agmt	30-Jun-2020	(IT project lead to insert datepicker to send alert)
3	**Agreement Providing for Issuance of a Note**	IESO (formerly IEMO, Ontario Hydro), OEFC	$120,000,000	3. Agmt providg for Iss of Note	30-Jun-2020	(IT project lead to insert datepicker to send alert)
4	**General Corporate Requirements Credit Facility Agreement**	OPG, OEFC	$2,350,000,000	4. Gen Corp req Cr Facility Agm	31-Dec-2018	(IT project lead to insert datepicker to send alert)
5	**Long Term Non-Revolving Credit Facility Agreement**	OILC, Province	$2,500,000,000	5. L-T Non-Rev Cr Fac Agmt	14-Nov-2018	(IT project lead to insert datepicker to send alert)
6	**Short-Term Revolving Credit Facility Agreement**	OILC, Province	$900,000,000	6. S-T Rev Cr Fac Agmt	26-May-2020	(IT project lead to insert datepicker to send alert)
7	**Revolving Credit Facility Agreement (Line of Credit)**	OILC (formerly OIPC), OFA	$200,000,000	7. Rev Cr Fac Agmt (Line of Cr)	29-Jun-2019	(IT project lead to insert datepicker to send alert)
8	**Revolving Credit Facility Agreement**	IESO, OFA	$2,000,000,000	8. Rev Cr Fac Agmt	30-Sep-2022	(IT project lead to insert datepicker to send alert)
	Service Agreements					
9	**Services (Level) Agreement**	OILC, OFA	N/A	9. Services (Level) Agmt	31-Mar-2020	(IT project lead to insert datepicker to send alert)
10	**Treasury Bill Issuing & Paying Agency Agreement**	TD, Province	$3,500,000,000	10.T-Bill Iss & Pay Agency Agmt	10-Jun-2019	(IT project lead to insert datepicker to send alert)
11	**Financial Services Agreement**	OCGC, OFA	$165,000,000	11.Fin Services Agmt OCGC & OFA	As long as OCGC has an investment in any of the Funds, or on such other date as agreed to by the Parties.	(IT project lead to insert datepicker to send alert)
	Investment Management Agreements					
12		OFA, DICO	N/A	12.Inv Mgt Agmt OFA & DICO	Termination: ▪ <30 days by writing; or ▪ mutual agreement	(IT project lead to insert datepicker to send alert)
13		OFA, PBGF	N/A	13. Inv Mgt Agmt OFA & PBGF	Termination: ▪ <30 days by writing; or ▪ mutual agreement	(IT project lead to insert datepicker to send alert)
14		OFA, OTF	N/A	14.Inv Mgt Agmt OFA & OTF	Termination: ▪ <30 days by writing; or ▪ mutual agreement	(IT project lead to insert datepicker to send alert)

Credit Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OPA, OFA	1-Jan-2005	$500,000,000	▪ Advances: 30-Nov-2006. ▪ Manadatory Repayment: 31-Dec-2006.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\OFA-OPA Original Credit Agreement.pdf
Amendment No. 1 (letter)		14-Feb-2005		▪ clause 4.7 substituting the word "Agreement" for the "Services".	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 1\Amendment No. 1.pdf
Amending Agreement No. 3	OPA, OFA	11-Oct-2005	$975,000,000	▪ Increased credit amount.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 3\(Signed) Aendment 3.Final.pdf
Amending Agreement No. 4	OPA, OFA	27-Sep-2006		▪ Mandatory Repayment: 31-Dec-2010.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 4\(Signed) Amendment 4.Final.pdf
Amending Agreement No. 5	OPA, OFA	13-Jul-2007		▪ Advances: 30-Nov-2010.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 5\(Signed) Amendment 5.Final.pdf
Amending Agreement No. 6	OPA, OFA	9-Nov-2010		▪ Mandatory Repayment: 31-Dec-2013. ▪ Advances: 30-Nov-2013.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 6\Amendmen #6 (Executed).pdf
Amending Agreement No. 7	OPA, OFA	20-Dec-2013		▪ Mandatory Repayment: 31-Dec-2016. ▪ Advances: 30-Nov-2016.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 7\(Executed) OPA Amending Agreement No 7.pdf
Amending Agreement No. 8	Amalgamation	19-Dec-2014		▪ OPA and Pre-Amalgamation IESO effective 1-Ja-2015.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 8 (Amalgamation with IESO)\OFA-OPA Amending Agreement No. 8 (Executed).PDF
Amending Agreement No. 9	IESO, OFA	30-Nov-2016		▪ 1-Jan-2015: OPA amalgamated with IESO and OPA became obligations of the IESO. ▪ Mandatory Repayment: 31-Dec-2019. ▪ Advances: 30-Nov-2019.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 9\OPA IESO Amendment No 9 (Executed).pdf
Amending Agreement No. 10	IESO, OFA	21-Nov-2017	$475,000,000.00	▪ Decrease credit amount. ▪ Add "Intercept" clause.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 10\OFA IESO Amending Agreement No. to Jan 1, 2005 Credit Facility Nov 6,2007 - OFA signed.pdf

Revolving Credit Facility Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	IESO, OEFC	23-Apr-2010	$60,000,000		S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010\Credit Facility Agreement. April 23. 2010. executed..pdf
Amending Agreement No. 1		21-Jul-2010		▪ Commitment and facility limits. ▪ Repayments conditions.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010\Amending Agreement No. 1\Amending Agreement #1 (Executed).pdf
Amending Agreement No. 2		14-Oct-2011	$110,000,000	▪ Interest Rate 30-day term: up to $60M (+ 0.25% p.a.); in excess of $60M (+0.5% p.a.) ▪ A new Grid Promissory Note of $110M.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010\Amending Agreement No. 2\(executed) Amending Agreement No. 2 14-Oct-11.pdf
Amending Agreement No. 3		30-Apr-2013		▪ Interest Rate 30-day term: +0.5% p.a. ▪ Mandatory Repayment: 30-Apr-2014.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010\Amending Agreement No. 3\IESO $110 M credit facility Amending Agreement No. 3 (executed copy).PDF
Amending Agreement No. 4		30-Apr-2014	$95,000,000	▪ Interest Rate 30-day term: +0.5% p.a. ▪ Mandatory Repayment: 30-Apr-2017.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010\Amending Agreement No. 4\IESO $95 M Credit Facility Amending Agreement No. 4 Executed Copy.PDF
Amending Agreement No. 5	Amalgamation	19-Dec-2014	N/A	▪ Amalgamation of IESO with OPA effective as of 1-Jan-2015. *Note* : No executed copy. The Amending Agreement date was obtained from the first paragraph in the Amending Agreement No. 6.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010\Amending Agreement No. 5 (Amalgamation)\IESO Amending Agreement No 5 (Amalgamation) (Draft).doc
Amending Agreement No. 6	IESO, OEFC	30-Apr-2017	$160,000,000	▪ Mandatory Repayment: 30-Jun-2020. ▪ Advances: up to a maximum of 12 times per year.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010\Amending Agreement No. 6\Amending Agrt no.6 - Revolving Credit Facility - OEFC_IESO_IESO Signed.pdf

Agreement Providing for Issuance of a Note	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	IEMO, OEFC	1-Apr-1999	$70,300,000	Transferring staff, assets, liabilities, rights and obligations of Ontario Hydroto IEMO. ▪ Term of loan maturity: 1-May-2009. ▪ Interest: 7.9% p.a.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Original Agreement.pdf
Amending Agreement No. 1		23-Mar-2000	$78,200,000	▪ Increased principal amount by $7.9M.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement NO 1.pdf
Amending Agreement No. 2	IESO (formerly IEMO) , OEFC	23-Apr-2009		▪ Term of the loan maturity: 1-May-2011.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement#2 (ExecutedCopy).pdf
Amending Agreement No. 3		1-May-2011		▪ Issuance of a 2nd Refinancing Note maturing 1-May-2013 and to delete the prepayment provisions.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement No. 3\[Executed] Amending Agreement No. 3.pdf
Amending Agreement No. 4		1-May-2013		▪ Issuance of a 3rd Refinancing Note maturing 30-Apr-2014.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement No. 4\IESO Amending Agreement No. 4 for $78.2M loan (executed copy).PDF
Amending Agreement No. 5		30-Apr-2014	$90,000,000	▪ Issuance of a 4th Refinancing Note maturing 30-Apr-2017. ▪ OEFC advanced loans to IESO: $11.8M.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement No. 5\IESO Amending Agreement No. 5 Executed Copy.PDF
Amending Agreement No. 6		30-Apr-2017	$120,000,000	▪ Issuance of a 5th Refinancing Note maturing 30-Jun-2020. ▪ OEFC advanced loans to IESO: $30M. ▪ Extend maturity date to 30-Jun-2020.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement No. 6\Amending Agrt no.6 re Issuance of Note - OEFC_IESO - IESO SignedCounterpart.pdf also in: S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement No. 6\IESOExecutedCopyAgreement.pdf S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement No. 6\OEFCExecutedPageCounterpart.pdf

General Corporate Requirements Credit Facility Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OPG, OEFC	17-Jun-2016	$700,000,000	▪ Financing for the period 1-Jun-2016 to 31-Dec-2017 re Darlington Refurbishment Project.	S:\Users\CMB\Documentation\OPG Loans from OEFC\Loans to OPG\2017 OPG $700 Million CF\$700 million OEFC-OPG Credit Facility (Executed Original).pdf also in: S:\Users\CMB\Documentation\OPG Loans from OEFC\Loans to OPG\2017 OPG $700 Million CF\$700 million OEFC-OPG Credit Facility (Executed).pdf
Amending Agreement No. 1		7-Sep-2016		▪ Financing for the period 1-Jan-2017 to 31-Dec-2017.	S:\Users\CMB\Documentation\OPG Loans from OEFC\Loans to OPG\2017 OPG $700 Million CF\Amending Agreement\2017 $700 Million Facility Amending Agreement 1 (Executed original).pdf also in: S:\Users\CMB\Documentation\OPG Loans from OEFC\Loans to OPG\2017 OPG $700 Million CF\Amending Agreement\2017 $700 Million Facility Amending Agreement 1 (Executed).pdf
Amending Agreement No. 2		2-Feb-2017		▪ Proposed advances may be for a term of up to 30 years.	S:\Users\CMB\Documentation\OPG Loans from OEFC\Loans to OPG\2017 OPG $700 Million CF\Amending Agreement\Amending No 2 (executed).pdf
Amending Agreement No. 3		6-Sep-2017	$2,350,000,000	▪ No more than $1.5B to be advanced prior to 1-Jan-2018. ▪ Advances occurred for the period 1-Jan-2017 to 31-Dec-2018.	S:\Users\CMB\Documentation\OPG Loans from OEFC\Loans to OPG\2017 OPG $700 Million CF\Amending Agreement\Amendment No 3 (executed).pdf

Long-Term Non-Revolving Credit Facility Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OILC, Province	14-Nov-2016	$2,500,000,000	▪ Pursuant to OILC By-law 3U. ▪ Borrowing authoity may be exercised is for 2 years from the date of approval of this By-law 3U. ▪ No funds is to remain outstanding after 42 years from the date of approval of this By-law or November 14, 2016, whichever is later.	S:\Users\CMB\Documentation\OILC (formerly OIPC)\OILC Credit facility Agreement 2016-2018\Current Version\OILC2016-18 Long-Term Credit Facility Agreement - Executed.pdf also in: S:\Users\CMB\Documentation\OILC (formerly OIPC)\OILC Credit facility Agreement 2016-2018\OILC2016-18 Long-Term Credit Facility Agreement - Executed.pdf S:\Users\CMB\Documentation\OILC (formerly OIPC)\By-laws\By-Law 3U

Short-Term Revolving Credit Facility Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OILC, Province	26-May-2014	$900,000,000	▪ 5-year period beginning on the effective date of By-Law 3Q. ▪ OIC 631/2014. ▪ Mandatory Repayment: 26-May-2020.	S:\Users\CMB\Documentation\OILC (formerly OIPC)\2014 Short Term Revolving Credit Facility (OILC-PROV)\{Executed) Agreement-OILC Short Term Revolving Credit Facility-May 26, 2014.pdf

Revolving Credit Facility Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OILC (formerly OIPC), OFA	23-Jun-2006	$200,000,000	▪ Mandatory Repayment: 23-Jun-2016. ▪ May prepay any advances outstanding or interest accrued upon 5 business days' notice to OFA. ▪ Advances: 23-Jun-2011.	● Z:\Users\CMB\Documentation\OILC (formerly OIPC)\Credit Facility 2006\Revolving Credit Facility Agreement.pdf
Amending Agreement		5-Jul-2011		▪ OIPC, the Ontario Realty Corporation and the Stadium Corporation of Ontario Limited were amalgamated and continued as a coporation under the name OILC. ▪ Mandatory Repayment: 29-Jun-2019. ▪ Advances: 29-Jun-2016.	● S:\Users\CMB\Documentation\OILC (formerly OIPC)\Credit Facility 2006\Amending Agreement 2011 Expires June 2016\Signed Amending Agreemen July 5_2011.pdf

Revolving Credit Facility Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	IESO, OFA	6-Nov-2017	$2,000,000,000	▪ Advances: 23-Sep-2017. ▪ Mandatory Repayment: 30-Sep-2022.	S:\Users\CMB\Documentation\IESO-OPA Merger\OFHP IESO OFA Credit Facility\FHP Credit Agreement OFA IESO - Nov 6, 2017 - OFA Signed.pdf

Services (Level) Agreement	Parties	Agreement/ Amendment Date	Program and Authorized Amount	Notes	Link to Site
Services Level Agreement	OIPC, OFA	1-Apr-2007	N/A	Background: Ontario Infrastructure Projects Corporation Act, 2006 (the "OIPC Act"), which amalgamated Infrastructure Ontario and the Ontario Strategic Infrastructure Financing Authority ("OSIFA") to form the Ontario Infrastructure Projects Corporation was proclaimed into force on July 17, 2006. Expired: 31-March-2012.	● S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OILC Ontario Infrastructure and Lands Corporation\OIPC Service Level Agreement\OIPC.Final Executed SLA.pdf also in: ● S:\Users\CMB\Documentation\Service Level Agreement\OIPC Service Level Agreement with OFA.pdf
Services Agreement	OILC, OFA	1-Feb-2015	N/A	Background: The Ontario Infrastructure and Lands Corporation Act, 2011 (the "OILC Act"), which amalgamated OIPC, Ontario Realty Corporation and Stadium Corporation of Ontario Limited to form Infrastructure Ontario was proclaimed into force on June 6, 2011. Extended the above Service Level Agreement between OILC and OFA until 31-Jan-2015.	● S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OILC Ontario Infrastructure and Lands Corporation\Service Level Agreements\SLA February 2015\Services Agreement between OFA and OILC effective February 1, 2015.pdf also in: ● S:\Users\CMB\Documentation\OILC (formerly OIPC)\SLA February 2015\ervices Agreement between OFA and OILC effective February 1, 2015.pdf ● S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OILC Ontario Infrastructure and Lands Corporation\Service Level Agreements\SLA February 2015\SLA Feb 1, 2015.pdf

Issuing and Paying Agency Agreement	Parties	Agreement/ Amendment Date	Program and Authorized Amount	Notes	Link to Site
Original	BMO, Province	18-Dec-2001	various amounts under various OICs	So long as the Global Treasury Bill is outstanding, there shall at all times be an issuing agent, registrar and paying agent.	S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Issue and Paying Agency Agreement (2003)\Issuing and Paying Agency Agrt with BMO 2001.pdf
Original	TD, Province	10-Jun-2003	various amounts under various OICs	▪ Terminated BMO. ▪ New agreement with TD.	S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill (T-Bill) services\Termination letter to BMO\Treasury Bills Termination Letter to BMO 2003.wpd S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Issue and Paying Agency Agreement (2003)\(signed) Issuing & Paying Agency Agmt 2003.pdf
1st Extension (Letter)	TD, Province	8-Jun-2010		▪ 1 year term ended 10-Jun-2010. ▪ Extended 2 years term from 10-Jun-2010 to 10-Jun-2012.	S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Approval for Extension of 2003 Contract to 2012\Approval TD contract extension (exe Gadi).pdf S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Approval for Extension of 2003 Contract to 2012\A&R IPAA Extension letter exe 2010 - 10Jun2012.PDF
1st Amendment	TD, Province	10-Jun-2010	various amounts under various OICs	▪ Retained TD to provide certain services.	S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Amended and Restated IPA (2010)\Amended Restated Issuing Paying Agency Agrt and TD cert of incumbency.PDF
2nd Amendment	TD, Province	6-Jun-2011	$30,500,000,000	▪ Cancelled Global T-bill 21-July-2010. ▪ Issued new Global T-Bill 6-Jun-2011. ▪ Amended s. 20(7) of FAA. ▪ Deleted reference of 25-year borrowing period.	S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Amended and Restated IPA -to remove expiry dates (2011)\Execution Copies\AR-IPAA exe 6Jun11.PDF
2nd Extension (Approval Note)	TD, Province	8-Aug-2011		▪ Extended additional 2 years term from 10-Jun-2012 to 10-Jun-2014.	S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Approval for Extension of 2003 Contract to 2014\Approval (exe Gadi) and briefing note - TD contract extension to 2014.pdf S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Approval for Extension of 2003 Contract to 2014\Second Extension. Extension LEtte Executed Sept 2011 to extend to 2014. TD Letter of Incumbency.pdf
3rd Extension (Letter)	TD, Province	28-May-2014		▪ Extended additional 5 years term from 10-Jun-2014 to 10-Jun-2019.	S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Approval for Extension of 2003 Contract to 2019\TD Treasury Bill Services Extension Letter May 28, 2014 (Fully Executed).PDF

Financial Services Agreement	Parties	Agreement/ Amendment Date	Program and Authorized Amount	Notes	Link to Site
Original	OCGC, OFA	27-Feb-2009	$90,000,000	Background: OCGC's Ontario Venture Capital Fund Agreement in Ontario Venture Capital Fund LP. ▪ OFA to provide investment and cash mgt services for the admin of Ontario's Venture Capital Fund LP.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OCGC Financial Services Agreement\FSA, Financial Services Agreement\OCGC Financial Services Agreement October 1, 2014\OCGC.Financial Services Agrmt.pdf
		1-Oct-2014	$50,000,000	▪ Province committed $90M to OVCF LP; OCGC committed $50M to Northleaf Venture Catalyst Fund LP.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OCGC Financial Services Agreement\FSA, Financial Services Agreement\OCGC Financial Services Agreement October 1, 2014\OCGC Financial Sservices Agreement October 1, 2014 (Executed).PDF
Amending Agreement No. 1		20-Mar-2017	$25,000,000	▪ $25M provincial commitment to ScaleUP Venture Fund I, LP.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OCGC Financial Services Agreement\Amendments\Amending Agreement 1 (Scaleup Fund Addition)\OCGC FSA Amend 1 March 20, 2017.pdf also in: S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OCGC Financial Services Agreement\Amendments\OCGC FSA Amend 1 March 20, 2017.pdf

Investment Management Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OFA, DICO	28-Sep-2005	N/A	Background: DICO to maintain the Deposite Insurance Reserve Fund (DIRF), a fund which exists to provide for the funding of deposite insurance claims and other purposes as specified under the CUCPA.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\DICO\IMA\IMA_DICO OFA_2005Sep28.pdf
Amending Agreement No. 1		30-Mar-2012	N/A	▪ Revised Investment Management Mandate (IMM) and the Transaction and Custody Fees by replacing a few schedules.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\DICO\Amending Agreements\Amending Agreement No. 1 (laddered investments)\Amending Agreement No 1 April 12 2012 (Executed) .PDF also in: S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\DICO\Amending Agreements\Amending Agreement No. 1 (laddered investments)\DICO Amending Agrmt No 1 March 30 2012 (Execution Copy).PDF
Amending Agreement No. 2		29-Aug-2012	N/A	▪ Revised SIPP by replacing existing schedules.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\DICO\Amending Agreements\Amending Agreement No. 2 (updated SIPP)\Amending Agreement No. 2 August 29 2012 (Executed).pdf
Amending Agreement No. 3		22-Jul-2014	N/A	▪ Revised Investment Policy and changed existing schedules.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\DICO\Amending Agreements\Amending Agreement No. 3\DICO Amending Agreement #3 Executed Copy.pdf
Amending Agreement No. 4		4-Jul-2016	N/A	▪ Changes to DICO representatives.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\DICO\Amending Agreements\Amending Agreement No. 3\DICO Amending Agreement #4 Executed Copy.pdf

Investment Management Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OFA, PBGF	1-Apr-2005	N/A	Background: ▪ FSCO as administrator of PBGF. ▪ FSCO appointed OFA as investment manager.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\PBGF\IMA\IMA_PBGF OFA_01April2005.doc
Amending Agreement No. 1		24-Mar-2014	N/A	▪ Revised Statement of Investment Policies and Guidelines to provide a different asset mix (Revised SIPG). ▪ New transaction and custody fees. ▪ Replaced appendices accordingly.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\PBGF\Amending Agreements\Amending Agreement No. 1 (laddered investments)\PBGF Amending Agreement No.1 March 2014 (Executed).PDF
Amending Agreement No. 2		25-Sep-2015	N/A	▪ Revised Appendix B (FSCO as administrator of the Pension Benefits Guarantee Fund) representatives and specimen signatures.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\PBGF\Amending Agreements\Amending Agreement No. 2 (Appendix B-current representatives)\PBGF Amending Armt No 2 (Final-Executed).pdf

Investment Management Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OFA, OTF	26-Apr-2007	N/A	Background: OTF provides grants to eligible charitable and not-for-profit organizations.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\IMA\Executed.OTF IMA 2007.pdf
Amending Agreement No. 1		22-Mar-2011	N/A	▪ Revised Statement of Investment Policies and Procedures to provide a different asset mix (Revised SIPP). ▪ New transaction and custody fees. ▪ Replaced schedules accordingly.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\Amending Agreements\Amending Agreement No. 1 (laddered investments)\Amending Agreement & Schedules March 22, 2011.PDF also in: S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\Amending Agreements\Amending Agreement No. 1 (laddered investments)\Amending Agreement No. 1.pdf
Amending Agreement No. 2		28-May-2012	N/A	▪ Change in name of Ministry under which OTF operates. ▪ Revised SIPP, replaced schedule accordingly.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\Amending Agreements\Amending Agreement No. 2 (Ministry Name Change and new SIPP)\Amending Agreement No. 2 (executed).pdf also in: S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\Amending Agreements\Amending Agreement No. 3 (Signature Change and new SIPP)\Amending Agreement No. 2 (executed).pdf
Amending Agreement No. 3		6-Oct-2015	N/A	▪ Revised Statement of Investment Policies and Procedures (Revised SIPP). ▪ New transaction and custody fees. ▪ Replaced schedules accordingly.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\Amending Agreements\Amending Agreement No. 3 (Signature Change and new SIPP)\Amending Agreement No. 3 (executed).pdf
Amending Agreement No. 4		21-Oct-2016	N/A	▪ Revised list of OTF representatives. ▪ Revised SIPP.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\Amending Agreements\Amending Agreement No. 4 (New signatory and new SIPP)\Amending Agreement No.4.pdf also in: S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\Amending Agreements\Amending Agreement No. 4 (New signatory and new SIPP)\Amending Agreement, Sch B & E, signature specimen and SIPP (final signed).pdf

3 months
6 months
9 months
1 year

From:	Karin Sze
To:	Sarah Harris
Subject:	FW: Documentation Agreements in the Portal
Date:	Wednesday, January 03, 2018 2:12:46 PM
Attachments:	TEST Copy of Agreement Due Date Tracker (20-Dec-2017).xlsx

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From: Karin Sze
Sent: Wednesday, December 20, 2017 11:32 AM
To: Brian Scott
Cc: Sarah Harris
Subject: Documentation Agreements in the Portal

Hi Brian,

Documentation is organizing its different agreements with various counter parties and would like to post them on Portal eventually.

Years ago, George Welcher who helped us build the Derivatives repository in the Portal: http://portal.ofina.on.ca/sites/cms/doc/default.aspx. We are looking for something similar in that nature but the agreements base is not as big as Derivatives.

We would like to seek your advice as to what are the options and functionalities that the Portal can do that will help us organizing the agreements and who shall we ask for assistance in this project.

FYI, I attach a copy of the Agreements framework that we have built.

Please let me know if you have any questions.

Thank you,

Karin
(416) 212-1064

	Category	Parties	Amount	File Folder	Agreement Expiry Date	Date to be notified before Agreement Expiry Date
	Credit Facilities Agreements					
1	**Credit Agreement**	IESO (formerly OPA), OFA	$475,000,000	1. Credit Agmts	31-Dec-2019	(IT project lead to insert datepicker to send alert)
2	**Revolving Credit Facility Agreement**	IESO, OEFC	$160,000,000	2. Revolving Cr Facility Agmt	30-Jun-2020	(IT project lead to insert datepicker to send alert)
3	**Agreement Providing for Issuance of a Note**	IESO (formerly IEMO, Ontario Hydro), OEFC	$120,000,000	3. Agmt providg for Iss of Note	30-Jun-2020	(IT project lead to insert datepicker to send alert)
4	**General Corporate Requirements Credit Facility Agreement**	OPG, OEFC	$2,350,000,000	4. Gen Corp req Cr Facility Agm	31-Dec-2018	(IT project lead to insert datepicker to send alert)
5	**Long Term Non-Revolving Credit Facility Agreement**	OILC, Province	$2,500,000,000	5. L-T Non-Rev Cr Fac Agmt	14-Nov-2018	(IT project lead to insert datepicker to send alert)
6	**Short-Term Revolving Credit Facility Agreement**	OILC, Province	$900,000,000	6. S-T Rev Cr Fac Agmt	26-May-2020	(IT project lead to insert datepicker to send alert)
7	**Revolving Credit Facility Agreement (Line of Credit)**	OILC (formerly OIPC), OFA	$200,000,000	7. Rev Cr Fac Agmt (Line of Cr)	29-Jun-2019	(IT project lead to insert datepicker to send alert)
8	**Revolving Credit Facility Agreement**	IESO, OFA	$2,000,000,000	8. Rev Cr Fac Agmt	30-Sep-2022	(IT project lead to insert datepicker to send alert)
	Service Agreements					
9	**Services (Level) Agreement**	OILC, OFA	N/A	9. Services (Level) Agmt	31-Mar-2020	(IT project lead to insert datepicker to send alert)
10	**Treasury Bill Issuing & Paying Agency Agreement**	TD, Province	$3,500,000,000	10.T-Bill Iss & Pay Agency Agmt	10-Jun-2019	(IT project lead to insert datepicker to send alert)
11	**Financial Services Agreement**	OCGC, OFA	$165,000,000	11.Fin Services Agmt OCGC & OFA	As long as OCGC has an investment in any of the Funds, or on such other date as agreed to by the Parties.	(IT project lead to insert datepicker to send alert)
	Investment Management Agreements					
12		OFA, DICO	N/A	12.Inv Mgt Agmt OFA & DICO	Termination: ▪ <30 days by writing; or ▪ mutual agreement	(IT project lead to insert datepicker to send alert)
13		OFA, PBGF	N/A	13. Inv Mgt Agmt OFA & PBGF	Termination: ▪ <30 days by writing; or ▪ mutual agreement	(IT project lead to insert datepicker to send alert)
14		OFA, OTF	N/A	14.Inv Mgt Agmt OFA & OTF	Termination: ▪ <30 days by writing; or ▪ mutual agreement	(IT project lead to insert datepicker to send alert)

Credit Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OPA, OFA	1-Jan-2005	$500,000,000	▪ Advances: 30-Nov-2006. ▪ Manadatory Repayment: 31-Dec-2006.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\OFA-OPA Original Credit Agreement.pdf
Amendment No. 1 (letter)		14-Feb-2005		▪ clause 4.7 substituting the word "Agreement" for the "Services".	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 1\Amendment No. 1.pdf
Amending Agreement No. 3	OPA, OFA	11-Oct-2005	$975,000,000	▪ Increased credit amount.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 3\(Signed) Aendment 3.Final.pdf
Amending Agreement No. 4	OPA, OFA	27-Sep-2006		▪ Mandatory Repayment: 31-Dec-2010.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 4\(Signed) Amendment 4.Final.pdf
Amending Agreement No. 5	OPA, OFA	13-Jul-2007		▪ Advances: 30-Nov-2010.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 5\(Signed) Amendment 5.Final.pdf
Amending Agreement No. 6	OPA, OFA	9-Nov-2010		▪ Mandatory Repayment: 31-Dec-2013. ▪ Advances: 30-Nov-2013.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 6\Amendmen #6 (Executed).pdf
Amending Agreement No. 7	OPA, OFA	20-Dec-2013		▪ Mandatory Repayment: 31-Dec-2016. ▪ Advances: 30-Nov-2016.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 7\(Executed) OPA Amending Agreement No 7.pdf
Amending Agreement No. 8	Amalgamation	19-Dec-2014		▪ OPA and Pre-Amalgamation IESO effective 1-Ja-2015.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 8 (Amalgamation with IESO)\OFA-OPA Amending Agreement No. 8 (Executed).PDF
Amending Agreement No. 9	IESO, OFA	30-Nov-2016		▪ 1-Jan-2015: OPA amalgamated with IESO and OPA became obligations of the IESO. ▪ Mandatory Repayment: 31-Dec-2019. ▪ Advances: 30-Nov-2019.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 9\OPA IESO Amendment No 9 (Executed).pdf
Amending Agreement No. 10	IESO, OFA	21-Nov-2017	$475,000,000.00	▪ Decrease credit amount. ▪ Add "Intercept" clause.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 10\OFA IESO Amending Agreement No. to Jan 1, 2005 Credit Facility Nov 6,2007 - OFA signed.pdf

Revolving Credit Facility Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	IESO, OEFC	23-Apr-2010	$60,000,000		S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010\Credit Facility Agreement. April 23. 2010. executed..pdf
Amending Agreement No. 1		21-Jul-2010		▪ Commitment and facility limits. ▪ Repayments conditions.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010\Amending Agreement No. 1\Amending Agreement #1 (Executed).pdf
Amending Agreement No. 2		14-Oct-2011	$110,000,000	▪ Interest Rate 30-day term: up to $60M (+ 0.25% p.a.); in excess of $60M (+0.5% p.a.) ▪ A new Grid Promissory Note of $110M.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010\Amending Agreement No. 2\(executed) Amending Agreement No. 2 14-Oct-11.pdf
Amending Agreement No. 3		30-Apr-2013		▪ Interest Rate 30-day term: +0.5% p.a. ▪ Mandatory Repayment: 30-Apr-2014.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010\Amending Agreement No. 3\IESO $110 M credit facility Amending Agreement No. 3 (executed copy).PDF
Amending Agreement No. 4		30-Apr-2014	$95,000,000	▪ Interest Rate 30-day term: +0.5% p.a. ▪ Mandatory Repayment: 30-Apr-2017.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010\Amending Agreement No. 4\IESO $95 M Credit Facility Amending Agreement No. 4 Executed Copy.PDF
Amending Agreement No. 5	Amalgamation	19-Dec-2014	N/A	▪ Amalgamation of IESO with OPA effective as of 1-Jan-2015. *Note* : No executed copy. The Amending Agreement date was obtained from the first paragraph in the Amending Agreement No. 6.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010\Amending Agreement No. 5 (Amalgamation)\IESO Amending Agreement No 5 (Amalgamation) (Draft).doc
Amending Agreement No. 6	IESO, OEFC	30-Apr-2017	$160,000,000	▪ Mandatory Repayment: 30-Jun-2020. ▪ Advances: up to a maximum of 12 times per year.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010\Amending Agreement No. 6\Amending Agrt no.6 - Revolving Credit Facility - OEFC_IESO_IESO Signed.pdf

Agreement Providing for Issuance of a Note	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	IEMO, OEFC	1-Apr-1999	$70,300,000	Transferring staff, assets, liabilities, rights and obligations of Ontario Hydroto IEMO. ▪ Term of loan maturity: 1-May-2009. ▪ Interest: 7.9% p.a.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Original Agreement.pdf
Amending Agreement No. 1		23-Mar-2000	$78,200,000	▪ Increased principal amount by $7.9M.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement NO 1.pdf
Amending Agreement No. 2	IESO (formerly IEMO) , OEFC	23-Apr-2009		▪ Term of the loan maturity: 1-May-2011.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement#2 (ExecutedCopy).pdf
Amending Agreement No. 3		1-May-2011		▪ Issuance of a 2nd Refinancing Note maturing 1-May-2013 and to delete the prepayment provisions.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement No. 3\[Executed] Amending Agreement No. 3.pdf
Amending Agreement No. 4		1-May-2013		▪ Issuance of a 3rd Refinancing Note maturing 30-Apr-2014.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement No. 4\IESO Amending Agreement No. 4 for $78.2M loan (executed copy).PDF
Amending Agreement No. 5		30-Apr-2014	$90,000,000	▪ Issuance of a 4th Refinancing Note maturing 30-Apr-2017. ▪ OEFC advanced loans to IESO: $11.8M.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement No. 5\IESO Amending Agreement No. 5 Executed Copy.PDF
Amending Agreement No. 6		30-Apr-2017	$120,000,000	▪ Issuance of a 5th Refinancing Note maturing 30-Jun-2020. ▪ OEFC advanced loans to IESO: $30M. ▪ Extend maturity date to 30-Jun-2020.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement No. 6\Amending Agrt no.6 re Issuance of Note - OEFC_IESO - IESO SignedCounterpart.pdf also in: S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement No. 6\IESOExecutedCopyAgreement.pdf S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement No. 6\OEFCExecutedPageCounterpart.pdf

General Corporate Requirements Credit Facility Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OPG, OEFC	17-Jun-2016	$700,000,000	▪ Financing for the period 1-Jun-2016 to 31-Dec-2017 re Darlington Refurbishment Project.	S:\Users\CMB\Documentation\OPG Loans from OEFC\Loans to OPG\2017 OPG $700 Million CF\$700 million OEFC-OPG Credit Facility (Executed Original).pdf also in: S:\Users\CMB\Documentation\OPG Loans from OEFC\Loans to OPG\2017 OPG $700 Million CF\$700 million OEFC-OPG Credit Facility (Executed).pdf
Amending Agreement No. 1		7-Sep-2016		▪ Financing for the period 1-Jan-2017 to 31-Dec-2017.	S:\Users\CMB\Documentation\OPG Loans from OEFC\Loans to OPG\2017 OPG $700 Million CF\Amending Agreement\2017 $700 Million Facility Amending Agreement 1 (Executed original).pdf also in: S:\Users\CMB\Documentation\OPG Loans from OEFC\Loans to OPG\2017 OPG $700 Million CF\Amending Agreement\2017 $700 Million Facility Amending Agreement 1 (Executed).pdf
Amending Agreement No. 2		2-Feb-2017		▪ Proposed advances may be for a term of up to 30 years.	S:\Users\CMB\Documentation\OPG Loans from OEFC\Loans to OPG\2017 OPG $700 Million CF\Amending Agreement\Amending No 2 (executed).pdf
Amending Agreement No. 3		6-Sep-2017	$2,350,000,000	▪ No more than $1.5B to be advanced prior to 1-Jan-2018. ▪ Advances occurred for the period 1-Jan-2017 to 31-Dec-2018.	S:\Users\CMB\Documentation\OPG Loans from OEFC\Loans to OPG\2017 OPG $700 Million CF\Amending Agreement\Amendment No 3 (executed).pdf

Long-Term Non-Revolving Credit Facility Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OILC, Province	14-Nov-2016	$2,500,000,000	▪ Pursuant to OILC By-law 3U. ▪ Borrowing authoity may be exercised is for 2 years from the date of approval of this By-law 3U. ▪ No funds is to remain outstanding after 42 years from the date of approval of this By-law or November 14, 2016, whichever is later.	S:\Users\CMB\Documentation\OILC (formerly OIPC)\OILC Credit facility Agreement 2016-2018\Current Version\OILC2016-18 Long-Term Credit Facility Agreement - Executed.pdf also in: S:\Users\CMB\Documentation\OILC (formerly OIPC)\OILC Credit facility Agreement 2016-2018\OILC2016-18 Long-Term Credit Facility Agreement - Executed.pdf S:\Users\CMB\Documentation\OILC (formerly OIPC)\By-laws\By-Law 3U

Short-Term Revolving Credit Facility Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OILC, Province	26-May-2014	$900,000,000	▪ 5-year period beginning on the effective date of By-Law 3Q. ▪ OIC 631/2014. ▪ Mandatory Repayment: 26-May-2020.	S:\Users\CMB\Documentation\OILC (formerly OIPC)\2014 Short Term Revolving Credit Facility (OILC-PROV)\{Executed) Agreement-OILC Short Term Revolving Credit Facility-May 26, 2014.pdf

Revolving Credit Facility Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OILC (formerly OIPC), OFA	23-Jun-2006	$200,000,000	▪ Mandatory Repayment: 23-Jun-2016. ▪ May prepay any advances outstanding or interest accrued upon 5 business days' notice to OFA. ▪ Advances: 23-Jun-2011.	● Z:\Users\CMB\Documentation\OILC (formerly OIPC)\Credit Facility 2006\Revolving Credit Facility Agreement.pdf
Amending Agreement		5-Jul-2011		▪ OIPC, the Ontario Realty Corporation and the Stadium Corporation of Ontario Limited were amalgamated and continued as a coporation under the name OILC. ▪ Mandatory Repayment: 29-Jun-2019. ▪ Advances: 29-Jun-2016.	● S:\Users\CMB\Documentation\OILC (formerly OIPC)\Credit Facility 2006\Amending Agreement 2011 Expires June 2016\Signed Amending Agreemen July 5_2011.pdf

Revolving Credit Facility Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	IESO, OFA	6-Nov-2017	$2,000,000,000	▪ Advances: 23-Sep-2017. ▪ Mandatory Repayment: 30-Sep-2022.	S:\Users\CMB\Documentation\IESO-OPA Merger\OFHP IESO OFA Credit Facility\FHP Credit Agreement OFA IESO - Nov 6, 2017 - OFA Signed.pdf

Services (Level) Agreement	Parties	Agreement/ Amendment Date	Program and Authorized Amount	Notes	Link to Site
Services Level Agreement	OIPC, OFA	1-Apr-2007	N/A	Background: Ontario Infrastructure Projects Corporation Act, 2006 (the "OIPC Act"), which amalgamated Infrastructure Ontario and the Ontario Strategic Infrastructure Financing Authority ("OSIFA") to form the Ontario Infrastructure Projects Corporation was proclaimed into force on July 17, 2006. Expired: 31-March-2012.	● S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OILC Ontario Infrastructure and Lands Corporation\OIPC Service Level Agreement\OIPC.Final Executed SLA.pdf also in: ● S:\Users\CMB\Documentation\Service Level Agreement\OIPC Service Level Agreement with OFA.pdf
Services Agreement	OILC, OFA	1-Feb-2015	N/A	Background: The Ontario Infrastructure and Lands Corporation Act, 2011 (the "OILC Act"), which amalgamated OIPC, Ontario Realty Corporation and Stadium Corporation of Ontario Limited to form Infrastructure Ontario was proclaimed into force on June 6, 2011. Extended the above Service Level Agreement between OILC and OFA until 31-Jan-2015.	● S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OILC Ontario Infrastructure and Lands Corporation\Service Level Agreements\SLA February 2015\Services Agreement between OFA and OILC effective February 1, 2015.pdf also in: ● S:\Users\CMB\Documentation\OILC (formerly OIPC)\SLA February 2015\ervices Agreement between OFA and OILC effective February 1, 2015.pdf ● S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OILC Ontario Infrastructure and Lands Corporation\Service Level Agreements\SLA February 2015\SLA Feb 1, 2015.pdf

Issuing and Paying Agency Agreement	Parties	Agreement/ Amendment Date	Program and Authorized Amount	Notes	Link to Site
Original	BMO, Province	18-Dec-2001	various amounts under various OICs	So long as the Global Treasury Bill is outstanding, there shall at all times be an issuing agent, registrar and paying agent.	S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Issue and Paying Agency Agreement (2003)\Issuing and Paying Agency Agrt with BMO 2001.pdf
Original	TD, Province	10-Jun-2003	various amounts under various OICs	▪ Terminated BMO. ▪ New agreement with TD.	S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill (T-Bill) services\Termination letter to BMO\Treasury Bills Termination Letter to BMO 2003.wpd S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Issue and Paying Agency Agreement (2003)\(signed) Issuing & Paying Agency Agmt 2003.pdf
1st Extension (Letter)	TD, Province	8-Jun-2010		▪ 1 year term ended 10-Jun-2010. ▪ Extended 2 years term from 10-Jun-2010 to 10-Jun-2012.	S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Approval for Extension of 2003 Contract to 2012\Approval TD contract extension (exe Gadi).pdf S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Approval for Extension of 2003 Contract to 2012\A&R IPAA Extension letter exe 2010 - 10Jun2012.PDF
1st Amendment	TD, Province	10-Jun-2010	various amounts under various OICs	▪ Retained TD to provide certain services.	S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Amended and Restated IPA (2010)\Amended Restated Issuing Paying Agency Agrt and TD cert of incumbency.PDF
2nd Amendment	TD, Province	6-Jun-2011	$30,500,000,000	▪ Cancelled Global T-bill 21-July-2010. ▪ Issued new Global T-Bill 6-Jun-2011. ▪ Amended s. 20(7) of FAA. ▪ Deleted reference of 25-year borrowing period.	S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Amended and Restated IPA -to remove expiry dates (2011)\Execution Copies\AR-IPAA exe 6Jun11.PDF
2nd Extension (Approval Note)	TD, Province	8-Aug-2011		▪ Extended additional 2 years term from 10-Jun-2012 to 10-Jun-2014.	S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Approval for Extension of 2003 Contract to 2014\Approval (exe Gadi) and briefing note - TD contract extension to 2014.pdf S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Approval for Extension of 2003 Contract to 2014\Second Extension. Extension LEtte Executed Sept 2011 to extend to 2014. TD Letter of Incumbency.pdf
3rd Extension (Letter)	TD, Province	28-May-2014		▪ Extended additional 5 years term from 10-Jun-2014 to 10-Jun-2019.	S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Approval for Extension of 2003 Contract to 2019\TD Treasury Bill Services Extension Letter May 28, 2014 (Fully Executed).PDF

Financial Services Agreement	Parties	Agreement/ Amendment Date	Program and Authorized Amount	Notes	Link to Site
Original	OCGC, OFA	27-Feb-2009	$90,000,000	Background: OCGC's Ontario Venture Capital Fund Agreement in Ontario Venture Capital Fund LP. ▪ OFA to provide investment and cash mgt services for the admin of Ontario's Venture Capital Fund LP.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OCGC Financial Services Agreement\FSA, Financial Services Agreement\OCGC Financial Services Agreement October 1, 2014\OCGC.Financial Services Agrmt.pdf
		1-Oct-2014	$50,000,000	▪ Province committed $90M to OVCF LP; OCGC committed $50M to Northleaf Venture Catalyst Fund LP.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OCGC Financial Services Agreement\FSA, Financial Services Agreement\OCGC Financial Services Agreement October 1, 2014\OCGC Financial Sservices Agreement October 1, 2014 (Executed).PDF
Amending Agreement No. 1		20-Mar-2017	$25,000,000	▪ $25M provincial commitment to ScaleUP Venture Fund I, LP.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OCGC Financial Services Agreement\Amendments\Amending Agreement 1 (Scaleup Fund Addition)\OCGC FSA Amend 1 March 20, 2017.pdf also in: S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OCGC Financial Services Agreement\Amendments\OCGC FSA Amend 1 March 20, 2017.pdf

Investment Management Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OFA, DICO	28-Sep-2005	N/A	Background: DICO to maintain the Deposite Insurance Reserve Fund (DIRF), a fund which exists to provide for the funding of deposite insurance claims and other purposes as specified under the CUCPA.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\DICO\IMA\IMA_DICO OFA_2005Sep28.pdf
Amending Agreement No. 1		30-Mar-2012	N/A	▪ Revised Investment Management Mandate (IMM) and the Transaction and Custody Fees by replacing a few schedules.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\DICO\Amending Agreements\Amending Agreement No. 1 (laddered investments)\Amending Agreement No 1 April 12 2012 (Executed) .PDF also in: S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\DICO\Amending Agreements\Amending Agreement No. 1 (laddered investments)\DICO Amending Agrmt No 1 March 30 2012 (Execution Copy).PDF
Amending Agreement No. 2		29-Aug-2012	N/A	▪ Revised SIPP by replacing existing schedules.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\DICO\Amending Agreements\Amending Agreement No. 2 (updated SIPP)\Amending Agreement No. 2 August 29 2012 (Executed).pdf
Amending Agreement No. 3		22-Jul-2014	N/A	▪ Revised Investment Policy and changed existing schedules.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\DICO\Amending Agreements\Amending Agreement No. 3\DICO Amending Agreement #3 Executed Copy.pdf
Amending Agreement No. 4		4-Jul-2016	N/A	▪ Changes to DICO representatives.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\DICO\Amending Agreements\Amending Agreement No. 3\DICO Amending Agreement #4 Executed Copy.pdf

Investment Management Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OFA, PBGF	1-Apr-2005	N/A	Background: ▪ FSCO as administrator of PBGF. ▪ FSCO appointed OFA as investment manager.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\PBGF\IMA\IMA_PBGF OFA_01April2005.doc
Amending Agreement No. 1		24-Mar-2014	N/A	▪ Revised Statement of Investment Policies and Guidelines to provide a different asset mix (Revised SIPG). ▪ New transaction and custody fees. ▪ Replaced appendices accordingly.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\PBGF\Amending Agreements\Amending Agreement No. 1 (laddered investments)\PBGF Amending Agreement No.1 March 2014 (Executed).PDF
Amending Agreement No. 2		25-Sep-2015	N/A	▪ Revised Appendix B (FSCO as administrator of the Pension Benefits Guarantee Fund) representatives and specimen signatures.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\PBGF\Amending Agreements\Amending Agreement No. 2 (Appendix B-current representatives)\PBGF Amending Armt No 2 (Final-Executed).pdf

Investment Management Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OFA, OTF	26-Apr-2007	N/A	Background: OTF provides grants to eligible charitable and not-for-profit organizations.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\IMA\Executed.OTF IMA 2007.pdf
Amending Agreement No. 1		22-Mar-2011	N/A	▪ Revised Statement of Investment Policies and Procedures to provide a different asset mix (Revised SIPP). ▪ New transaction and custody fees. ▪ Replaced schedules accordingly.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\Amending Agreements\Amending Agreement No. 1 (laddered investments)\Amending Agreement & Schedules March 22, 2011.PDF also in: S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\Amending Agreements\Amending Agreement No. 1 (laddered investments)\Amending Agreement No. 1.pdf
Amending Agreement No. 2		28-May-2012	N/A	▪ Change in name of Ministry under which OTF operates. ▪ Revised SIPP, replaced schedule accordingly.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\Amending Agreements\Amending Agreement No. 2 (Ministry Name Change and new SIPP)\Amending Agreement No. 2 (executed).pdf also in: S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\Amending Agreements\Amending Agreement No. 3 (Signature Change and new SIPP)\Amending Agreement No. 2 (executed).pdf
Amending Agreement No. 3		6-Oct-2015	N/A	▪ Revised Statement of Investment Policies and Procedures (Revised SIPP). ▪ New transaction and custody fees. ▪ Replaced schedules accordingly.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\Amending Agreements\Amending Agreement No. 3 (Signature Change and new SIPP)\Amending Agreement No. 3 (executed).pdf
Amending Agreement No. 4		21-Oct-2016	N/A	▪ Revised list of OTF representatives. ▪ Revised SIPP.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\Amending Agreements\Amending Agreement No. 4 (New signatory and new SIPP)\Amending Agreement No.4.pdf also in: S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\Amending Agreements\Amending Agreement No. 4 (New signatory and new SIPP)\Amending Agreement, Sch B & E, signature specimen and SIPP (final signed).pdf

3 months
6 months
9 months
1 year

From:	Sarah Harris
To:	Andrea Dalgarno
Subject:	FW: Documentation Agreements in the Portal
Date:	Tuesday, February 27, 2018 3:37:03 PM
Attachments:	TEST Copy of Agreement Due Date Tracker (20-Dec-2017).xlsx

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From: Sarah Harris
Sent: Tuesday, February 27, 2018 11:17 AM
To: Opal Kandelas
Subject: FW: Documentation Agreements in the Portal

From: Karin Sze
Sent: Wednesday, January 03, 2018 2:13 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: Documentation Agreements in the Portal

From: Karin Sze
Sent: Wednesday, December 20, 2017 11:32 AM
To: Brian Scott <Brian.Scott@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: Documentation Agreements in the Portal

Hi Brian,

Documentation is organizing its different agreements with various counter parties and would like to post them on Portal eventually.

Years ago, George Welcher who helped us build the Derivatives repository in the Portal: http://portal.ofina.on.ca/sites/cms/doc/default.aspx. We are looking for something similar in that nature but the agreements base is not as big as Derivatives.

We would like to seek your advice as to what are the options and functionalities that the Portal can do that will help us organizing the agreements and who shall we ask for assistance in this project.

FYI, I attach a copy of the Agreements framework that we have built.

Please let me know if you have any questions.

Thank you,

Karin

(416) 212-1064

	Category	Parties	Amount	File Folder	Agreement Expiry Date	Date to be notified before Agreement Expiry Date
	Credit Facilities Agreements					
1	**Credit Agreement**	IESO (formerly OPA), OFA	$475,000,000	1. Credit Agmts	31-Dec-2019	(IT project lead to insert datepicker to send alert)
2	**Revolving Credit Facility Agreement**	IESO, OEFC	$160,000,000	2. Revolving Cr Facility Agmt	30-Jun-2020	(IT project lead to insert datepicker to send alert)
3	**Agreement Providing for Issuance of a Note**	IESO (formerly IEMO, Ontario Hydro), OEFC	$120,000,000	3. Agmt providg for Iss of Note	30-Jun-2020	(IT project lead to insert datepicker to send alert)
4	**General Corporate Requirements Credit Facility Agreement**	OPG, OEFC	$2,350,000,000	4. Gen Corp req Cr Facility Agm	31-Dec-2018	(IT project lead to insert datepicker to send alert)
5	**Long Term Non-Revolving Credit Facility Agreement**	OILC, Province	$2,500,000,000	5. L-T Non-Rev Cr Fac Agmt	14-Nov-2018	(IT project lead to insert datepicker to send alert)
6	**Short-Term Revolving Credit Facility Agreement**	OILC, Province	$900,000,000	6. S-T Rev Cr Fac Agmt	26-May-2020	(IT project lead to insert datepicker to send alert)
7	**Revolving Credit Facility Agreement (Line of Credit)**	OILC (formerly OIPC), OFA	$200,000,000	7. Rev Cr Fac Agmt (Line of Cr)	29-Jun-2019	(IT project lead to insert datepicker to send alert)
8	**Revolving Credit Facility Agreement**	IESO, OFA	$2,000,000,000	8. Rev Cr Fac Agmt	30-Sep-2022	(IT project lead to insert datepicker to send alert)
	Service Agreements					
9	**Services (Level) Agreement**	OILC, OFA	N/A	9. Services (Level) Agmt	31-Mar-2020	(IT project lead to insert datepicker to send alert)
10	**Treasury Bill Issuing & Paying Agency Agreement**	TD, Province	$3,500,000,000	10.T-Bill Iss & Pay Agency Agmt	10-Jun-2019	(IT project lead to insert datepicker to send alert)
11	**Financial Services Agreement**	OCGC, OFA	$165,000,000	11.Fin Services Agmt OCGC & OFA	As long as OCGC has an investment in any of the Funds, or on such other date as agreed to by the Parties.	(IT project lead to insert datepicker to send alert)
	Investment Management Agreements					
12		OFA, DICO	N/A	12.Inv Mgt Agmt OFA & DICO	Termination: ▪ <30 days by writing; or ▪ mutual agreement	(IT project lead to insert datepicker to send alert)
13		OFA, PBGF	N/A	13. Inv Mgt Agmt OFA & PBGF	Termination: ▪ <30 days by writing; or ▪ mutual agreement	(IT project lead to insert datepicker to send alert)
14		OFA, OTF	N/A	14.Inv Mgt Agmt OFA & OTF	Termination: ▪ <30 days by writing; or ▪ mutual agreement	(IT project lead to insert datepicker to send alert)

Credit Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OPA, OFA	1-Jan-2005	$500,000,000	▪ Advances: 30-Nov-2006. ▪ Manadatory Repayment: 31-Dec-2006.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\OFA-OPA Original Credit Agreement.pdf
Amendment No. 1 (letter)		14-Feb-2005		▪ clause 4.7 substituting the word "Agreement" for the "Services".	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 1\Amendment No. 1.pdf
Amending Agreement No. 3	OPA, OFA	11-Oct-2005	$975,000,000	▪ Increased credit amount.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 3\(Signed) Aendment 3.Final.pdf
Amending Agreement No. 4	OPA, OFA	27-Sep-2006		▪ Mandatory Repayment: 31-Dec-2010.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 4\(Signed) Amendment 4.Final.pdf
Amending Agreement No. 5	OPA, OFA	13-Jul-2007		▪ Advances: 30-Nov-2010.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 5\(Signed) Amendment 5.Final.pdf
Amending Agreement No. 6	OPA, OFA	9-Nov-2010		▪ Mandatory Repayment: 31-Dec-2013. ▪ Advances: 30-Nov-2013.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 6\Amendmen #6 (Executed).pdf
Amending Agreement No. 7	OPA, OFA	20-Dec-2013		▪ Mandatory Repayment: 31-Dec-2016. ▪ Advances: 30-Nov-2016.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 7\(Executed) OPA Amending Agreement No 7.pdf
Amending Agreement No. 8	Amalgamation	19-Dec-2014		▪ OPA and Pre-Amalgamation IESO effective 1-Ja-2015.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 8 (Amalgamation with IESO)\OFA-OPA Amending Agreement No. 8 (Executed).PDF
Amending Agreement No. 9	IESO, OFA	30-Nov-2016		▪ 1-Jan-2015: OPA amalgamated with IESO and OPA became obligations of the IESO. ▪ Mandatory Repayment: 31-Dec-2019. ▪ Advances: 30-Nov-2019.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 9\OPA IESO Amendment No 9 (Executed).pdf
Amending Agreement No. 10	IESO, OFA	21-Nov-2017	$475,000,000.00	▪ Decrease credit amount. ▪ Add "Intercept" clause.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 10\OFA IESO Amending Agreement No. to Jan 1, 2005 Credit Facility Nov 6,2007 - OFA signed.pdf

Revolving Credit Facility Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	IESO, OEFC	23-Apr-2010	$60,000,000		S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010\Credit Facility Agreement. April 23. 2010. executed..pdf
Amending Agreement No. 1		21-Jul-2010		▪ Commitment and facility limits. ▪ Repayments conditions.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010\Amending Agreement No. 1\Amending Agreement #1 (Executed).pdf
Amending Agreement No. 2		14-Oct-2011	$110,000,000	▪ Interest Rate 30-day term: up to $60M (+ 0.25% p.a.); in excess of $60M (+0.5% p.a.) ▪ A new Grid Promissory Note of $110M.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010\Amending Agreement No. 2\(executed) Amending Agreement No. 2 14-Oct-11.pdf
Amending Agreement No. 3		30-Apr-2013		▪ Interest Rate 30-day term: +0.5% p.a. ▪ Mandatory Repayment: 30-Apr-2014.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010\Amending Agreement No. 3\IESO $110 M credit facility Amending Agreement No. 3 (executed copy).PDF
Amending Agreement No. 4		30-Apr-2014	$95,000,000	▪ Interest Rate 30-day term: +0.5% p.a. ▪ Mandatory Repayment: 30-Apr-2017.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010\Amending Agreement No. 4\IESO $95 M Credit Facility Amending Agreement No. 4 Executed Copy.PDF
Amending Agreement No. 5	Amalgamation	19-Dec-2014	N/A	▪ Amalgamation of IESO with OPA effective as of 1-Jan-2015. *Note* : No executed copy. The Amending Agreement date was obtained from the first paragraph in the Amending Agreement No. 6.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010\Amending Agreement No. 5 (Amalgamation)\IESO Amending Agreement No 5 (Amalgamation) (Draft).doc
Amending Agreement No. 6	IESO, OEFC	30-Apr-2017	$160,000,000	▪ Mandatory Repayment: 30-Jun-2020. ▪ Advances: up to a maximum of 12 times per year.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010\Amending Agreement No. 6\Amending Agrt no.6 - Revolving Credit Facility - OEFC_IESO_IESO Signed.pdf

Agreement Providing for Issuance of a Note	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	IEMO, OEFC	1-Apr-1999	$70,300,000	Transferring staff, assets, liabilities, rights and obligations of Ontario Hydroto IEMO. ▪ Term of loan maturity: 1-May-2009. ▪ Interest: 7.9% p.a.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Original Agreement.pdf
Amending Agreement No. 1		23-Mar-2000	$78,200,000	▪ Increased principal amount by $7.9M.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement NO 1.pdf
Amending Agreement No. 2	IESO (formerly IEMO) , OEFC	23-Apr-2009		▪ Term of the loan maturity: 1-May-2011.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement#2 (ExecutedCopy).pdf
Amending Agreement No. 3		1-May-2011		▪ Issuance of a 2nd Refinancing Note maturing 1-May-2013 and to delete the prepayment provisions.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement No. 3\[Executed] Amending Agreement No. 3.pdf
Amending Agreement No. 4		1-May-2013		▪ Issuance of a 3rd Refinancing Note maturing 30-Apr-2014.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement No. 4\IESO Amending Agreement No. 4 for $78.2M loan (executed copy).PDF
Amending Agreement No. 5		30-Apr-2014	$90,000,000	▪ Issuance of a 4th Refinancing Note maturing 30-Apr-2017. ▪ OEFC advanced loans to IESO: $11.8M.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement No. 5\IESO Amending Agreement No. 5 Executed Copy.PDF
Amending Agreement No. 6		30-Apr-2017	$120,000,000	▪ Issuance of a 5th Refinancing Note maturing 30-Jun-2020. ▪ OEFC advanced loans to IESO: $30M. ▪ Extend maturity date to 30-Jun-2020.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement No. 6\Amending Agrt no.6 re Issuance of Note - OEFC_IESO - IESO SignedCounterpart.pdf also in: S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement No. 6\IESOExecutedCopyAgreement.pdf S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement No. 6\OEFCExecutedPageCounterpart.pdf

General Corporate Requirements Credit Facility Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OPG, OEFC	17-Jun-2016	$700,000,000	▪ Financing for the period 1-Jun-2016 to 31-Dec-2017 re Darlington Refurbishment Project.	S:\Users\CMB\Documentation\OPG Loans from OEFC\Loans to OPG\2017 OPG $700 Million CF\$700 million OEFC-OPG Credit Facility (Executed Original).pdf also in: S:\Users\CMB\Documentation\OPG Loans from OEFC\Loans to OPG\2017 OPG $700 Million CF\$700 million OEFC-OPG Credit Facility (Executed).pdf
Amending Agreement No. 1		7-Sep-2016		▪ Financing for the period 1-Jan-2017 to 31-Dec-2017.	S:\Users\CMB\Documentation\OPG Loans from OEFC\Loans to OPG\2017 OPG $700 Million CF\Amending Agreement\2017 $700 Million Facility Amending Agreement 1 (Executed original).pdf also in: S:\Users\CMB\Documentation\OPG Loans from OEFC\Loans to OPG\2017 OPG $700 Million CF\Amending Agreement\2017 $700 Million Facility Amending Agreement 1 (Executed).pdf
Amending Agreement No. 2		2-Feb-2017		▪ Proposed advances may be for a term of up to 30 years.	S:\Users\CMB\Documentation\OPG Loans from OEFC\Loans to OPG\2017 OPG $700 Million CF\Amending Agreement\Amending No 2 (executed).pdf
Amending Agreement No. 3		6-Sep-2017	$2,350,000,000	▪ No more than $1.5B to be advanced prior to 1-Jan-2018. ▪ Advances occurred for the period 1-Jan-2017 to 31-Dec-2018.	S:\Users\CMB\Documentation\OPG Loans from OEFC\Loans to OPG\2017 OPG $700 Million CF\Amending Agreement\Amendment No 3 (executed).pdf

Long-Term Non-Revolving Credit Facility Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OILC, Province	14-Nov-2016	$2,500,000,000	▪ Pursuant to OILC By-law 3U. ▪ Borrowing authoity may be exercised is for 2 years from the date of approval of this By-law 3U. ▪ No funds is to remain outstanding after 42 years from the date of approval of this By-law or November 14, 2016, whichever is later.	S:\Users\CMB\Documentation\OILC (formerly OIPC)\OILC Credit facility Agreement 2016-2018\Current Version\OILC2016-18 Long-Term Credit Facility Agreement - Executed.pdf also in: S:\Users\CMB\Documentation\OILC (formerly OIPC)\OILC Credit facility Agreement 2016-2018\OILC2016-18 Long-Term Credit Facility Agreement - Executed.pdf S:\Users\CMB\Documentation\OILC (formerly OIPC)\By-laws\By-Law 3U

Short-Term Revolving Credit Facility Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OILC, Province	26-May-2014	$900,000,000	▪ 5-year period beginning on the effective date of By-Law 3Q. ▪ OIC 631/2014. ▪ Mandatory Repayment: 26-May-2020.	S:\Users\CMB\Documentation\OILC (formerly OIPC)\2014 Short Term Revolving Credit Facility (OILC-PROV)\{Executed) Agreement-OILC Short Term Revolving Credit Facility-May 26, 2014.pdf

Revolving Credit Facility Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OILC (formerly OIPC), OFA	23-Jun-2006	$200,000,000	▪ Mandatory Repayment: 23-Jun-2016. ▪ May prepay any advances outstanding or interest accrued upon 5 business days' notice to OFA. ▪ Advances: 23-Jun-2011.	● Z:\Users\CMB\Documentation\OILC (formerly OIPC)\Credit Facility 2006\Revolving Credit Facility Agreement.pdf
Amending Agreement		5-Jul-2011		▪ OIPC, the Ontario Realty Corporation and the Stadium Corporation of Ontario Limited were amalgamated and continued as a coporation under the name OILC. ▪ Mandatory Repayment: 29-Jun-2019. ▪ Advances: 29-Jun-2016.	● S:\Users\CMB\Documentation\OILC (formerly OIPC)\Credit Facility 2006\Amending Agreement 2011 Expires June 2016\Signed Amending Agreemen July 5_2011.pdf

Revolving Credit Facility Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	IESO, OFA	6-Nov-2017	$2,000,000,000	▪ Advances: 23-Sep-2017. ▪ Mandatory Repayment: 30-Sep-2022.	S:\Users\CMB\Documentation\IESO-OPA Merger\OFHP IESO OFA Credit Facility\FHP Credit Agreement OFA IESO - Nov 6, 2017 - OFA Signed.pdf

Services (Level) Agreement	Parties	Agreement/ Amendment Date	Program and Authorized Amount	Notes	Link to Site
Services Level Agreement	OIPC, OFA	1-Apr-2007	N/A	Background: Ontario Infrastructure Projects Corporation Act, 2006 (the "OIPC Act"), which amalgamated Infrastructure Ontario and the Ontario Strategic Infrastructure Financing Authority ("OSIFA") to form the Ontario Infrastructure Projects Corporation was proclaimed into force on July 17, 2006. Expired: 31-March-2012.	● S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OILC Ontario Infrastructure and Lands Corporation\OIPC Service Level Agreement\OIPC.Final Executed SLA.pdf also in: ● S:\Users\CMB\Documentation\Service Level Agreement\OIPC Service Level Agreement with OFA.pdf
Services Agreement	OILC, OFA	1-Feb-2015	N/A	Background: The Ontario Infrastructure and Lands Corporation Act, 2011 (the "OILC Act"), which amalgamated OIPC, Ontario Realty Corporation and Stadium Corporation of Ontario Limited to form Infrastructure Ontario was proclaimed into force on June 6, 2011. Extended the above Service Level Agreement between OILC and OFA until 31-Jan-2015.	● S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OILC Ontario Infrastructure and Lands Corporation\Service Level Agreements\SLA February 2015\Services Agreement between OFA and OILC effective February 1, 2015.pdf also in: ● S:\Users\CMB\Documentation\OILC (formerly OIPC)\SLA February 2015\ervices Agreement between OFA and OILC effective February 1, 2015.pdf ● S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OILC Ontario Infrastructure and Lands Corporation\Service Level Agreements\SLA February 2015\SLA Feb 1, 2015.pdf

Issuing and Paying Agency Agreement	Parties	Agreement/ Amendment Date	Program and Authorized Amount	Notes	Link to Site
Original	BMO, Province	18-Dec-2001	various amounts under various OICs	So long as the Global Treasury Bill is outstanding, there shall at all times be an issuing agent, registrar and paying agent.	S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Issue and Paying Agency Agreement (2003)\Issuing and Paying Agency Agrt with BMO 2001.pdf
Original	TD, Province	10-Jun-2003	various amounts under various OICs	▪ Terminated BMO. ▪ New agreement with TD.	S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill (T-Bill) services\Termination letter to BMO\Treasury Bills Termination Letter to BMO 2003.wpd S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Issue and Paying Agency Agreement (2003)\(signed) Issuing & Paying Agency Agmt 2003.pdf
1st Extension (Letter)	TD, Province	8-Jun-2010		▪ 1 year term ended 10-Jun-2010. ▪ Extended 2 years term from 10-Jun-2010 to 10-Jun-2012.	S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Approval for Extension of 2003 Contract to 2012\Approval TD contract extension (exe Gadi).pdf S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Approval for Extension of 2003 Contract to 2012\A&R IPAA Extension letter exe 2010 - 10Jun2012.PDF
1st Amendment	TD, Province	10-Jun-2010	various amounts under various OICs	▪ Retained TD to provide certain services.	S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Amended and Restated IPA (2010)\Amended Restated Issuing Paying Agency Agrt and TD cert of incumbency.PDF
2nd Amendment	TD, Province	6-Jun-2011	$30,500,000,000	▪ Cancelled Global T-bill 21-July-2010. ▪ Issued new Global T-Bill 6-Jun-2011. ▪ Amended s. 20(7) of FAA. ▪ Deleted reference of 25-year borrowing period.	S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Amended and Restated IPA -to remove expiry dates (2011)\Execution Copies\AR-IPAA exe 6Jun11.PDF
2nd Extension (Approval Note)	TD, Province	8-Aug-2011		▪ Extended additional 2 years term from 10-Jun-2012 to 10-Jun-2014.	S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Approval for Extension of 2003 Contract to 2014\Approval (exe Gadi) and briefing note - TD contract extension to 2014.pdf S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Approval for Extension of 2003 Contract to 2014\Second Extension. Extension LEtte Executed Sept 2011 to extend to 2014. TD Letter of Incumbency.pdf
3rd Extension (Letter)	TD, Province	28-May-2014		▪ Extended additional 5 years term from 10-Jun-2014 to 10-Jun-2019.	S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Approval for Extension of 2003 Contract to 2019\TD Treasury Bill Services Extension Letter May 28, 2014 (Fully Executed).PDF

Financial Services Agreement	Parties	Agreement/ Amendment Date	Program and Authorized Amount	Notes	Link to Site
Original	OCGC, OFA	27-Feb-2009	$90,000,000	Background: OCGC's Ontario Venture Capital Fund Agreement in Ontario Venture Capital Fund LP. ▪ OFA to provide investment and cash mgt services for the admin of Ontario's Venture Capital Fund LP.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OCGC Financial Services Agreement\FSA, Financial Services Agreement\OCGC Financial Services Agreement October 1, 2014\OCGC.Financial Services Agrmt.pdf
		1-Oct-2014	$50,000,000	▪ Province committed $90M to OVCF LP; OCGC committed $50M to Northleaf Venture Catalyst Fund LP.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OCGC Financial Services Agreement\FSA, Financial Services Agreement\OCGC Financial Services Agreement October 1, 2014\OCGC Financial Sservices Agreement October 1, 2014 (Executed).PDF
Amending Agreement No. 1		20-Mar-2017	$25,000,000	▪ $25M provincial commitment to ScaleUP Venture Fund I, LP.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OCGC Financial Services Agreement\Amendments\Amending Agreement 1 (Scaleup Fund Addition)\OCGC FSA Amend 1 March 20, 2017.pdf also in: S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OCGC Financial Services Agreement\Amendments\OCGC FSA Amend 1 March 20, 2017.pdf

Investment Management Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OFA, DICO	28-Sep-2005	N/A	Background: DICO to maintain the Deposite Insurance Reserve Fund (DIRF), a fund which exists to provide for the funding of deposite insurance claims and other purposes as specified under the CUCPA.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\DICO\IMA\IMA_DICO OFA_2005Sep28.pdf
Amending Agreement No. 1		30-Mar-2012	N/A	▪ Revised Investment Management Mandate (IMM) and the Transaction and Custody Fees by replacing a few schedules.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\DICO\Amending Agreements\Amending Agreement No. 1 (laddered investments)\Amending Agreement No 1 April 12 2012 (Executed) .PDF also in: S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\DICO\Amending Agreements\Amending Agreement No. 1 (laddered investments)\DICO Amending Agrmt No 1 March 30 2012 (Execution Copy).PDF
Amending Agreement No. 2		29-Aug-2012	N/A	▪ Revised SIPP by replacing existing schedules.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\DICO\Amending Agreements\Amending Agreement No. 2 (updated SIPP)\Amending Agreement No. 2 August 29 2012 (Executed).pdf
Amending Agreement No. 3		22-Jul-2014	N/A	▪ Revised Investment Policy and changed existing schedules.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\DICO\Amending Agreements\Amending Agreement No. 3\DICO Amending Agreement #3 Executed Copy.pdf
Amending Agreement No. 4		4-Jul-2016	N/A	▪ Changes to DICO representatives.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\DICO\Amending Agreements\Amending Agreement No. 3\DICO Amending Agreement #4 Executed Copy.pdf

Investment Management Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OFA, PBGF	1-Apr-2005	N/A	Background: ▪ FSCO as administrator of PBGF. ▪ FSCO appointed OFA as investment manager.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\PBGF\IMA\IMA_PBGF OFA_01April2005.doc
Amending Agreement No. 1		24-Mar-2014	N/A	▪ Revised Statement of Investment Policies and Guidelines to provide a different asset mix (Revised SIPG). ▪ New transaction and custody fees. ▪ Replaced appendices accordingly.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\PBGF\Amending Agreements\Amending Agreement No. 1 (laddered investments)\PBGF Amending Agreement No.1 March 2014 (Executed).PDF
Amending Agreement No. 2		25-Sep-2015	N/A	▪ Revised Appendix B (FSCO as administrator of the Pension Benefits Guarantee Fund) representatives and specimen signatures.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\PBGF\Amending Agreements\Amending Agreement No. 2 (Appendix B-current representatives)\PBGF Amending Armt No 2 (Final-Executed).pdf

Investment Management Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OFA, OTF	26-Apr-2007	N/A	Background: OTF provides grants to eligible charitable and not-for-profit organizations.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\IMA\Executed.OTF IMA 2007.pdf
Amending Agreement No. 1		22-Mar-2011	N/A	▪ Revised Statement of Investment Policies and Procedures to provide a different asset mix (Revised SIPP). ▪ New transaction and custody fees. ▪ Replaced schedules accordingly.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\Amending Agreements\Amending Agreement No. 1 (laddered investments)\Amending Agreement & Schedules March 22, 2011.PDF also in: S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\Amending Agreements\Amending Agreement No. 1 (laddered investments)\Amending Agreement No. 1.pdf
Amending Agreement No. 2		28-May-2012	N/A	▪ Change in name of Ministry under which OTF operates. ▪ Revised SIPP, replaced schedule accordingly.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\Amending Agreements\Amending Agreement No. 2 (Ministry Name Change and new SIPP)\Amending Agreement No. 2 (executed).pdf also in: S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\Amending Agreements\Amending Agreement No. 3 (Signature Change and new SIPP)\Amending Agreement No. 2 (executed).pdf
Amending Agreement No. 3		6-Oct-2015	N/A	▪ Revised Statement of Investment Policies and Procedures (Revised SIPP). ▪ New transaction and custody fees. ▪ Replaced schedules accordingly.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\Amending Agreements\Amending Agreement No. 3 (Signature Change and new SIPP)\Amending Agreement No. 3 (executed).pdf
Amending Agreement No. 4		21-Oct-2016	N/A	▪ Revised list of OTF representatives. ▪ Revised SIPP.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\Amending Agreements\Amending Agreement No. 4 (New signatory and new SIPP)\Amending Agreement No.4.pdf also in: S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\Amending Agreements\Amending Agreement No. 4 (New signatory and new SIPP)\Amending Agreement, Sch B & E, signature specimen and SIPP (final signed).pdf

3 months
6 months
9 months
1 year

From: Ryan Blackbyrne
To: Sarah Harris
Subject: FW: ESO - OEFC Drafts - IESO Comments Nov 29
Date: Monday, October 15, 2018 4:02:10 PM
Attachments: $120M Note - amending agreement no.7 Nov29 IESO incl Legal Comments.docx
$160M revolving credit - amending agreement no.7 Nov29 IESO Legal Commen....docx
$120M note - Original Agreement - April 1, 1999 .pdf
$160M revolving credit - Original Agreement - April 23, 2010.pdf
image001.png
image002.png

Hi Sarah,
Yes, both the $120M Note and the $160M credit facilities were amended.

Thanks,
Ryan

From: Ryan Blackbyrne
Sent: Thursday, November 30, 2017 3:19 PM
To: Tobias P. Whitfield (MOF)
Cc: Jean-Francois Beaupre
Subject: RE: ESO - OEFC Drafts - IESO Comments Nov 29

Hi Toby,

There are two IESO-OEFC agreements that are being amended. Both are being amended for the 7th time. Please find both proposed IESO-OEFC amending agreement no.7's attached. I have also attached the originals of each agreement.

From the amending $120M Note agreement:

3. Subsection 2.2(2) of the Agreement is deleted and replaced by the following:

(2) The Note shall at all times rank *pari passu* with all other unsecured Senior Debt of the IESO, subject to the existence of any Liens that secure Indebtedness as permitted by subsections 3.8 (a) through (f) hereof.

And from the original $120M Note agreement:

(2) The Note shall at all times rank pari passu with all other Senior Debt, except Senior Debt that is statutorily preferred and Senior Debt that is secured by a Lien referred to in Sections 3.8(a) to 3.8(f), inclusive.

From the amending $160M revolving credit agreement:

2. Subsection 3.2(4) of the Agreement is deleted and replaced by the following:

(4) The Credit Facility shall at all times rank *pari passu* with all other unsubordinated and unsecured Indebtedness of the IESO, subject to the existence of any Liens that secure Indebtedness as permitted by subsections 4.7(a) through (e) hereof.

And from the original $160M revolving credit agreement:

(4) The Note shall at all times rank *pari passu* with all other unsubordinated Indebtedness of IESO, subject to the existence of any Permitted Liens of IESO.

Thank You,
Ryan

From: Whitfield, Tobias P. (MOF) [mailto:Tobias.Whitfield@ontario.ca]
Sent: Thursday, November 30, 2017 3:09 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Subject: RE: ESO - OEFC Drafts - IESO Comments Nov 29

Ryan – sure. Was discussing with Lisa, and I have been reading this exchange. Can you please forward me the version of the agreement that is being amended by this language?
Thanks
Toby

Tobias Whitfield
Counsel, Legal Services Branch
Ministry of Finance
tobias.whitfield@ontario.ca
Phone: 416-325-1456

From: Ryan Blackbyrne [mailto:Ryan.Blackbyrne@ofina.on.ca]
Sent: November 30, 2017 2:51 PM
To: Whitfield, Tobias P. (MOF)
Cc: Beaupre, Jean-Francois (OFA)
Subject: ESO - OEFC Drafts - IESO Comments Nov 29

Hi Toby,
You have a quick minute to chat about this?
Thank you,
Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division

Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M7A 1Y7
416-325-8143
ryan.blackbyrne@ofina.on.ca

From: Lisa Stein
Sent: Thursday, November 30, 2017 2:27 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Tobias P. Whitfield (MOF) <Tobias.Whitfield@ontario.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Subject: Re: IESO - OEFC Drafts - IESO Comments Nov 29

I query whether we should retain the language re "statutorily preferred", as well as the new proposed language? I've copied Toby from MOF legal to see if he has any views on this amendment.

Sent from my iPhone

On Nov 30, 2017, at 1:06 PM, Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca> wrote:

> Hi Lisa,
> For the $120M Note:
> . Subsection 2.2(2) of the Agreement is deleted and replaced by the following:
> (2) The Note shall at all times rank *pari passu* with all other unsecured Senior Debt of the IESO, subject to the existence of any Liens that secure Indebtedness as permitted by subsections 3.8 (a) through (f) hereof.
> In the Original agreement Subsection 2.2(2):
>
> **From:** Lisa Stein
> **Sent:** Thursday, November 30, 2017 12:06 PM
> **To:** Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
> **Cc:** Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
> **Subject:** Re: IESO - OEFC Drafts - IESO Comments Nov 29
> Hi Ryan,
> I've just sent you an email regarding the additional deletion.
> Lisa
>
> Sent from my iPhone
>
> On Nov 30, 2017, at 12:01 PM, Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca> wrote:
>
> > Hi Lisa,
> > There was no similar deletion in the other agreement (for the $160M revolving credit facility). As Victor pointed out in his email: "You will note that a similar clause is not included in the Revolving Credit Agreement.)"
> > In the original revolving credit agreement "Negative Pledge" was addressed in Section 4.7. There was no similar section called "Other Indebtedness" as there was in the original agreement for the $120M note..
> > Thank You,
> > Ryan
> >
> > **From:** Lisa Stein
> > **Sent:** Thursday, November 30, 2017 11:50 AM
> > **To:** Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
> > **Subject:** Re: IESO - OEFC Drafts - IESO Comments Nov 29
> > Hi Ryan,
> > Please see questions from my earlier email. Was there another deletion?
> > Thank you,
> > Lisa
> >
> > Sent from my iPhone
> >
> > On Nov 30, 2017, at 11:33 AM, Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca> wrote:
> >
> > > Hi Lisa,
> > > I spoke to JF and we are fine with moving forward with deleting this paragraph. We understand it's a business decision.
> > > Did you have any other concerns with either note?
> > > Thanks,
> > > Ryan
> > >
> > > **From:** Lisa Stein
> > > **Sent:** Thursday, November 30, 2017 11:28 AM
> > > **To:** Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
> > > **Subject:** Re: IESO - OEFC Drafts - IESO Comments Nov 29

Hi Ryan,
I have no concerns with this deletion either. However, as noted earlier, I suggest running it by Toby as well as we worked together on the negative pledge language.
I believe there was also a deletion to the other agreement. Was it the same paragraph ? I think that numbering was different.
Lisa

Sent from my iPhone

On Nov 30, 2017, at 11:17 AM, Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca> wrote:

> Hi Lisa,
> Based on my conversation with Opal this morning, from a business perspective I don't have any concerns with this change.
>
> From Victor Buza's email:
> "Regarding the deletion of s.3.7 in the Note Agreement ("Other Indebtedness"), this is duplicative of s.3.8 ("Negative Pledge") but also conflicts with it in certain respects so may cause confusion and I believe the easiest way to deal with it is to delete it since I don't think it adds anything. (You will note that a similar clause is not included in the Revolving Credit Agreement.)"
> Thanks,
> Ryan
>
> **From:** Lisa Stein
> **Sent:** Thursday, November 30, 2017 10:58 AM
> **To:** Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
> **Cc:** Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
> **Subject:** Fwd: IESO - OEFC Drafts - IESO Comments Nov 29
> Hi Ryan,
> I found the amendments. Can you please send me the paragraphs that the IESO would like to delete? Do you have any concerns from a business perspective?
> Thank you,
>
> Sent from my iPhone
>
> Begin forwarded message:
>
> > **From:** Victor Buza <Victor.Buza@ieso.ca>
> > **Date:** November 29, 2017 at 6:49:40 PM EST
> > **To:** Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>, Anthony Martinello <Anthony.Martinello@ieso.ca>
> > **Cc:** Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>, John Kim <John.Kim@ofina.on.ca>, Gavin He <Gavin.He@ofina.on.ca>, Opal Kandelas <Opal.Kandelas@ofina.on.ca>, Sarah Harris <Sarah.Harris@ofina.on.ca>, "Lisa Stein" <Lisa.Stein@ofina.on.ca>
> > **Subject: RE: IESO - OEFC Drafts - IESO Comments Nov 29**
> >
> > Hi Ryan – thanks for the drafts. Please see attached markups that include our comments – I haven't had an opportunity to discuss these changes/comments internally but thought I should forward these asap given the time pressure.
> > The main adders that I have included track the language in the recently executed FHP Credit Facility.
> > Regarding the deletion of s.3.7 in the Note Agreement ("Other Indebtedness"), this is duplicative of s.3.8 ("Negative Pledge") but also conflicts with it in certain respects so may cause confusion and I believe the easiest way to deal with it is to delete it since I don't think it adds anything. (You will note that a similar clause is not included in the Revolving Credit Agreement.)
> > We may have more comments after we have a chance to discuss your draft and my comments internally tomorrow.
> > Regards,
> > Victor
> > **Victor Buza** | Senior Counsel
> > Independent Electricity System Operator (IESO) | T: 416-969-6079
> > 1600-120 Adelaide Street West, Toronto, ON M5H 1T1
> > Web: www.ieso.ca[ieso.ca] | Twitter: IESO_Tweets[twitter.com] | LinkedIn:

IESO[linkedin.com]

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From: Ryan Blackbyrne [mailto:Ryan.Blackbyrne@ofina.on.ca]
Sent: November 29, 2017 4:50 PM
To: Anthony Martinello
Cc: Jean-Francois Beaupre; John Kim; Victor Buza; Gavin He; Opal Kandelas; Sarah Harris; Lisa Stein
Subject: RE: IESO - OEFC Nov 27

Hi Anthony,

Please find initial draft documents for your review. Please note terms of these documents are still subject to internal approval at the OFA. Please let us know your comments.

Regards,

Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M7A 1Y7
416-325-8143
ryan.blackbyrne@ofina.on.ca

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Monday, November 27, 2017 2:50 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>; Gavin He <Gavin.He@ofina.on.ca>
Subject: IESO - OEFC Nov 27

Ryan – are you able to send over draft documents for our review? I understand that we may start to work on them now.

Regards.

From: Anthony Martinello
Sent: November 07, 2017 4:07 PM
To: 'Ryan.Blackbyrne@ofina.on.ca'
Cc: 'Jean-Francois.Beaupre@ofina.on.ca'; William Tan; John Kim; Victor Buza
Subject: IESO - OEFC Nov 7

Ryan,

As discussed with Will today, I understand you will be co-ordinating the proposed 2 amendments to the existing IESO-OEFC credit facilities.

For starters, there are no expected changes being asked to the existing agreement's key business content (e.g. amounts, dates, interest, notices etc.), rather given that IESO-OFA have just finished two new agreements pertaining to the new fair hydro program, ….I suggest we just copy and paste the salient sections from these agreements that would now be relevant to the OEFC agreements for fair hydro namely;

1.DRAFT

The definition of "Permitted Liens" is amended by deleting the word "and" at the end of subsection (xx); replacing the "." at the end of subsection (xx) and replacing it with "; and" ; and adding the following subsection (xx):

"(xx) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

2.DRAFT

The OFA agreements had required an intercept provision, …..not sure if the same applies to OEFC if yes:

"Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of November 6th , 2017 herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the Capital Investment Plan Act, 1993 (the "Intercept Letter"), the Minister of Finance is entitled to deduct only from those monies appropriated by the

Legislature for payment through the Ministry of Energy to the IESO ("Appropriated Funds"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("Intercept").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail."

3.

If any… other relevant updates that make sense to do now……I do not anticipate any material ones.

We need your support to expedite the above in order to avoid delays in the Fair Hydro implementation.

Regards.

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AMENDING AGREEMENT NO. 7

This Amending Agreement is made as of the [DATE], 2017 between:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")

WHEREAS IESO and OEFC have entered into an agreement providing for the Issuance of a Note dated April 1, 1999 (the "Original Agreement");

AND WHEREAS pursuant to amending agreements dated March 23, 2000, April 23, 2009, May 1, 2011, May 1, 2013, April 30, 2014 and April 30, 2017 the parties amended the Original Agreement (as so amended, the "Agreement");

AND WHEREAS the *Ontario Fair Hydro Plan Act, 2017* came into force on June 1, 2017;

AND WHEREAS at the request of the IESO the parties now wish to ~~now~~ amend the Agreement to accommodate IESO's role and obligations under the *Ontario Fair Hydro Plan Act*, 2017;

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and sufficiency of which are hereby acknowledged by each party), the parties agree as follows:

1. The following definitions are added to Section 1.1 (Definitions) of the Agreement:

   "**Clean Energy Adjustment**" has the same meaning as that term is defined in the OFHP.

   "**OFHP**" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

2. The definition of "Permitted Liens" in Section 1.1 (Definitions) of the Agreement is amended by deleting the word "and" at the end of paragraph~~subsection 1.1~~ (j); deleting~~replacing~~ the "." at the end of paragraph ~~subsection (1.1~~ (k) and replacing it with "; and"; and adding the following new paragraph ~~subsection 1.1~~(l):

   (l) any~~Any~~ Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without

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limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

3. Subsection 2.2(2) of the Agreement is deleted and replaced by the following:

(2) The Note shall at all times rank *pari passu* with all other unsecured Senior Debt of the IESO, subject to the existence of any Liens that secure Indebtedness as permitted by subsections 3.8 (a) through (f) hereof.

4. Delete the paragraph following the heading "Section 3.7 Other Indebtedness" and replace with the words "Intentionally Left Blank".

IN ALL OTHER RESPECTS, the Agreement is confirmed by the parties.

IN WITNESS WHEREOF the parties have executed and delivered this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael D. Manning
Title: Executive Director and Chief Investment Officer

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AMENDING AGREEMENT NO. 7

This Amending Agreement is effective as of the • day of •, 2017.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011, Amending Agreement No. 3 dated April 30, 2013, Amending Agreement No. 4 dated April 30, 2014, Amending Agreement No. 5 dated December 19, 2014 and Amending Agreement No. 6 dated April 30, 2017 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $160 million;

AND WHEREAS the *Ontario Fair Hydro Plan Act, 2017* came into force on June 1, 2017;

AND WHEREAS at the request of the IESO the parties now wish to ~~now~~ amend the Agreement to accommodate IESO's role and obligations under the *Ontario Fair Hydro Plan Act, 2017*;

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. The following definitions are added to Section 1.1 (Definitions) of the Agreement:

   "**Clean Energy Adjustment**" has the same meaning as that term is defined in the OFHP.

   "**OFHP**" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

2. The definition of "Ontario's Fair Hydro Plan" is deleted in its entirety.

3. The definition of the term "Permitted Liens" in Section 1.1 (Definitions) of the Agreement is amended by deleting the word "and" at the end of paragraph ~~subsection~~

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~~1.1~~(j); deleting~~replacing~~ the "." at the end of paragraph~~subsection (1.1~~ (k) and replacing it with "; and"; and adding the following new paragraph ~~subsection 1.1~~(l):

(l) any~~Any~~ Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

4. Subsection 3.2(4) of the Agreement is deleted and replaced by the following:

(4) The Credit Facility shall at all times rank *pari passu* with all other unsubordinated and unsecured Indebtedness of the IESO, subject to the existence of any Liens that secure Indebtedness as permitted by subsections 4.7(a) through (e) hereof.

~~4.~~5. Paragraph 3.6(c) of the Agreement is deleted and replaced by the following:

(c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO, provided however that any adverse change in IESO's financial condition related to or resulting from the discharge by IESO of its responsibilities under OFHP shall be deemed not to be a material adverse change for the purposes of this section; and

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael D. Manning
Title: Executive Director and Chief Investment Officer

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Commented [RB1]: See Amending Agreement No.6 dated April 1, 2017. The amendment to paragraph 3.6(c) at that time referenced "Ontario's Fair Hydro Plan". Since the Ontario Fair Hydro Plan Act, 2017 has since come into force on June 1, 2017 it is appropriate to update this paragraph with reference to the Act.

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INDEPENDENT ELECTRICITY MARKET OPERATOR

as Issuer

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION

as Holder

AGREEMENT
PROVIDING FOR ISSUANCE OF A NOTE

April 1, 1999

TABLE OF CONTENTS

ARTICLE 1
DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1	Definitions	1
Section 1.2	Effect of Headings and Table of Contents	8
Section 1.3	Singular, Plural, Gender, Certain Phrases, etc	8
Section 1.4	Accounting	8
Section 1.5	Non-Business Days	8

ARTICLE 2
THE NOTE

Section 2.1	Issue of Note	8
Section 2.2	Terms of the Note	8
Section 2.3	Interest	9
Section 2.4	Prepayment	9
Section 2.5	Public Debt Covenants	10
Section 2.6	Payment	11

ARTICLE 3
COVENANTS OF THE COMPANY

Section 3.1	Payment of the Note	11
Section 3.2	Company will Maintain its Corporate Existence	11
Section 3.3	Maintenance of Properties	11
Section 3.4	Insurance	12
Section 3.5	Conduct of Business	12
Section 3.6	Financial Statements	12
Section 3.7	Other Indebtedness	12
Section 3.8	Negative Pledge	12
Section 3.9	Payment of OEFC's Expenses	13

ARTICLE 4
EVENTS OF DEFAULT AND REMEDIES

Section 4.1	Event of Default	14
Section 4.2	Acceleration of Maturity; Rescission and Annulment	15
Section 4.3	Suits for Enforcement by OEFC	16
Section 4.4	OEFC May File Proof of Claim	16
Section 4.5	Rights and Remedies Cumulative	16
Section 4.6	Delay or Omission not Waiver	16

ARTICLE 5
CONSOLIDATION, AMALGAMATION, MERGER OF COMPANY

Section 5.1 Certain Requirements in Respect of Merger, etc. 17
Section 5.2 Successor Substituted. 18

ARTICLE 6
GENERAL

Section 6.1 Notices. 18
Section 6.2 Successors and Assigns. 19
Section 6.3 Amendments. 19
Section 6.4 Waiver. 19
Section 6.5 Further Assurances. 19
Section 6.6 Severability. 19
Section 6.7 Governing Law. 20
Section 6.8 Counterparts. 20

Schedule 2.2(1) – Form of Note

THIS AGREEMENT is made on the 1st day of April, 1999 between:

A. **INDEPENDENT ELECTRICITY MARKET OPERATOR** (the "**Company**")

B. **ONTARIO ELECTRICITY FINANCIAL CORPORATION** ("**OEFC**").

RECITALS:

1. Pursuant to section 116 of the *Electricity Act, 1998*, the Lieutenant Governor in Council has made an order (the "**Transfer Order**") transferring certain officers, employees, assets, liabilities, rights and obligations of Ontario Hydro to the Company;

2. Pursuant to the Transfer Order, the Company is required to issue certain debt securities to Ontario Hydro as partial payment for such assets and rights; and

3. On April 1, 1999, Ontario Hydro is continued as OEFC.

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the parties agree as follows:

ARTICLE 1
DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"**Agreement**", "**herein**", "**hereby**", "**hereof**", "**hereunder**" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression "**Article**" or "**Section**" followed by a number means the specified Article or Section of this Agreement.

"**Business Day**" means any day other than a Saturday, Sunday or a statutory or civic holiday in Toronto, Ontario.

"**Canadian Dollars**" or "**$**" means lawful currency of Canada.

"**Canadian Prime Rate**" means, at any time, the greater of (i) the average of the rates of interest per annum equal to the per annum rate of interest quoted, published and commonly known as the "prime rate" of each of the Reference

Lenders which each of the Reference Lenders establishes at its main office in Toronto, Ontario as the reference rate of interest in order to determine interest rates for loans in Canadian Dollars to its borrowers in Canada, adjusted automatically with each quoted or published change in such rate, and (ii) the sum of (y) the average of the rates per annum for Canadian Dollar bankers' acceptances having a term of one month that appears on the Reuters CDOR Page as of 10:00 a.m. (Toronto time) on the date of determination, as reported by OEFC (and if such screen is not available, any successor or similar service as may be selected by OEFC), and (z) 0.50%.

"**Capital Stock**" of any Person means any and all shares, or interests, participations or other equivalents (however designated) of shares, in the capital of such Person.

"**Company**" means the Independent Electricity Market Operator, a corporation existing under the laws of the Province of Ontario, until a successor corporation shall have succeeded to all of the rights and obligations of the Independent Electricity Market Operator pursuant to Section 5.1 and thereafter "**Company**" shall mean such successor corporation (or any successor thereto which shall have become such pursuant to Section 5.1).

"**Consolidated Assets**" means, at any time, the book value of the assets of the Company and the Subsidiaries, determined as of such time on a consolidated basis in accordance with generally accepted accounting principles.

"**default**" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"**disposition**" has the meaning specified in Section 5.1.

"**Event of Default**" has the meaning specified in Section 4.1.

"**Indebtedness**" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) Every obligation of such Person for borrowed money;

(b) Every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments, including obligations for borrowed money incurred in connection with the acquisition of property, assets or businesses;

(c) Every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) Every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) Every capital lease obligation of such Person;

(f) The Swap Termination Value of each Swap Contract of such Person; and

(g) Every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"**Lien**" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"**Material Subsidiary**" means, at any time, a Subsidiary which has consolidated assets with a book value of more than $25 million determined as of such time in accordance with generally accepted accounting principles.

"**Note**" means the note of the Company issued under this Agreement.

"**Ontario Yield Price**" means, with respect to the Note or part thereof to be prepaid pursuant to Section 2.4, a price equal to the price of the Note or part thereof to be so prepaid calculated to provide a yield to maturity, compounded semi-annually and calculated in accordance with generally accepted financial practice, equal to the Province of Ontario Yield on the Business Day preceding the date on which such prepayment is to be made by the Company to OEFC in accordance with Section 2.4.

"**Permitted Liens**" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) Any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) Any obligations or duties, affecting the property of the Company or a Subsidiary, to any municipality or governmental, statutory or public

authority, with respect to any franchise, grant, licence or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by the Company or such Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by the Company or such Subsidiary;

(d) Any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) The right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) Any undetermined or inchoate Liens and charges incidental to the current operations of the Company or a Subsidiary that have not at the time been filed against the Company or such Subsidiary; provided, however, that if any such Lien or charge shall have been filed, the Company or such Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) Any Lien the validity of which is being contested at the time by the Company or a Subsidiary in good faith and the enforcement of which has been stayed;

(h) Any easements, rights-of-way and servitudes that in the opinion of the Company will not in the aggregate materially and adversely impair the use or value of the land concerned for the purpose for which it is held by the Company or a Subsidiary;

(i) Any Liens and privileges arising out of judgments or awards with respect to which the Company or a Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall

have secured a stay of execution pending such appeal or proceedings for review;

(j) pledges of cash or cash equivalents to secure the Company's or a Subsidiary's liabilities from time to time under Permitted Swap Contracts; and

(k) Any other Liens of a nature similar to the foregoing which do not in the opinion of the Company, acting reasonably, materially impair the use of the property subject thereto or the operation of the business of the Company or any Subsidiary or the value of such property for the purpose of any such business.

"**Permitted Swap Contract**" means a Swap Contract to which the Company or a Subsidiary is a party, provided that:

(a) The Company or such Subsidiary enters into such Swap Contract in the ordinary course of business for the purpose of directly mitigating risks associated with fluctuations in interest rates or currency exchange rates with respect to Indebtedness of the Company or such Subsidiary and not for the purposes of speculation or taking a "market view";

(b) The notional amount of such Swap Contract does not exceed the payments due with respect to the Indebtedness being hedged thereby;

(c) Such Swap Contract does not contain any "walk-away" provision exonerating the non-defaulting party from its obligation to make payments on any outstanding transaction to the defaulting party; and

(d) Such Swap Contract is in a form approved by the International Swaps & Derivatives Association, Inc. at the time such Swap Contract is entered into or in such other form as shall be customary at such time for the documentation, in accordance with good market practise by regulated financial institutions carrying on business in Canada, of obligations similar to the obligations documented in such Swap Contract.

"**Person**" means any individual, corporation, partnership, joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"**Province of Ontario Yield**" means, with respect to the Note or part thereof to be prepaid pursuant to Section 2.4, the average of the quotations obtained by the Company from two major Canadian investment dealers selected by OEFC, as to the yield to maturity on the Business Day preceding the date on

which such prepayment is to be made by the Company to OEFC in accordance with Section 2.4, compounded semi-annually and calculated in accordance with generally accepted financial practice, which a non-callable Government of Ontario bond would carry if issued in Canadian Dollars in Canada at 100% of its principal amount on such date with a term to maturity approximately equal to the remaining term to maturity, calculated as at the applicable prepayment date, of the Note.

"**Purchase Money Mortgage**" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or part of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"**Reference Lenders**" means, collectively, any two major financial institutions in Canada who, in the ordinary course of business, provide loans in Canadian Dollars to borrowers in Canada, as selected from time to time by OEFC and, in the singular, any one of them.

"**Reuters CDOR Page**" means the display page so designated on the Reuters Monitor Money Rates Service (or such other page as may replace that page on that service for the purpose of displaying rates for Canadian Dollar bankers' acceptances).

"**Senior Debt**" means all Indebtedness of the Company, including the Note, which is not subordinated in right of payment to any other Indebtedness of the Company.

"**Stated Maturity**" when used with respect to any Indebtedness or any instalment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such instalment of interest is due and payable.

"**Subsidiary**" means:

(a) A corporation more than 50% of the voting power of the outstanding Voting Shares of which is owned, directly or indirectly, by the Company or by one or more other Subsidiaries or by the Company and one or more other Subsidiaries, or

(b) Any Person (other than a corporation) in which the Company, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

"Successor Person" has the meaning specified in Section 5.1.

"Swap Contract" means any agreement, whether or not in writing, relating to any transaction that is a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction, currency swap, cross-currency rate swap, swaption, currency option or any other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.

"Swap Termination Value" means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap Contracts:

(a) For any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and

(b) For any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.

"U.S. Dollars" means lawful currency of the United States of America.

"Voting Shares" of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings and Table of Contents.

The division of this Agreement into Articles and Sections, the insertion of headings and the provision of a Table of Contents are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and *vice versa* and words importing gender may include any gender. In this Agreement and the Note, (i) the words **"including"** and **"includes"** mean **"including (or includes) without limitation"**, and (ii) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word **"from"** means **"from and including"** and the words **"to"** and **"until"** each mean **"to but excluding"**.

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with generally accepted accounting principles. Generally accepted accounting principles refer to accounting principles generally accepted in Canada as recommended in the Handbook of the Canadian Institute of Chartered Accountants at the relevant time applied on a consistent basis.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the next succeeding Business Day.

ARTICLE 2
THE NOTE

Section 2.1 Issue of Note.

In consideration of the transfer of certain officers, employees, assets and rights of OEFC to the Company pursuant to the Transfer Order and as partial payment for such assets and rights, the Company issues and delivers the Note to OEFC.

Section 2.2 Terms of the Note.

(1) The Note shall be in substantially the form set out in Schedule 2.2(1), shall be in the aggregate principal amount of $70.3 million, shall be dated as of the

date of this Agreement, shall mature on May 1, 2009, and shall bear interest at the rate of 7.90% per annum (after as well as before default or judgment, with interest on the amounts in default at the same rate).

(2) The Note shall at all times rank pari passu with all other Senior Debt, except Senior Debt that is statutorily preferred and Senior Debt that is secured by a Lien referred to in Sections 3.8(a) to 3.8(f), inclusive.

(3) Interest shall be payable on the Note in accordance with Section 2.3.

(4) The Company may prepay all or part of the Note in accordance with Section 2.4.

(5) All amounts owing in respect of the Note shall be paid without exercising any right of set off or counterclaim by the Company irrespective of whether or not, at the time any such amount is due and payable, amounts are due and payable by OEFC to the Company.

Section 2.3 Interest.

Interest on the Note at the rate specified in Section 2.2(1) shall accrue daily, and shall be payable in equal semi-annual instalments on May 1 and November 1 in each year, the first such payment for the Note to be made for the period from the date of this Agreement to May 1, 1999 and, whenever it is necessary to compute interest in respect of the Note for a period of less than one full year, other than such equal semi-annual instalments, such interest shall be calculated on the basis of the actual number of days elapsed in a year of 365 days or 366 days, as the case may be.

Section 2.4 Prepayment.

(1) If the Company has, upon the number of days notice to OEFC determined in accordance with Section 2.4(2), delivered a notice to OEFC stating the proposed date and the Note or part thereof that the Company wishes to prepay, on such date the Company shall pay to OEFC the greater of:

(a) The principal amount of the Note or part thereof that is to be prepaid, as the case may be; and

(b) The Ontario Yield Price for the Note or such part;

together in each case with all interest accrued on the Note or such part to such date or, if the Company and OEFC agree, such amount as they agree upon.

(2) The Company may, at any time and from time to time, prepay all or part of the Note upon giving OEFC not less than 30 days' prior written notice of such prepayment.

Section 2.5 Public Debt Covenants.

(1) If the Company issues notes, bonds, debentures or other evidences of Senior Debt to the public with a term to maturity of at least 5 years and in an aggregate principal amount of at least 100 million in Canadian Dollars or at least 100 million in U.S. Dollars pursuant to a trust indenture, the Company shall, within 3 Business Days of the first such issuance, give OEFC notice of such issuance and a copy of such trust indenture. Effective upon such issuance, the representations and warranties, the positive and negative covenants of the Company (including any financial covenants but excluding covenants relating to interest rates, interest payment dates, maturity dates of principal, prepayments and manner and place of payments) and the events of default applicable to such Senior Debt as specified in such trust indenture shall automatically become applicable to the Note in lieu of the representations and warranties, covenants or Events of Default, as the case may be, included herein as if the same had been originally included in this Agreement when executed and delivered and this Agreement shall be deemed to be amended as of the date such Senior Debt is issued to the extent necessary to incorporate such representations and warranties, covenants and events of default into this Agreement. The Company, at the request of OEFC, shall promptly execute and deliver an agreement which sets out the terms and provisions of this Agreement, as so amended.

(2) If, at any time or from time to time, the representations or warranties, the positive or negative covenants (including any financial covenants but excluding covenants relating to interest rates, interest payment dates, maturity dates of principal, prepayments and manner and place of payments) or the events of default applicable to the Senior Debt referred to in Section 2.5(1) are amended, modified or restated, the Company shall, within 3 Business Days of such amendment, modification or restatement, give OEFC notice thereof and a copy of the agreement amending or modifying the trust indenture referred to in Section 2.5(1) or a copy of the restatement of such trust indenture, as the case may be. OEFC may, upon notice to the Company given at any time within 90 days of receipt by OEFC of a copy of such agreement or such restatement, elect to have such amendment, modification or restatement apply to the Note and this Agreement (as amended pursuant to Section 2.5(1)). If OEFC so elects, such amendment, modification or restatement shall become applicable to the Note and this Agreement (as so amended) as of the date of such election, as if such amendment, modification or restatement amended, modified or restated this Agreement (as so amended) as of such date and this Agreement shall be deemed to be amended, modified or restated as of such date to the extent necessary to incorporate such representations and warranties, positive and negative covenants (including any financial covenants but excluding covenants

relating to interest rates, interest payment dates, maturity dates of principal, prepayments and manner and place of payments) and events of default. The Company, at the request of OEFC, shall promptly execute and deliver an agreement which sets out the terms of this Agreement, as amended pursuant to Section 2.5(1) and as further amended, modified or restated pursuant to this Section 2.5(2).

Section 2.6 Payment.

All amounts required to be paid by the Company to OEFC pursuant to this Agreement shall be paid to or to the order of OEFC by electronic wire transfer of immediately available funds in accordance with transfer instructions given by OEFC to the Company from time to time, or in any such other manner as OEFC may specify to the Company from time to time.

ARTICLE 3
COVENANTS OF THE COMPANY

Section 3.1 Payment of the Note.

The Company will duly and punctually pay or cause to be paid all amounts owing in respect of the Note or under this Agreement in accordance with the terms and subject to the conditions of the Note and this Agreement.

Section 3.2 Company will Maintain its Corporate Existence.

Subject to Section 5.1, the Company will at all times maintain its corporate existence.

Section 3.3 Maintenance of Properties.

The Company will cause all property owned by the Company or any Subsidiary to be maintained and kept in good condition, repair and working order, all as in the judgment of the Company or any Subsidiary may be necessary for the proper operation of such property, except as and to the extent that the Company or any Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 3.3 shall prevent the Company or any Subsidiary from discontinuing the maintenance of any such property if such discontinuance is, in the judgment of the Company or any Subsidiary, desirable in the conduct of its business or the business of any such Subsidiary.

Section 3.4 Insurance.

The Company will cause all property owned by the Company or any Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the nature and to the extent that such property is usually insured by companies operating similar businesses.

Section 3.5 Conduct of Business.

The Company will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in a proper, efficient and business-like manner and in accordance with good business practice.

Section 3.6 Financial Statements.

The Company will furnish to OEFC:

(a) Within 140 days after the end of each fiscal year, beginning with the fiscal year ended December 31, 1999, audited financial statements of the Company consisting of a consolidated balance sheet of the Company at the end of each such fiscal year and related consolidated statements of income and retained earnings and, commencing with the financial statements relating to the fiscal year of the Company commencing January 1, 2000, changes in financial position for each such fiscal year prepared in accordance with generally accepted accounting principles; and

(b) Within 60 days after the end of each of the first three fiscal quarters of each fiscal year of the Company, unaudited interim consolidated financial statements of the Company for the interim period so ended prepared in accordance with generally accepted accounting principles.

Section 3.7 Other Indebtedness.

The Company covenants that if it shall cause any payment of principal, premium or interest on any of its Indebtedness to be subordinated or postponed to the prior payment of any other Indebtedness it shall in like manner subordinate or postpone such payment to the prior payment of the Note.

Section 3.8 Negative Pledge.

The Company will not, and will not permit any Subsidiary to, create, incur or assume any Lien, charging the interest of the Company or any Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, the Note is secured equally

and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) The creation, incurrence or assumption of any Purchase Money Mortgage;

(b) The grant of any Lien in the normal course of business to any banks or financial institutions for present or future Indebtedness of the Company or any Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) Liens granted by a Subsidiary to the Company;

(e) Any extension, renewal or replacement of any of the Liens referred to in Sections 3.8(a) to (d), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased.; and

(f) Any Lien charging the interest of the Company or any Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 3.8(a) to (d), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 3.8(f) which is outstanding at such time does not exceed 25% of Consolidated Assets at such time.

Section 3.9 Payment of OEFC's Expenses

The Company will, on demand, reimburse OEFC for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OEFC in connection with the preservation of rights under or enforcement of this Agreement at any time during the continuance of a default or Event of Default. All such costs, charges and expenses shall bear interest at the Canadian Prime Rate, payable monthly in arrears from the third Business Day after demand for reimbursement thereof is made by OEFC.

ARTICLE 4
EVENTS OF DEFAULT AND REMEDIES

Section 4.1 Event of Default.

"**Event of Default**", wherever used herein, means any one of the following events:

(a) Failure to pay any interest upon the Note when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) Failure to pay the principal of the Note at its Stated Maturity;

(c) Failure on the part of the Company to observe or perform its obligations set forth in Section 5.1;

(d) Failure on the part of the Company to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 30 days after the date on which written notice of such failure shall have been given to the Company by OEFC;

(e) One or more breaches by the Company or any Subsidiary of its covenants under one or more evidences of Indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $25 million, which breaches:

(i) Constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist, or

(ii) Have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived or rescinded);

(f) The Company or any Material Subsidiary:

(i) Becomes generally not able to pay its debts as they become due;

(ii) Admits in writing its inability to pay its debts generally or makes a general assignment for the benefit of its creditors or files a proposal or other scheme of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) Institutes or has instituted against it any proceeding seeking:

(A) To adjudicate it a bankrupt or insolvent,

(B) Liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors, or

(C) The entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets,

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismissed or unstayed for a period of 30 days, or any of the actions sought in such proceeding (including the entry of an order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

(iv) Takes any corporate action to authorize any of the actions in Sections 4.1(f)(i), (ii) or (iii); or

(g) If there shall be rendered against the Company or any Material Subsidiary a final judgment or judgments for the payment of money in an aggregate amount in excess of $25 million by a court or courts of competent jurisdiction, and the Company or such Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 4.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case OEFC may declare all amounts owing on the Note and all other amounts owing hereunder to be due and payable immediately, by a notice in writing to the Company, and upon any such declaration all such amounts shall become immediately due and payable.

Section 4.3 Suits for Enforcement by OEFC.

If an Event of Default occurs and is continuing, OEFC may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in OEFC by this Agreement or by law.

Section 4.4 OEFC May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of the Company under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property of the Company, or if any other judicial proceedings relative to the Company, its creditors or its property are pending, OEFC (irrespective of whether the principal amount of the Note shall then be due and payable as therein expressed or by declaration or otherwise and irrespective of whether OEFC shall have made any demand on the Company for the payment of any overdue principal or interest) shall be entitled and empowered, by intervention in such proceeding or otherwise:

(a) To file and prove a claim for all amounts owing on the Note or under this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of OEFC (including any claim for fees and disbursements of OEFC, its agents and counsel) allowed in such judicial proceeding; and

(b) To collect and receive any moneys or other property payable or deliverable on any such claim.

Section 4.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to OEFC is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 4.6 Delay or Omission not Waiver.

No delay or omission of OEFC to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right and remedy given

by this Article 4 or by law to OEFC may be exercised from time to time, and as often as may be deemed expedient, by OEFC.

ARTICLE 5
CONSOLIDATION, AMALGAMATION, MERGER OF COMPANY

Section 5.1 Certain Requirements in Respect of Merger, etc.

The Company may not, in a single transaction or a series of related transactions, amalgamate or consolidate with or merge into any other Person, or permit any other Person to amalgamate or consolidate with or merge into the Company, or directly or indirectly transfer, sell, lease or otherwise dispose of all or substantially all of its property or assets (a "**disposition**") to any Person, but may do so if:

(a) The Company shall be the surviving Person, or the Person (if other than the Company) formed by such amalgamation, consolidation or into which the Company is merged or that acquires by disposition all or substantially all of the properties or assets of the Company shall be a corporation, partnership or trust organized and validly existing under the federal laws of Canada or any province or territory thereof and shall expressly assume, by an agreement executed and delivered to OEFC in form satisfactory to OEFC, all of the Company's obligations under this Agreement and the Note and, in the case of an entity organized other than under the laws of the Province of Ontario, shall attorn to the jurisdiction of the courts of the Province of Ontario (the Company or such other Person who becomes such a successor obligor under this Agreement being herein referred to as the "**Successor Person**");

(b) Immediately before and after giving effect to such transaction, no default or Event of Default shall have occurred and be continuing; and

(c) The Successor Person shall have delivered to OEFC a certificate of the Successor Person and an opinion of counsel, each stating that such amalgamation, consolidation, merger or disposition by the Company, and, if an agreement is required to be entered into by the Successor Person in connection with such transaction pursuant to Section 5.1(a), such agreement, comply with Section 5.1(a) and the certificate of the Successor Person shall also state that all conditions precedent in this Section 5.1 relating to such transaction have been satisfied.

Section 5.2 Successor Substituted.

Upon any consolidation, amalgamation, merger or disposition described in, and complying with the provisions of, Section 5.1 in which the Company is not the continuing corporation, the Successor Person shall succeed to all of the rights and obligations of the Company under this Agreement and the Note, and from time to time may exercise every right and power of the Company under this Agreement and the Note.

ARTICLE 6
GENERAL

Section 6.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy addressed:

If to the Company, to it at:

Independent Electricity Market Operator
P.O. Box 1
Suite 410
655 Bay Street
Toronto, Ontario
M5G 2K4

Attention: Douglas Thomas, CA, Treasurer
Telephone: (416) 506-2818
Telecopier: (416) 506-2843

If to OEFC, to it at:

Ontario Electricity Financial Corporation
c/o Ontario Financing Authority
1 Dundas Street West
Suite 1400
Toronto, Ontario
M3A 1Y7

Attention: Executive Director - Capital Markets Division
Telephone: (416) 325-8128
Telecopier: (416) 325-8005

Any such communication shall be deemed to have been validly and effectively given if (i) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p.m. (Toronto time), otherwise on the next Business Day, (ii) transmitted by telecopier, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice given in accordance with this Section 6.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 6.1.

Section 6.2 Successors and Assigns.

Subject to Section 5.1, the Company cannot assign or transfer this Agreement or the Note or any of its rights or obligations under this Agreement or the Note without the prior written consent of OEFC. OEFC cannot assign or transfer this Agreement or the Note or any of its rights or obligations under this Agreement or the Note without the prior written consent of the Company.

Section 6.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of OEFC and the Company.

Section 6.4 Waiver.

(3) No waiver of any provision of the Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) of this Agreement nor shall such waiver be binding unless executed in writing by the party to be bound by the waiver.

(4) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude any other or further exercise of such right or the exercise of any other right.

Section 6.5 Further Assurances.

Each of the Company and OEFC shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement.

Section 6.6 Severability.

In case any provision in this Agreement or in the Note shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement or in the Note shall not in any way be affected or impaired thereby.

Section 6.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 6.8 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF the parties have executed this Agreement.

INDEPENDENT ELECTRICITY MARKET OPERATOR

By: Douglas J. Thomas

By: _____

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By: _____

By: _____

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

as Borrower

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION

as Lender

REVOLVING CREDIT FACILITY AGREEMENT

Dated: April 23, 2010

THIS CREDIT FACILITY AGREEMENT is made on the 23rd day of April, 2010

between:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")

RECITAL:

IESO has requested a revolving line of credit from OEFC in the amount of up to Sixty Million Dollars for the purpose of replacing the current IESO revolving line of credit with the Toronto-Dominion Bank which is used for liquidity purposes that may also be used to fund corporate requirements. OEFC has agreed to lend such amount to IESO on the terms and conditions set out herein.

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the parties agree as follows:

ARTICLE 1
DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"Advance Date" has the meaning set forth in Section 3.2.

"Advances" means advances made by OEFC to IESO under Article 3 and **"Advance"** means any one of such advances.

"Advances Outstanding" means, at any time, an amount equal to the aggregate principal amount of all Advances outstanding at such time.

"Agreement", "herein", "hereby", "hereof", "hereunder" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression **"Article"** or **"Section"** followed by a number means the specified Article or Section of this Agreement.

"Borrowing Notice" has the meaning specified in Section 3.2.

"Business Day" means any day other than a Saturday, Sunday or a statutory or civic holiday in Toronto, Ontario.

"Commitment" means, at any time, an amount equal to the principal amount of Sixty Million Dollars.

"Consolidated Assets" means, at any time, the book value of IESO and the Subsidiaries, determined as of such time on a consolidated basis in accordance with generally accepted accounting principles.

"Credit Facility" means the revolving credit facility to be made available to IESO by OEFC under this Agreement for the purposes specified in Section 2.3.

"Default" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"Disposition" has the meaning specified in Section 6.1.

"Dollars" or "$" means lawful currency of Canada.

"Event of Default" has the meaning specified in Section 5.1.

"IESO" means Independent Electricity System Operator, a corporation existing under the laws of the Province of Ontario, until a successor corporation shall have succeeded to all of the rights and obligations of Independent Electricity System Operator pursuant to Section 6.1 and thereafter **"IESO"** shall mean such successor corporation (or any successor thereto which shall have become such pursuant to Section 6.1).

"Indebtedness" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) every obligation of such Person for borrowed money;

(b) every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments;

(c) every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) every capital lease obligation of such Person; and

(f) the Swap Termination Value of each Swap Contract of such Person; and

(g) every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"Interest Payment Date" means with respect to each Advance means the first Business Day of each month.

"Interest Rate" means the Province of Ontario's cost of borrowing for a 30 day term, as determined as of the first Business Day of each month by OEFC, plus 0.25 percent per annum.

"Interest Reset Date" has the meaning specified in section 3.3(2)(i).

"Lien" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"Material Subsidiary" means, at any time, a Subsidiary which, together with its subsidiaries, has consolidated assets with a book value of more than Twenty-Five Million Dollars determined as of such time in accordance with generally accepted accounting principles.

"Note" means the note of IESO issued under this Agreement.

"Permitted Liens" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) any obligations or duties, affecting the property of IESO or a Material Subsidiary, to any municipality or governmental, statutory or public authority, with respect to any franchise, grant, license or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by IESO or such Material Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by IESO or such Material Subsidiary;

(d) any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) the right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) any undetermined or inchoate Liens and charges incidental to the current operations of IESO or a Material Subsidiary that have not at the time been filed against IESO or such Material Subsidiary; provided, however, that if any such Lien or charge shall have been filed, IESO or such Material Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) any Lien the validity of which is being contested at the time by IESO or a Material Subsidiary in good faith and the enforcement of which has been stayed;

(h) any easements, rights-of-way and servitudes that in the opinion of IESO will not in the aggregate materially and adversely impair the use or value of the land for the purpose for which it is held or occupied by IESO or a Material Subsidiary;

(i) any Liens and privileges arising out of judgments or awards with respect to which IESO or a Material Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall have secured a stay of execution pending such appeal or proceedings for review; and

(j) pledges of cash or cash equivalents to secure IESO's or a Material Subsidiary's liabilities from time to time under Swap Contracts and pledges of cash or cash equivalents in an aggregate amount not exceeding $25 million at any time to secure IESO's or a Material Subsidiary's liabilities from time to time under commodity swap, commodity option and commodity future contracts entered into in the ordinary course of business for the purpose of directly mitigating risks associated with fluctuations in prices or availability of commodities purchased or to be purchased by IESO or a Material Subsidiary in the ordinary course of business, and not entered into for the purposes of speculation; and

(k) any other Liens of a nature similar to the foregoing which do not in the opinion of IESO, acting reasonably, materially impair the use of the property subject thereto or the operation of the business of IESO or any Material Subsidiary or the value of such property for the purpose of any such business.

"Person" means any individual, corporation, partnership joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"Purchase Money Mortgage" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or part of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"Stated Maturity" when used with respect to any Indebtedness or any installment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such installment of interest is due and payable.

"Subsidiary" means:

(a) a corporation: (i) more than 50% of the voting power or the outstanding Voting Shares of which is owned, directly or indirectly, by IESO or by one or more other Subsidiaries or by IESO and one or more other Subsidiaries; or (ii) in the case of a non-share capital corporation, that the IESO has the power to appoint a majority of the Board of Directors; or

(b) any Person (other than a corporation) in which IESO, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

"Swap Contract" means any agreement whether or not in writing, relating to any transaction or derivative transaction including a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction currency swap, cross-currency rate swap, swaption, currency option or other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.

"Swap Termination Value" means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap contracts:

(a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and

(b) for any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.

"Voting Shares" of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings and Table of Contents.

The division of this Agreement into Articles and Sections the insertion of headings and the provision of a Table of Contents are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and vice versa and words importing gender may include any gender. In this Agreement, (a) the words **"including"** and **"includes"** mean "including (or includes) without limitation", and (b) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" each mean "to but excluding".

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with generally accepted accounting principles. Generally accepted accounting principles refer to accounting principles generally accepted in Canada as recommended in the Handbook of the Canadian Institute of Chartered Accountants at the relevant time applied on a consistent basis.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the following Business Day.

ARTICLE 2
REVOLVING CREDIT FACILITY

Section 2.1 Availability.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO up to the amount of the Commitment. OEFC shall make each Advance in Canadian Dollars.

Section 2.2 Commitment and Facility Limits.

The Advances Outstanding to IESO under the Credit Facility shall not at any time exceed the Commitment. The Credit Facility shall revolve and no payment under the Credit Facility shall reduce the Commitment.

Section 2.3 Use of Proceeds.

IESO shall use the proceeds of Advances for the following purposes for which it is authorized to borrow funds:

(a) to repay the revolving line of credit with the Toronto Dominion Bank;

(b) for liquidity purposes; and

(c) to fund corporate requirements.

Section 2.4 Mandatory Repayment.

Subject to Sections 3.5 and 5.2, IESO, shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder in full on or before April 30, 2013.

Section 2.5 Advances and Payments under this Agreement.

(1) OEFC shall make Advances to IESO under this Agreement to the order of IESO by wire transfer of immediately available funds in accordance with wire transfer instructions given by IESO to OEFC from time to time, or in such other manner as IESO may specify to OEFC from time to time.

(2) IESO shall make any payment required hereunder to be made by it to OEFC, to or to the order of OEFC, by wire transfer of immediately available funds in accordance with wire transfer instruction given by OEFC to IESO from time to time, or in such other manner as OEFC may specify to IESO from time to time. IESO shall make each such payment in Canadian Dollars

Section 2.6 Evidence of Indebtedness.

IESO authorizes OEFC to open and maintain records evidencing IESO's obligations under this Agreement and to record therein all advances, interest rates, accrued interest, payments of principal and interest and the aggregate principal and accrued interest outstanding from time to time under this Agreement. IESO agrees that the records kept by the OEFC in the absence of manifest error, shall be prima facie evidence of the indebtedness of IESO and the matters recorded provided that the failure of the OEFC to record or correctly record any amount or date shall not affect the obligation of IESO to repay the aggregate principal amounts and accrued interest thereon owing under this Agreement.

ARTICLE 3
ADVANCES AND INTEREST

Section 3.1 Advances.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO under the Credit Facility on the first Business Day of each month from and including May 3, 2010 to and including April 1, 2013.

Section 3.2 Procedure for Advances.

(1) Each Advance shall be made subject to four Business Day's prior notice given not later than 10:00 a.m. (Toronto time) by IESO to OEFC. Each notice of an Advance (a **"Borrowing Notice"**) shall be substantially in the form of Schedule 1, shall be irrevocable and binding on IESO and shall specify (a) the requested date of the Advance (the **"Advance Date"**), and (b) the principal amount of the Advance which shall be in a minimum amount of $1,000,000.00 (unless otherwise agreed to by OEFC), and in increments of $1,000,000.00 (or such other increments as may be agreed to by OEFC). OEFC will make the principal amount of each Advance available to IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, IESO shall execute and deliver to OEFC a grid promissory note (the "Note") in respect of Advances substantially in the form of Schedule 2. IESO authorizes OEFC to record on the grid promissory note (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal amount of the grid promissory note. Such notations, in the absence of manifest error, shall be prima facie evidence of the such advances and repayments; provided that the failure of OEFC to record any amount, rate or date shall not affect the obligation of IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement.

(3) In the event that funds are not received by IESO on the Advance Date, IESO and OEFC agree to take all steps necessary to amend the date of the Advance, without amending the Interest Rate that was agreed to with respect to such Advance.

(4) The Note shall at all times rank *pari passu* with all other unsubordinated Indebtedness of IESO, subject to the existence of any Permitted Liens of IESO.

(5) All amounts owing in respect of the Advances shall be paid without exercising any right or set off or counterclaim by IESO.

Section 3.3 Interest on Advances.

(1) IESO shall pay interest on the principal amount of each Advance then outstanding in accordance with this Section 3.3 from and including the date of such Advance until the principal amount of such Advance is repaid in full.

(2) Interest shall accrue on the principal amount of each Advance from and including the date of the Advance to but excluding the first Interest Payment Date following the date of the Advance, at the rate equal to the Interest Rate, and shall be payable on the Interest Payment Date for such Advance. The amount of interest payable on an Advance will be calculated by OEFC by dividing the Interest Rate applicable to the Advance by 365 or 366, as the case may be, and multiplying the result by the principal amount of the Advance then outstanding and further multiplying the result by the number of days in the period from the date of the Advance to the Interest Payment Date.

(i) If an Advance is outstanding on an Interest Payment Date, the interest rate applicable to such Advance shall be reset automatically by OEFC on that date (the "Interest Reset Date"), at the Interest Rate determined as of the Interest Reset Date.

(ii) For each Advance, OEFC shall notify IESO via email of the Interest Rate on the Advance Date and on each Interest Reset Date.

(3) Upon four Business Days prior notice by IESO, OEFC may at its discretion agree to capitalize the interest on any Advance on an Interest Payment Date, which shall be determined in the following manner: each such interest payment due on the Interest Payment Date shall be deemed to form part of the principal amount of the outstanding Advance and interest shall accrue and be payable thereon in accordance with Section 3.3(2). OEFC shall record on the grid forming part of the note: (a) the date and amount of the new Advance; (b) the applicable rate of interest for the Advance; and (c) the outstanding principal amount of the grid promissory note.

(4) Interest shall accrue on the principal amount of each Advance at the Interest Rate as determined from time to time, before as well as after the date such principal amount or interest thereon becomes due hereunder and both before and after default.

Section 3.4 Computations of Interest.

(1) All computations of interest shall be made by OEFC taking into account the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest is payable on the basis of a year of 365 days or 366 days, as the case may be.

(2) For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Agreement for any

period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

Section 3.5 Limit on Rate of Interest.

(1) Notwithstanding any provision contained in this Agreement, IESO shall not be obliged to make any payments of interest or other amounts payable to OEFC hereunder in excess of the amount or rate which would be prohibited by applicable law or would result in the receipt by OEFC of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada), as amended from time to time).

(2) In the event that any such payments are limited or prohibited as provided in Section 3.5(1), OEFC shall have no further obligation to make any Advances available hereunder and the Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, shall become immediately due and payable.

Section 3.6 Conditions Precedent

The obligation of OEFC to make the Advances pursuant to Section 2.1 is subject to the following conditions being met to OEFC's satisfaction at the time of making each Advance:

(a) that the representations and warranties of IESO contained in this Agreement are true and correct as at the date of making the Advance;

(b) that no Event of Default has occurred and is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default;

(c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO; and

(d) that OEFC has received such other documentation which it has reasonably requested to ensure that IESO is in compliance with the terms and conditions of this Agreement, including certified true copies of any necessary resolutions including resolutions authorizing the borrowing and authorized signatories.

ARTICLE 4

COVENANTS OF IESO

Section 4.1 Payment of Advances.

IESO will duly and punctually pay or cause to be paid all amounts owing under this Agreement in accordance with the terms and subject to the conditions of this Agreement.

Section 4.2 Use of Proceeds

The monies advanced under this Agreement shall be used only by IESO for the purposes set out in Section 2.3.

Section 4.3 IESO will Maintain its Corporate Existence.

Subject to Section 6.1, IESO will at all times maintain its corporate existence.

Section 4.4 Maintenance of Properties.

IESO will cause all property owned by IESO or any Material Subsidiary to be maintained and kept in good condition, repair and working order, all as in the judgment of IESO or any Material Subsidiary may be necessary for the proper operation of such property, except as and to the extent that IESO or any Material Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 4.4 shall prevent IESO or any Material Subsidiary from discontinuing the maintenance of any such property or decommissioning any such property if such discontinuance or decommissioning is, in the judgment of IESO or any Material Subsidiary, desirable in the conduct of its business or the business of any such Material Subsidiary, or has been directly or indirectly requested or required by the Province of Ontario.

Section 4.5 Insurance.

IESO will cause all property owned by IESO or any Material Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the nature and to the extent that such property is usually insured by companies operating similar businesses.

Section 4.6 Conduct of Business.

Subject to Section 4.3, IESO will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in a proper, efficient and business-like manner and in accordance with good business practice.

Section 4.7 Negative Pledge.

IESO will not, and will not permit any Material Subsidiary to, create, incur or assume any Lien, charging the interest of IESO or any Material Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, all amounts owing under this Agreement are secured equally and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) the creation, incurrence or assumption of any Purchase Money Mortgage;

(b) the grant of any Lien in the normal course of business to any banks or financial institutions for present or future indebtedness of IESO or any Material Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) any extension, renewal or replacement of any of the Liens referred to in Sections 4.7(a), (b) or (c), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased; and

(e) any Lien charging the interest of IESO or any Material Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 4.7(a), (b) or (c), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 4.6(e) which is outstanding at such time does not exceed 10% of Consolidated Assets at such time.

Section 4.8 Payment of OEFC Expenses.

IESO will, on demand, reimburse and indemnify OEFC for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OEFC in connection with the preservation of rights under or enforcement of this Agreement at

any time during the continuance of a Default or Event of Default. All such costs, charges and expenses shall bear interest at the Province's cost of funds plus 0.25 percent per annum (as determined by OEFC) calculated and payable monthly not in advance from in each case from the date on which OEFC incurs the cost, charge or expense until the date on which IESO reimbursement OEFC therefor. OEFC agrees, acting reasonably, to invoice IESO for any such costs, charges and expense as they are incurred, together with interest at the aforesaid rate (with interest on overdue interest).

Section 4.9 Reporting Requirements.

IESO covenants to provide to OEFC, or at its direction, to the Province of Ontario and the Ontario Financing Authority,

(a) any available information respecting its financial position which may be reasonably requested by OEFC, the Province of Ontario or the Ontario Financing Authority from time to time; and

(b) any additional reports or supporting documentation which may be reasonably requested by the OEFC, the Province of Ontario or the Ontario Financing Authority from time to time.

ARTICLE 5
EVENTS OF DEFAULT AND REMEDIES

Section 5.1 Event of Default.

Wherever used in this Agreement, the term **"Event of Default"** means any of the following:

(a) failure to pay any interest upon any Advance when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) failure to pay the principal amount of the Advances Outstanding, all interest accrued thereon and all other amounts owing under this Agreement on April 30, 2013;

(c) failure on the part of IESO to observe or perform its obligations set forth in Section 6.1;

(d) failure on the part of IESO to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 30 days after

the date on which written notice of such failure shall have been given to IESO by OEFC;

(e) any representation or warranty made by IESO in this Agreement or in any certificate or other document at any time delivered hereunder to OEFC was incorrect or misleading in any material respect;

(f) one or more breaches by IESO of its covenants under one or more evidences of indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $25 million, which breaches:

(i) constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist; or

(ii) have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived or rescinded);

(g) IESO, or any Material Subsidiary:

(i) becomes generally not able to pay its debts as they become due;

(ii) admits in writing its inability to pay its debts generally or makes a general assignment for the benefit of its creditors or files a proposal or other scheme of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) institutes or has instituted against it any proceeding seeking:

(A) to adjudicate it a bankrupt or insolvent;

(B) liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy / insolvency / reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors; or

(C) the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets;

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismisssed or unstayed for a period of 30 days, or any remedy sought in any such proceeding (including the entry of order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

(iv) takes any corporate action to authorize any of the actions in Sections 5.1(g)(i) to (iii); or

(h) if there shall be rendered against IESO or any Material Subsidiary a final judgment or judgments for the payment of money in an aggregate amount in excess of $5 million by a court or courts of competent jurisdiction, and IESO or any Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 5.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case OEFC may declare all amounts owing hereunder to be due and payable immediately, by a notice in writing to IESO, and upon any such declaration all such amounts shall become immediately due and payable.

Section 5.3 Suits for Enforcement by OEFC.

If an Event of Default occurs and is continuing, OEFC may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in OEFC by this Agreement or by law.

Section 5.4 OEFC May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of IESO under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property

of IESO, or if any other judicial proceedings relative to IESO, its creditors or its property are pending, OEFC shall be entitled and empowered, by intention in such proceeding or otherwise:

(a) to file and prove a claim for all amounts owing under this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of OEFC (including any claim for fees and disbursements of OEFC, its agents and counsel as contemplated under Section 4.7) allowed in such judicial proceeding; and

(b) to collect and receive any moneys or other property payable or deliverable on any such claim.

Section 5.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to OEFC is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.6 Delay or Omission not Waiver.

No delay or omission of OEFC to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right or remedy given by this Article 5 or by law to OEFC may be exercised from time to time, and as often as may be deemed expedient, by OEFC.

ARTICLE 6

CONSOLIDATION, AMALGAMATION, MERGER OF IESO

Section 6.1 Certain Requirements in Respect of Merger, etc.

IESO may not and may not cause any Material Subsidiary, in a single transaction or a series of related transactions, amalgamate or consolidate with or merge into any other Person, or permit any other Person to amalgamate or consolidate with or merge into IESO or the Material Subsidiary, or directly or indirectly transfer, sell, lease or otherwise dispose of all or substantially all of its property or assets (a "Disposition") to any Person without the written consent of OEFC.

Section 6.2 Successor Substituted.

Upon any consolidation, amalgamation, merger or Disposition described in, and complying with the provisions of, Section 6.1 in which IESO is not the continuing corporation, the successor Person shall succeed to all of the rights and obligations of IESO under this Agreement, and from time to time may exercise every right and power of IESO under this Agreement.

ARTICLE 7
REPRESENTATIONS AND WARRANTIES OF IESO

Section 7.1 Representations and Warranties of IESO.

IESO represents and warrants to OEFC that:

(a) the borrowing of money (including principal and accrued interest) by IESO and the execution, delivery and performance of this Agreement are within the powers and capacities of IESO and have been duly authorized by all necessary legal action and proper proceedings;

(b) the execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the compliance with the terms and conditions of this Agreement will not conflict with or result in a breach of any of the terms or provisions of the constituting documents or by-laws of IESO, laws of Ontario, including laws of Canada applicable therein, applicable to IESO or any contractual or other obligation binding on IESO; and

(c) this Agreement will, when executed and delivered, constitute the legal, valid and binding obligation of IESO enforceable against it in accordance with its terms.

Section 7.2 Continuation of Representation and Warranties.

The representations and warranties set out in Section 7.1 herein shall survive the execution and delivery of this Agreement, the making of each advance by OEFC, notwithstanding any investigations or examinations which may be made by counsel for OEFC.

ARTICLE 8

GENERAL

Section 8.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy or other means of electronic communication addressed:

If to IESO, to it at:
Independent Electricity System Operator
655 Bay Street, Suite 410
Toronto, ON M5G 2K4
Attention: Chief Financial Officer
Telephone:
Telecopier:

If to OEFC, to it at:

Ontario Electricity Financial Corporation
c/o Ontario Financing Authority
1 Dundas Street West
Suite 1400
Toronto, ON M7A IY7

Attention: Executive Director - Capital Markets Division
Telephone: (416) 325-8930
Telecopier: (416) 325-8111

provided that any Borrowing Notice shall be addressed as indicated on Schedule 1.

Any communication hereunder shall be deemed to have been validly and effectively given if (a) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p. m (Toronto time), otherwise on the next Business Day, (b) transmitted by telecopier other means of electronic communication, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice given in accordance with this Section 8.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 8.1.

Section 8.2 Successors and Assigns.

This Agreement shall be binding on and enure to the benefit of OEFC and IESO and their respective successors and permitted assigns, except that IESO shall not, without the prior written consent of OEFC assign, pledge or hypothecate any rights or obligations with respect to this Agreement.

Section 8.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of OEFC and IESO.

Section 8.4 Waiver.

(1) No waiver of any provisions of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) or this Agreement nor shall such waiver be binding unless executed in writing by the party to be bound by the waiver.

(2) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude another or further exercise of such right or the exercise of any other right.

Section 8.5 Further Assurances.

Each of IESO and OEFC shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement.

Section 8.6 Severability.

In case any provision in this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement shall not in any way be affected or impaired thereby.

Section 8.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 8.8 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF the parties have executed this Agreement as of the 23rd day of April, 2010.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Ted Leonard
Vice President, Finance and Chief Financial Officer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: ~~Michael D. Manning~~ DAVID PETERS
Title: ~~Chief Operating Officer~~ DIRECTOR, DEBT MANAGEMENT
CAPITAL MARKETS DIVISION
ONTARIO FINANCING AUTHORITY

SCHEDULE 1

FORM OF BORROWING NOTICE

Date:

Ontario Electricity Financial Corporation **("OEFC")**
c/o Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A1Y7

Attention: Cash Management
(Fax No. (416-204-7920)

Dear Sirs:

The undersigned, Independent Electricity System Operator ("IESO"), refer to the Revolving Credit Facility Agreement dated •, 2010 (as amended, supplemented or restated from time to time, the **"Agreement"**, the terms defined therein being used herein as therein defined) between IESO and OEFC, and gives you notice pursuant to Section 3.2 of the Agreement that IESO requests an Advance under the Agreement, and, in that connection, sets forth below the information relating to such Advance (the **"Proposed Advance"**) as required by Section 3.2 of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is •;
(b) The aggregate amount of the Proposed Advance is •;

IESO hereby certifies that:

The representations and warranties of IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received previously as Advances under the Agreement have been expended or are being held solely for the purpose for which they were advanced; no part of said funds has been nor any part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Authorized Signature

Per: _____
Authorized Signature

*To be confirmed by telephone call to OEFC Cash Management (416) 325-8108

SCHEDULE 2

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $60,000,000 Date: •

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("**IESO**"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid (**"Grid"**) attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement (as defined below).

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before April 30, 2013.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Revolving Credit Facility Agreement dated as of April 30, 2010 between IESO and OEFC (the "**Agreement**"). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Credit Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment, demand, protest, notice of dishonest and notice of

non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Authorized Signature

Per: _____
Authorized Signature

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID
(Revolving Credit Facility April 30, 2010)

DATE	PRINCIPAL ADVANCED	INTEREST RATE	INTEREST RESET DATE	INTEREST RESET RATE	PRINCIPAL PAYMENT DATE AND AMOUNT	INTEREST PAYMENT DATE AND AMOUNT	UNPAID PRINCIPAL BALANCE	NOTATION MADE BY

(2) The Note shall at all times rank pari passu with all other Senior Debt, except Senior Debt that is statutorily preferred and Senior Debt that is secured by a Lien referred to in Sections 3.8(a) to 3.8(f), inclusive.

(4) The Note shall at all times rank *pari passu* with all other unsubordinated Indebtedness of IESO, subject to the existence of any Permitted Liens of IESO.

From:	William Tan
To:	"Victor Buza"
Cc:	Sarah Harris; Lisa Stein; Anthony Martinello
Subject:	FW: Exchange of Grid Notes
Date:	Wednesday, November 22, 2017 1:39:43 PM
Attachments:	IESO RRRP Grid Note Nov 21.2017.pdf IESO Fair Hydro Plan Grid Note Nov 21.2017.pdf IESO RPP Grid Note Nov 21.2017.pdf

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Hello Victor,

Anthony and I discussed that after the borrowing notice and election notices are actioned, OFA will produce the grid notes to evidence payment and advancements. IESO will then send the new $475MM prom note to OFA. Once received, OFA will send the $975MM cancelled prom note to IESO.

Attached are the grid notes for you reference. Please send the prom note addressed to me below.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Wednesday, November 22, 2017 12:50 PM
To: William Tan
Cc: Anthony Martinello ; Lisa Stein ; Sarah Harris
Subject: Exchange of Grid Notes

Hi Will. I understand from Anthony that the November advances etc have now occurred under the new FHP line of credit and the 2005 line of credit.

Just wanted to check in with you on arranging for the exchange of the Grid Notes regarding the 2005 line of credit i.e. we will provide to OFA the new $475MM Note in exchange for the return to us of the old $975MM Note.

Let me know what your standard practice is.

Thanks,

Victor

Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079
1600-120 Adelaide Street West, Toronto, ON M5H 1T1
Web: www.ieso.ca[ieso.ca] | Twitter: IESO_Tweets[twitter.com] | LinkedIn: IESO[linkedin.com]

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recipient(s) above and may contain information that is privileged, confidential and/or exempt from disclosure under applicable law. If you are not the intended recipient(s), any dissemination, distribution or copying of this e-mail message or any files transmitted with it is strictly prohibited. If you have received this message in error, or are not the named recipient(s), please notify the sender immediately and delete this e-mail message.

Ontario Financing Authority

Line of Credit Grid Note

Entity : IESO

Project: Rural or Remote Electricity Rate Protection Variance

Schedule of loan transactions to: 21-Nov-2017

Loan Limit: 475,000,000.00

Loan Advanced to: 21-Nov-2017

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days
18-May-2017	$1,193,999.75	0.7800%	20-Jun-2017	33	$842.02	$842.02	$0.00	$842.02	20-Jun-2017	33
20-Jun-2017	$4,397,101.10	0.7900%	21-Jul-2017	31	$2,950.27	$2,950.27	$0.00	$2,950.27	21-Jul-2017	31
21-Jul-2017	$6,629,013.88	1.0000%	21-Aug-2017	31	$5,630.12	$5,630.12	$0.00	$5,630.12	21-Aug-2017	31
21-Aug-2017	$7,175,694.39	1.0100%	21-Sep-2017	31	$6,155.37	$6,155.37	$0.00	$6,155.37	21-Sep-2017	31
21-Sep-2017	$9,841,878.70	1.2500%	20-Oct-2017	29	$9,774.47	$9,774.47	$0.00	$9,774.47	20-Oct-2017	29
20-Oct-2017	$10,649,081.37	1.2500%	21-Nov-2017	32	$11,670.23	$11,670.23	$0.00	$11,670.23	21-Nov-2017	32
21-Nov-2017	$11,556,384.24	1.2300%	20-Dec-2017	29	$11,293.60	$0.00	$0.00	$0.00		

Ontario Financing Authority

Line of Credit Grid Note

Entity : IESO

Project: Ontario Fair Hydro Plan

Schedule of loan transactions to: 21-Nov-2017

Loan Limit: 2,000,000,000.00

Loan Advanced to: 21-Nov-2017

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days
21-Nov-2017	$1,005,562,526.55	1.2300%	20-Dec-2017	29	$982,696.31	$0.00	$0.00	$0.00		

Ontario Financing Authority

Line of Credit Grid Note

Entity : IESO

Project: Regulated Price Plan Variance

Schedule of loan transactions to: 21-Nov-2017

Loan Limit: 975,000,000.00

Loan Advanced to: 21-Nov-2017

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days
19-Aug-2016	$94,951,024.00	0.8100%	19-Sep-2016	31	$65,321.10	$49,331,879.98	$49,266,558.88	$65,321.10	19-Sep-2016	31
19-Sep-2016	$45,684,465.12	0.8100%	19-Oct-2016	30	$30,414.59	$30,283,150.31	$30,252,735.72	$30,414.59	19-Oct-2016	30
19-Oct-2016	$15,431,729.40	0.7900%	21-Nov-2016	33	$11,022.06	$11,022.06	$0.00	$11,022.06	21-Nov-2016	33
21-Nov-2016	$80,224,794.60	0.7800%	21-Dec-2016	30	$51,431.79	$51,431.79	$0.00	$51,431.79	21-Dec-2016	30
21-Dec-2016	$150,501,105.00	0.8300%	20-Jan-2017	30	$102,670.62	$34,297,653.69	$34,194,983.07	$102,670.62	20-Jan-2017	30
20-Jan-2017	$116,306,121.93	0.8100%	21-Feb-2017	32	$82,593.28	$6,005,205.45	$5,922,612.17	$82,593.28	21-Feb-2017	32
21-Feb-2017	$110,383,509.76	0.8200%	21-Mar-2017	28	$69,435.76	$29,244,186.90	$29,174,751.14	$69,435.76	21-Mar-2017	28
21-Mar-2017	$81,208,758.62	0.8100%	24-Apr-2017	34	$61,273.68	$66,756,693.44	$66,695,419.76	$61,273.68	24-Apr-2017	34
24-Apr-2017	$14,513,338.86	0.8000%	23-May-2017	29	$9,224.92	$14,522,563.78	$14,513,338.86	$9,224.92	23-May-2017	29
20-Jun-2017	$109,986,030.30	0.7900%	21-Jul-2017	31	$73,796.11	$73,796.11	$0.00	$73,796.11	21-Jul-2017	31
21-Jul-2017	$246,567,897.99	1.0000%	21-Aug-2017	31	$209,413.83	$209,413.83	$0.00	$209,413.83	21-Aug-2017	31
21-Aug-2017	$394,702,336.03	1.0100%	21-Sep-2017	31	$338,578.91	$338,578.91	$0.00	$338,578.91	21-Sep-2017	31
21-Sep-2017	$604,963,600.47	1.2500%	20-Oct-2017	29	$600,820.01	$600,820.01	$0.00	$600,820.01	20-Oct-2017	29
20-Oct-2017	$825,639,102.00	1.2500%	21-Nov-2017	32	$904,809.97	$826,543,911.97	$825,639,102.00	$904,809.97	21-Nov-2017	32

From:	William Tan
To:	"Victor Buza"
Cc:	Sarah Harris; Lisa Stein; Anthony Martinello
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Attached are the grid notes for you reference. Please send the prom note addressed to me below.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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---

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Wednesday, November 22, 2017 12:50 PM
To: William Tan
Cc: Anthony Martinello ; Lisa Stein ; Sarah Harris
Subject: Exchange of Grid Notes

Hi Will. I understand from Anthony that the November advances etc have now occurred under the new FHP line of credit and the 2005 line of credit.

Just wanted to check in with you on arranging for the exchange of the Grid Notes regarding the 2005 line of credit i.e. we will provide to OFA the new $475MM Note in exchange for the return to us of the old $975MM Note.

Let me know what your standard practice is.

Thanks,

Victor

Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079
1600-120 Adelaide Street West, Toronto, ON M5H 1T1
Web: www.ieso.ca[ieso.ca] | Twitter: IESO_Tweets[twitter.com] | LinkedIn: IESO[linkedin.com]

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Ontario Financing Authority

Line of Credit Grid Note

Entity : IESO

Project: Rural or Remote Electricity Rate Protection Variance

Schedule of loan transactions to: 21-Nov-2017

Loan Limit: 475,000,000.00

Loan Advanced to: 21-Nov-2017

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days
18-May-2017	$1,193,999.75	0.7800%	20-Jun-2017	33	$842.02	$842.02	$0.00	$842.02	20-Jun-2017	33
20-Jun-2017	$4,397,101.10	0.7900%	21-Jul-2017	31	$2,950.27	$2,950.27	$0.00	$2,950.27	21-Jul-2017	31
21-Jul-2017	$6,629,013.88	1.0000%	21-Aug-2017	31	$5,630.12	$5,630.12	$0.00	$5,630.12	21-Aug-2017	31
21-Aug-2017	$7,175,694.39	1.0100%	21-Sep-2017	31	$6,155.37	$6,155.37	$0.00	$6,155.37	21-Sep-2017	31
21-Sep-2017	$9,841,878.70	1.2500%	20-Oct-2017	29	$9,774.47	$9,774.47	$0.00	$9,774.47	20-Oct-2017	29
20-Oct-2017	$10,649,081.37	1.2500%	21-Nov-2017	32	$11,670.23	$11,670.23	$0.00	$11,670.23	21-Nov-2017	32
21-Nov-2017	$11,556,384.24	1.2300%	20-Dec-2017	29	$11,293.60	$0.00	$0.00	$0.00		

Ontario Financing Authority

Line of Credit Grid Note

Entity : IESO

Project: Ontario Fair Hydro Plan

Schedule of loan transactions to: 21-Nov-2017

Loan Limit: 2,000,000,000.00

Loan Advanced to: 21-Nov-2017

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days
21-Nov-2017	$1,005,562,526.55	1.2300%	20-Dec-2017	29	$982,696.31	$0.00	$0.00	$0.00		

Ontario Financing Authority

Line of Credit Grid Note

Entity : IESO

Project: Regulated Price Plan Variance

Schedule of loan transactions to: 21-Nov-2017

Loan Limit: 975,000,000.00

Loan Advanced to: 21-Nov-2017

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days
19-Aug-2016	$94,951,024.00	0.8100%	19-Sep-2016	31	$65,321.10	$49,331,879.98	$49,266,558.88	$65,321.10	19-Sep-2016	31
19-Sep-2016	$45,684,465.12	0.8100%	19-Oct-2016	30	$30,414.59	$30,283,150.31	$30,252,735.72	$30,414.59	19-Oct-2016	30
19-Oct-2016	$15,431,729.40	0.7900%	21-Nov-2016	33	$11,022.06	$11,022.06	$0.00	$11,022.06	21-Nov-2016	33
21-Nov-2016	$80,224,794.60	0.7800%	21-Dec-2016	30	$51,431.79	$51,431.79	$0.00	$51,431.79	21-Dec-2016	30
21-Dec-2016	$150,501,105.00	0.8300%	20-Jan-2017	30	$102,670.62	$34,297,653.69	$34,194,983.07	$102,670.62	20-Jan-2017	30
20-Jan-2017	$116,306,121.93	0.8100%	21-Feb-2017	32	$82,593.28	$6,005,205.45	$5,922,612.17	$82,593.28	21-Feb-2017	32
21-Feb-2017	$110,383,509.76	0.8200%	21-Mar-2017	28	$69,435.76	$29,244,186.90	$29,174,751.14	$69,435.76	21-Mar-2017	28
21-Mar-2017	$81,208,758.62	0.8100%	24-Apr-2017	34	$61,273.68	$66,756,693.44	$66,695,419.76	$61,273.68	24-Apr-2017	34
24-Apr-2017	$14,513,338.86	0.8000%	23-May-2017	29	$9,224.92	$14,522,563.78	$14,513,338.86	$9,224.92	23-May-2017	29
20-Jun-2017	$109,986,030.30	0.7900%	21-Jul-2017	31	$73,796.11	$73,796.11	$0.00	$73,796.11	21-Jul-2017	31
21-Jul-2017	$246,567,897.99	1.0000%	21-Aug-2017	31	$209,413.83	$209,413.83	$0.00	$209,413.83	21-Aug-2017	31
21-Aug-2017	$394,702,336.03	1.0100%	21-Sep-2017	31	$338,578.91	$338,578.91	$0.00	$338,578.91	21-Sep-2017	31
21-Sep-2017	$604,963,600.47	1.2500%	20-Oct-2017	29	$600,820.01	$600,820.01	$0.00	$600,820.01	20-Oct-2017	29
20-Oct-2017	$825,639,102.00	1.2500%	21-Nov-2017	32	$904,809.97	$826,543,911.97	$825,639,102.00	$904,809.97	21-Nov-2017	32

From:	William Tan
To:	Sarah Harris
Subject:	FW: Existing $975M Credit Facility.
Date:	Friday, November 17, 2017 1:13:45 PM
Attachments:	History of IESO OFA Amending Agreements.doc

Fyi, I forgot to include you.

From: William Tan
Sent: Friday, November 17, 2017 1:11 PM
To: Opal Kandelas
Subject: Existing $975M Credit Facility.

Hello Opal,

Please find the updated History of IESO OFA Amending Agreements.

Thanks,

Will

From: William Tan
Sent: Friday, November 17, 2017 12:34 PM
To: Opal Kandelas <Opal.Kandelas@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: Executed - $2B FHP Credit Facility and Existing $975M Credit Facility.

Hello Opal,

Please find the attachments for the executed $2B FHP Revolving Credit Facility Agreement and Existing $975M Amending Agreement No. 10 . Please let me know if you require any additional documents. The history for the existing credit facility will follow as soon as I update it.

Folder locations.

Z:\Users\CMB\Documentation\IESO-OPA Merger\OFHP IESO OFA Credit Facility

Z:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 10

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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OFA-IESO (Formerly OPA) AMENDING AGREEMENTS

(1) Credit Agreement dated January 1, 2005-proved for $500 million line of credit-provides for repayment dates of 1 month, 2 month or 3 month from the Advance Date; Advances to be made any day prior to November 30, 2006. Mandatory Repayment Date December 31, 2006;

(2) Amending Letter- dated February 14, 2005- Clause 4.7 amended by substituting the word "Agreement" for the word "Services;

(3) Amending Agreement No. 3 dated October 11, 2005-line of credit increased to $975,000,000;

(4) Amending Agreement No. 4 dated September 27, 2006-Mandatory Repayment Date extended from December 31, 2006 to December 31, 2010;

(5) Amending Agreement No. 5 dated July 13, 2007 – amended the Advances to OPA from November 20, 2006 to November 30, 2010; amended date re all interest accrued in Event of Default from December 31, 2006 to December 31, 2010 *(this point added by Karin)*

(6) Amending Agreement No. 6 dated November 9, 2010 – Mandatory Repayment Date extended from Dec 31, 2010 (per Amending Agreement No. 4) to December 31, 2013; Advances to OPA extended to November 30, 2013; amended date in the Event of Default (all interest accrued and amounts owing) from December 31, 2010 (per Amending Agreement No. 5) to December 31, 2013.

(7) Amending Agreement No. 7 dated December 20, 2013 – Mandatory Repayment Date extended from December 31, 2013 to December 31, 2016; Advances to OPA extended to November 30, 2016.

(8) Amending Agreement No. 8 dated December 19, 2014 – OPA and IESO amalgamation pursuant to Schedule 7 of the *Building Opportunity and Securing Our Future Act (Budget Measures), 2014*. The new merged entity "IESO" assumes all rights and obligations under the existing OFA - OPA $975 million credit facility agreement.

(9) Amending Agreement No. 9 dated November 30, 2016 – Definition update; References to IESO update; Mandatory Repayment Date extended from December 31, 2016 to December 31, 2019; Advances to IESO extended from November 30, 2016 to November 30, 2019; Amended Notice for Advancements extended from One business day to Two business days; Amended from previous terms of Advance from not later than 1 month, 2 months and 3 months after the requested date of the Advance period to a period of 28 days and up to a maximum of 95 days for the initial period and recurring period; Amended address and contact information;

(10) Amending Agreement No. 10 dated November 21, 2017 – Revolving Credit Facility decrease to from $975,000,000 to $475,000,000; Definition update to include Ontario Fair Hydro Plan related language; Permitted Liens updated to include any lien arising from the IESO's role and obligations under the OFHP; Use of Proceeds – Advances may be used only for liquidity purposes; Restated section on Acceleration of Maturity; Recission and Annulment; Procedures for Advances; Addition

of Intercept Provision language; Amended Borrowing Notice, Amended Election Notice; Amended Form of Grid Note.

A. Pivnick
July 25, 2007

Lenin Alvarez-Bravo
August 17, 2016

Updated William Tan
November 17, 2017

From:	William Tan
To:	Sarah Harris
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Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
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A. Pivnick
July 25, 2007

Lenin Alvarez-Bravo
August 17, 2016

Updated William Tan
November 17, 2017

From:	Sarah Harris
To:	Opal Kandelas
Subject:	FW: FHP Credit Facility Agreement
Date:	Friday, November 10, 2017 11:53:35 AM

From: Sarah Harris
Sent: Friday, November 10, 2017 9:02 AM
To: Jean-Francois Beaupre ; Ryan Blackbyrne
Cc: William Tan
Subject: FW: FHP Credit Facility Agreement

From: William Tan
Sent: Friday, August 04, 2017 4:32 PM
To: 'Victor Buza' <Victor.Buza@ieso.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Kelly Listoe <Kelly.Listoe@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: RE: FHP Credit Facility Agreement

Hello,
we expect to have a draft for you to review early next week.
Thanks,
Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Wednesday, July 26, 2017 1:02 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: RE: FHP Credit Facility Agreement

Hi Will. Attached you will find IESO's mark-up of the FHP Credit Facility Agreement. Most of the changes are self-explanatory, but it may be helpful if I provide a few words of explanation about the more substantive changes:

1. We added paragraph (k) to the definition of "Permitted Liens" to address the possibility that the Clean Energy Adjustment funds collected by IESO might be considered to be subject to a lien, and we did not want to be inadvertently in default. (Please note that, assuming this addition to the definition of "Permitted Liens" is acceptable, the same or similar language should also be added to the definition of Permitted Liens in Amending Agreement #10 to the existing OFA line of credit that we discussed yesterday.)
2. We amended Section 2.2 Use of Proceeds as shown in the draft because: (i) there is a possibility that the funding provided under the FHP Credit Agreement may accumulate and be outstanding for an extended period of time (i.e. in excess of 12 months); and (ii) the use of the terminology "cash flow timing differences" does not seem appropriate given its implication of a shorter-term funding requirement (something on the order of month-to-month), taking into account all of the obligations of IESO under the FHP.
3. We amended the exceptions to the *pari passu* requirement under Section 3.3(5) to avoid a conflict with the different list of exceptions in s.4.6, the negative pledge. An alternative, and arguably cleaner, way of avoiding the conflict between s.3.3(5) and s.4.6 would be to delete the *pari passu* requirement in s.3.3(5) altogether, since the negative pledge in s.4.6 already contains more tailored language that performs essentially the same function.

In addition to the above changes marked-up directly on the document, in general with respect to all revolving lines, it seems that the definition of "Advances" should probably also include Continued Advances where an Election Notice is used (though I didn't make any changes to reflect this). I say this because Advances can become Continued Advances through an initial Election Notice, and then those Continued Advances can be continued again as further Continued Advances, and so on. In other words, the practice and intent of IESO and OFA has been and continues to be that an original Advance can be Continued (rolled-over) many times but, unless I am missing something, the language and definitions do not quite capture that intent. It might be easier if I were to discuss what is essentially a drafting point with your Legal Counsel assigned to this – as I say, it's entirely possible that I am simply missing something here.

I didn't know who would be reviewing this from your Legal group, so did not copy anyone else at OFA – I will rely on you to forward it as required.

Regards,

Victor

Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079
1600-120 Adelaide Street West, Toronto, ON M5H 1T1
Web: www.ieso.ca[ieso.ca] | Twitter: IESO_Tweets[twitter.com] | LinkedIn: IESO[linkedin.com]

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From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: July 25, 2017 12:23 PM
To: Victor Buza
Cc: Anthony Martinello
Subject: FHP Credit Facility Agreement

Hello Victor,

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Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
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To:	Opal Kandelas
Subject:	FW: FHP Credit Facility Agreement
Date:	Friday, November 10, 2017 11:53:35 AM

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Cc: William Tan
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Regards,

Victor

Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079
1600-120 Adelaide Street West, Toronto, ON M5H 1T1
Web: www.ieso.ca[ieso.ca] | Twitter: IESO_Tweets[twitter.com] | LinkedIn: IESO[linkedin.com]

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Sent: July 25, 2017 12:23 PM
To: Victor Buza
Cc: Anthony Martinello
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Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
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william.tan@ofina.on.ca

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From: Sarah Harris
To: Jean-Francois Beaupre; Ryan Blackbyrne
Cc: William Tan
Subject: FW: FHP Credit Facility Agreement
Date: Friday, November 10, 2017 9:01:50 AM

Hi Ryan and JF,
I was searching down the history of Permitted Liens – see below. I'm going to see if there is more.
Sarah

From: William Tan
Sent: Friday, August 04, 2017 4:32 PM
To: 'Victor Buza' ; Anthony Martinello
Cc: Sarah Harris ; Kelly Listoe ; Lisa Stein
Subject: RE: FHP Credit Facility Agreement
Hello,
we expect to have a draft for you to review early next week.
Thanks,
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From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Wednesday, July 26, 2017 1:02 PM
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Cc: Anthony Martinello <Anthony.Martinello@ieso.ca>
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Capital Markets Division | Ontario Financing Authority
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Cc:	Lisa Stein
Subject:	FW: FHP Credit Facility Agreement
Date:	Friday, November 10, 2017 8:59:56 AM

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Cc: Sarah Harris ; Kelly Listoe ; Lisa Stein
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To: Lisa Stein; John Kim
Subject: FW: FHP Credit Facility Agreement
Date: Friday, November 10, 2017 4:02:31 PM

Hi

From: William Tan
Sent: Friday, August 04, 2017 4:32 PM
To: 'Victor Buza' <Victor.Buza@ieso.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Kelly Listoe <Kelly.Listoe@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>
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From:	Sarah Harris
To:	Jean-Francois Beaupre
Subject:	FW: FHP Grid notes
Date:	Tuesday, November 07, 2017 10:05:45 AM

From: Sarah Harris
Sent: Thursday, November 02, 2017 4:18 PM
To: Risa Thau
Cc: Sujeev Jegatheeswaran ; William Tan ; Carlos Yep
Subject: RE: FHP Grid notes

Hi Risa,

Thanks for this. This is nice and exactly what IESO needs.

Just as a matter of clarity, for #3 it will be considered a "first" Borrowing Notice (not an Election Notice) under the new $2B FHP facility for a total advance of approx. $1.05B all for the RPP ($825M to fund the amount that has matured under the $975M facility + $225M). To recognize the cash netting of the $825M, we have included the following language in the new FHP agreement:

> *Respecting the first Advance to be made under this Agreement (the "**First Advance**"), a specified portion thereof (the "**Repayment Amount**") shall be used to repay a portion of the IESO's outstanding indebtedness to the OFA under the credit agreement between the Parties dated January 1, 2005, as amended (the "**Existing Credit Facility**"). The amount of the Repayment Amount shall be detailed in the Borrowing Notice issued in respect of the First Advance. Concurrently with the First Advance, OFA shall provide to IESO an updated grid in respect of the grid note issued under the Existing Credit Facility evidencing the repayment of the Repayment Amount thereunder.*

Effectively, what this means is that IESO, under the "Use of Funds" section is going to include wording saying that IESO IS using $825M under the new FHP facility to pay off the $825M amount that is maturing (for the Regulated Price Plan Variance) under the existing $975M facility (recognizes the netting).

Thanks,

Sarah

From: Risa Thau
Sent: Thursday, November 02, 2017 3:39 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Sujeev Jegatheeswaran <Sujeev.Jegatheeswaran@ofina.on.ca>
Subject: RE: FHP Grid notes

Hi Will,

IESO will receive the following grid notes on November 21:

1. $975M Credit Facility – Based on IESO providing us with an Election notice indicating that they will **NOT** roll over the maturing $825M and will repay the interest for the Regulated Price Plan Variance (RPP), they will receive a Grid Note showing this repayment and the interest repayment of $905K. They will **NOT** receive another Grid Note showing a zero balance owing as this is not how Grid Notes are prepared.
2. $475M Credit Facility – Based on IESDO providing us with an Election notice indicating that they will roll over $10.6M and request an additional advance of $2M for the Rural and

Remote Electricity Rate Protection Variance (RRRP), they will receive a Grid Note showing the rollover and the additional advance.

3. $2B Credit Facility – Depending on the programs under which IESO will provide us an Election notice they will receive a Grid Note for each program, therefore if they send us an Election notice for $825 for the RPP and for $225M for a different program, they will receive 2 Grid Notes – one for each program. We will split the $2B Credit Facility into the various programs.

Thanks,

Risa Thau

From: William Tan
Sent: Thursday, November 02, 2017 2:05 PM
To: Risa Thau <Risa.Thau@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FHP Grid notes

Hello Risa,

I want to confirm with you that IESO will receive the following grid notes on November 21, based on the following rollover and advancement scenario.

1. $975M Credit Facility – IESO provides Election notice indicating IESO elects **NOT** to roll $825M and will pay interest of $905k
2. $975M Credit Facility – IESO provides Election notice to roll-over $10.6M + $2M (new advance)
3. $2B Credit Facility – IESO Borrowing Notice for $825M + $225M (new advance)

Grid notes produced on November 21 after advances are made, OFA to send via email updated grids reflecting:

- $475M facility, RRRP to show $12.6M;
- $975M facility, show zero balance owing ;
- $2B facility, fair hydro -> to show new fair hydro (RPP) balance $1.05B;

Best regards,

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2. $475M Credit Facility – Based on IESDO providing us with an Election notice indicating that they will roll over $10.6M and request an additional advance of $2M for the Rural and

Remote Electricity Rate Protection Variance (RRRP), they will receive a Grid Note showing the rollover and the additional advance.

3. $2B Credit Facility – Depending on the programs under which IESO will provide us an Election notice they will receive a Grid Note for each program, therefore if they send us an Election notice for $825 for the RPP and for $225M for a different program, they will receive 2 Grid Notes – one for each program. We will split the $2B Credit Facility into the various programs.

Thanks,

Risa Thau

From: William Tan
Sent: Thursday, November 02, 2017 2:05 PM
To: Risa Thau <Risa.Thau@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FHP Grid notes

Hello Risa,

I want to confirm with you that IESO will receive the following grid notes on November 21, based on the following rollover and advancement scenario.

1. $975M Credit Facility – IESO provides Election notice indicating IESO elects **NOT** to roll $825M and will pay interest of $905k
2. $975M Credit Facility – IESO provides Election notice to roll-over $10.6M + $2M (new advance)
3. $2B Credit Facility – IESO Borrowing Notice for $825M + $225M (new advance)

Grid notes produced on November 21 after advances are made, OFA to send via email updated grids reflecting:

- $475M facility, RRRP to show $12.6M;
- $975M facility, show zero balance owing ;
- $2B facility, fair hydro -> to show new fair hydro (RPP) balance $1.05B;

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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From:	Sarah Harris
To:	Sarah Harris
Subject:	FW: FHP agreement and intercept letter
Date:	Wednesday, April 18, 2018 1:52:34 PM

From: Sarah Harris
Sent: Tuesday, February 06, 2018 11:20 AM
To: William Tan
Subject: RE: FHP agreement and intercept letter

Hi Will,
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Thanks,
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Subject: RE: FHP agreement and intercept letter

Thanks Sarah.

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From: Lisa Stein
Sent: Tuesday, February 06, 2018 9:28 AM
To: William Tan <William.Tan@ofina.on.ca>

Subject: RE: FHP agreement and intercept letter

Please ask someone to send it today, thank you.

From: William Tan
Sent: Tuesday, February 06, 2018 9:24 AM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: RE: FHP agreement and intercept letter

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416-325-2320

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From:	Ryan Blackbyrne
To:	Lisa Stein
Cc:	Sarah Harris; Jean-Francois Beaupre
Subject:	FW: Final OEFC-IESO briefing note
Date:	Thursday, November 30, 2017 9:54:56 AM
Attachments:	IESO-OEFC Note_v8.docx

Hi Lisa,

Please see Opal's email below and the final briefing-note John Kim prepared attached.

Do you have any issue with the edits Victor Buza made to the two agreements in his email yesterday?

Thank You,

Ryan

From: Opal Kandelas
Sent: Thursday, November 30, 2017 9:45 AM
To: Ryan Blackbyrne
Cc: Sarah Harris ; Jean-Francois Beaupre
Subject: Final OEFC-IESO briefing note

Please see attached. The relevant parties in CEFD, CMB and CEO's office have been briefed and are fine with moving forward with the IESO requested amendments to the OEFC credit facility and loan agreement.

Thanks,

Opal

OEFC -- IESO CREDIT FACILITY AGREEMENT & THE PERMITTED LIENS

The Independent Electricity System Operator ("IESO") has requested that OEFC amend the existing credit facility agreements between OEFC and IESO (for $160M and $120M) to address the additional obligations IESO is taking on under Ontario's Fair Hydro Plan. IESO has indicated that OEFC credit facilities will not be used for Ontario Fair Hydro Plan (FHP) purposes.

- On November 28, 2017, IESO staff wrote to staff that without the terms of the OEFC facilities being amended, it would need to ask for an interim waiver from the OEFC to avoid being in default.

CONTEXT

- Under the FHP, the IESO and Ontario Power Generation (OPG) are interacting to refinance a portion of the Global Adjustment over a longer period of time.

- IESO and OPG are in a discussion to grant a security/priority interest on IESO's assets to OPG Trust for the period of the first 4 years of the GA deferral.

- The IESO sought and received its Board's approval on Nov 22, 2017 to enter into a security agreement with OPG Trust. The security agreement is currently in draft form. Without amending the existing OEFC $160M and $120M credit facility agreements (the "OEFC Agreements"), IESO could potentially be considered to be in default of the terms of the various agreements. IESO staff wrote:

  > *"…it likely is best to add to the definition of "Permitted Liens" in the two OEFC facilities to address a) IESO granting security to the OPG Trust during the first 4 years of fair hydro program and b) the possibility that the Clean Energy Adjustment funds collected by IESO might be considered to be subject to a lien. The IESO does not want to be inadvertently in default."*

- The IESO provided a draft Security Agreement, dated November 7th, 2017, between them and the OPG Trust to OFA. According to the draft Security Agreement, in the unlikely event that the IESO runs into financial difficulty, the IESO would give OPG Trust a priority in the IESO's assets, including all accounts of the IESO and all cash and proceeds from LDCs, that would put OPG Trust ahead of unsecured creditors, including the OFA and the OEFC.
  - The security agreement is not limited to the Clean Energy Adjustment funds collected by the IESO only.

- In order to address this issue, the IESO has requested to amend the definition of the "permitted liens" in both existing OEFC Agreements to include any liens related to the FHP. Specifically, adding a clause in the existing OEFC Agreements that any lien related to OFHP will not be viewed as negative pledge by OEFC, so those liens can be used to secure the performance of IESO's obligations to OPG under the FHP. This would allow IESO to grant security to the OPG Trust during the first 4 years of implementing the GA deferral and also avoid breaching the terms of the existing agreements with OEFC.

- To support IESO's role in the implementation and participation under the Ontario Fair Hydro Plan Act, 2017 ("OFHP Act"), in July 2017 the IESO had requested that the OFA make similar changes to the credit facility agreements with OFA in October.
  - On November 6, 2017, the OFA amended the $475M facility to amend the definition of "permitted liens" and also included same for the new $2B credit facility agreement between OFA and the IESO , as requested by the IESO.

CONSIDERATIONS

- With the proposed new security agreement between OPG Trust and the IESO, OPG Trust would have a priority claim against the IESO's assets, the OEFC could find itself unable to collect payments due from the IESO. The likelihood of this scenario could be assessed as low.
  - The extent of this risk is subject to uncertainty at this time, given that the regulations that govern the payments related to the Fair Allocation Amount in each period, and how that relates to the obligations to the Financing Entity, are still under development.

- IESO is an agency of the government consolidated line-by-line in the Province's accounts.

- The OFA agreed to IESO's requested changes to the OFA credit facilities.

- OFA'S Capital Markets Operations staff have commented that the legislation governing OEFC, the *Electricity Act, 1998*, may provide differing context from the OFA's objects and mandate under the *Capital Investment Plan Act, 1993* and any changes to the OEFC agreements should take this into account.

- According to the Minister's Directives associated with the OEFC Agreements, the loan and the credit facilities are "subject to such other terms as OEFC deems appropriate." Therefore, an amendment for permitted liens can be done under the existing directives, and new or revised directives from the Minister of Finance are not deemed necessary. This would be consistent with the approach when the pre-existing OFA-IESO credit facility agreement was amended for permited liens on November 6, 2017.

RECOMMENDATIONS

- In order to support IESO's request in relation to its obligation with respect to FHP, OFA staff are of the view that the exisiting OEFC Agreements can be amended to include liens related to FHP under the definition of the "permitted liens".

BACKGROUND

- In order to support IESO's role with the implementation of the OFHP Act, OFA staff made similar changes to the definition of 'permitted liens" in existing OFA-IESO credit facility agreements on November 6, 2017.

- Currently, under the existing credit facility agreements between OEFC and the IESO, the definition of "permitted liens" does not include any lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

Electricity Finance Branch, Corporate and Electricity Finance Division
Capital Markets Operations, Capital Markets Division
Ontario Financing Authority
November 28, 2017

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- IESO is an agency of the government consolidated line-by-line in the Province's accounts.

- The OFA agreed to IESO's requested changes to the OFA credit facilities.

- OFA'S Capital Markets Operations staff have commented that the legislation governing OEFC, the *Electricity Act, 1998*, may provide differing context from the OFA's objects and mandate under the *Capital Investment Plan Act, 1993* and any changes to the OEFC agreements should take this into account.

- According to the Minister's Directives associated with the OEFC Agreements, the loan and the credit facilities are "subject to such other terms as OEFC deems appropriate." Therefore, an amendment for permitted liens can be done under the existing directives, and new or revised directives from the Minister of Finance are not deemed necessary. This would be consistent with the approach when the pre-existing OFA-IESO credit facility agreement was amended for permited liens on November 6, 2017.

RECOMMENDATIONS

- In order to support IESO's request in relation to its obligation with respect to FHP, OFA staff are of the view that the exisiting OEFC Agreements can be amended to include liens related to FHP under the definition of the "permitted liens".

BACKGROUND

- In order to support IESO's role with the implementation of the OFHP Act, OFA staff made similar changes to the definition of 'permitted liens" in existing OFA-IESO credit facility agreements on November 6, 2017.

- Currently, under the existing credit facility agreements between OEFC and the IESO, the definition of "permitted liens" does not include any lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

Electricity Finance Branch, Corporate and Electricity Finance Division
Capital Markets Operations, Capital Markets Division
Ontario Financing Authority
November 28, 2017

From:	William Tan
To:	Sarah Harris
Subject:	FW: For final review
Date:	Friday, January 26, 2018 5:36:15 PM
Attachments:	Performance Development Plan William Tan Econ 4 2016-17.v7.doc

Hi Sarah,
Changed made in red. See attachment.
Thanks,
Will

From: Sarah Harris
Sent: Friday, January 26, 2018 2:56 PM
To: William Tan
Subject: For final review
Hi Will,
As discussed…
Thanks,
Sarah Harris
Manager, Operations
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M7A 1Y7
416-325-8193
sarah.harris@ofina.on.ca

Ontario

Ministry of Finance
Ministry of Revenue

Performance Development Plan and Learning Plan

Section A - PDP/LP Information (confidential when completed)

Employee

Last Name	First Name	WIN #
Tan	Willie Chun Jung	448307

Job Title	Classification
Documentation & Analyst Specialist	Economist 4

☒ OPSEU & OPSEU Excluded ☐ AMAPCEO

Division/Branch/Region

Capital Markets Division, Ontario Financing Authority

Supervisor

Last Name	First Name	Job Title
Harris	Sarah	Manager, Operations

Performance Plan Review Period: From	To
August 4, 2016	August 4, 2017

Performance Plan (Section B) established	☒ Yes	☐ Final Review	Date of review
Learning Plan (Section C) established	☒ Yes	# Learning Days Taken	1
# Learning Objectives established	5	# Learning Objectives Completed	4
Career Plan (Section E) established	☐ Yes ☐ No		

Confirmation of Performance Plan

I have discussed the contents of this performance plan with my immediate supervisor. I understand the expectations set out in my performance plan and the basis upon which my performance will be reviewed in the upcoming performance plan review period.

Employee's Signature	Date

Supervisor's Signature	Date

Section B - Performance Development

Key Performance Requirements & Commitments	Performance Outcomes & Measures	Results Achieved (Complete at the end of the review period.)
Identify the work/job related tasks, activities, functions and/or projects to be completed during the performance review	Indicate how you will carry out and measure performance commitments.	Record accomplishments and the impact of result on the unit/branch or ministry.
Provide documentation and analysis to support the Province of Ontario's borrowing/financing programs.	Document and understand procedures and all aspects involved in bond issuance programs, DMTN, EMTN and any other additional programs that the Province may undertake. Prepare and document bond issues. Support and assist with the documentation of EMTN, ADI, Global and USMTN issues, by setting bring-down calls, drafting closing certificates, preparing schedules of expenses, and providing comments on Prospectuses, Underwriting Agreements and other related documents Negotiate with legal counsel, investment banks, fiscal agents, etc., that detailed terms and conditions of all necessary agreements for complex financing structures and instruments. Ensure that the terms and conditions reflect the operational requirements of the participants in the transactions. Administer Documentation's invoice tracking and payment process for the Province's borrowing programs	Led several DMTN bond issues. I am working independently and improving upon my accuracy. I was provided with some additional background information on the differences between bring-down calls and due diligence calls resulting in vast improvement in this area. I have, in turn, assisted two newer colleagues with their first bring-down calls and due diligence calls. Administered the invoice tracking and payment process. Followed up with vendors when payment is disputed.

Provide support to the documentation and analysis coordinator on T-bill activations and redemptions.	Administer T-bill activations and redemptions. Ensure that procedures are followed, completed and if necessary, updated, in a timely manner.	Administered T-bill activations and redemptions according to the procedures and in a timely manner. Updated T-bill procedures to reduce the number of T-bill Notifications to save on CDS fees.
Monitor and participate in the Province's, OEFC's and OFA's financing to other public bodies, ministries, etc..	Negotiate and amend various financing agreements with third party ministries and public bodies including OILC, OPG etc. Administer day to day loans and advances to third parties, including OILC	OILC Loans Administered OILC Long-Term Loans program by documenting 120 loans. Processed a rare OILC FRN Loan which involved researching and comparing the differences between FRN and conventional loans documents. This allowed me to provide guidance to our client to ensure a smooth loan execution process. I have developed/maintained a good relationship with OILC team as the lead contact by answering their questions regarding borrowing authority, loan agreement, providing support to help maintain their deadlines, managing workflow, reviewing documents for errors etc. FHP Agreement Assigned as the lead in the drafting of the Fair Hydro Plan (FHP) Credit Facility Agreement, amendment for an existing credit facility and Historical Summary. This was a learning opportunity, where I was exposed to Microsoft Word document editing, the credit facility negotiation process, project management stages and other related tasks. Under the guidance of my manager, I conducted research into processes and provisions after consulting with legal counsel before incorporating them into the agreements. Examples: Settlements (Grid Note process) - Learned the payment flows for advances as they related to Borrowing and Election Notices and how it was tracked on the Grid Note. This provided me with a deeper understanding of the process to further assist me in the editing of the FHP Agreement. Providing Status Update – I learned the value of providing

		status updates to other departments to inform them of events that would impact them. This was also an opportunity for areas to ask questions and make preparations. This assisted other areas by mapping out the order of events and forced me to have a greater understanding and appreciation Documentation's role in the "bigger picture". Shared timelines with stakeholders (IESO, OFA legal etc.) to help create urgency and ~~help~~ move the project along. Interest only payments on FHP debt led to changes to the Borrowing Notice and Election Notice. This provided me with ~~me~~ some exposure to drafting legal language describing ~~outlining~~ financial instruments. ~~guidelines.~~ Identified potential risk related to IESO's request to change the "Use of Proceeds" and managed it by consulting with internal and external counsel to assist in the redrafting the section which required multiple follow-up meetings and draft versions. Also identified conflicting language related to liens and reverse pledge and Permitted Liens (k). Continued exposure to the combination of reading and comprehending financial language provides me with more experience to identify gaps in risk and language. Participated in rewording the Borrowing Notice and Election Notice. Obtained Capital Markets commitment to include an "interest only" rollover option in both credit facilities.
Ad hoc assignments and projects.	Work on any assignments, projects, and tasks as determined by Manager.	Prepared credit facility amendment agreement history/summary. I was exposed to the original IESO credit facility agreement and how all the amendments impact the final agreement. This exercise was helpful because I was previously only familiar with restated agreements. Created the Agreement due date tracking sheet. I became familiar with the different outstanding agreements, credit facilities and how to navigate the folders.

		Participated in the RNS announcement/NSM submission project. This provided me with an opportunity to collaborate with another colleague and become familiar with research and mapping out specific steps to add to a procedure. Began work on the OLMS Report/OILC Loan Confirmation Improvement. This project involves coordinating with technology on process improvement. Created BSC email distribution list to efficiently track and manage the Required and Optional meeting attendees. This will save administration time and effort in tracking. Assisted in facilitating a bond extension and exchange. This particular transaction had additional complexities compared to traditional bond exchanges. I gained experience in bond optionality, documentation process, the steps involved and how to plan for it. Following the procedure is only part of the process. Understanding every aspect of the task, planning and making preparations have provided me with valuable experience. Subsequently, updated bond extension and exchange procedures. This allowed me to reflect on a process that was dynamic and complicated (during a process with a number of unexpected events) I was able to re learn the lessons at a more comfortable pace. Drafted a note on Challenges in issuing equity linked bonds. Summary of Investment Management Agreement Spreadsheet. This exercise allowed me to become familiar with the different types of investment management agreements and government agencies we work with. Assisted in the OEFC agreement/partial payment and issuance of new promissory note. The note required legal

		interpretation of the promissory notes instructions. OEFC Board Resolution was required to approve amendments to the promissory note loan agreement and promissory note itself. Replied to bond queries from external parties. This task is a good opportunity for me to learn about different bonds the OFA has issued and the various features.

Section C - Learning Plan (Mandatory)

	Learning Objectives	Required For ☒ Current Position	Required For ☒ Future	Learning Methods	# Days Planned*	Expected Cost	Results Achieved Yes	Results Achieved No	Results Achieved # Days*
1	Procurement: Preparing Procurement Documents	X		(e-learning)	2.5 hours		X		online
2	Risk Management	X		(e-learning)	No class available			X	online
3	Excel intermediate or advance	X		In class	1 day	$340.98	X		1
4	Time management.	X		In class	2 hrs	$199	X		2 hrs
5	Improve knowledge of finance, the OFA and the Ontario Government as it relates to the position	x		On the job training and courses			X		

Employee's Comments

I look forward to additional opportunities for my development in all forms. I welcome job related tasks, job shadow, skill development exercises, courses and seminars.
Learned the level of detail requried.
Responsibilities of different departments.
Perfomance expectations.
Project plan steps.
Check lists.
Personalities.
Status updates with required action from statekholders.
Plan next day check list.
Goal posts established.
Ask how far to need to take something.
Responsibilities and boundaries
Crafting emails and writing skills.
Understanding Amending Agreements.
Valuable experience no previous frame of reference. Resonable ask and expectations.

Supervisor's Comments

Will shall continue to be exposed to and trained on increasingly complex functions of his position. Will shall be given opportunities and support to further refine his analytical skills, expand his knowledge base and enhance his attention to detail in order to carry out the full functions of the position of Documentation & Analysis Specialist

Consider the following Methods of Learning

*Complete # Days columns for classroom and on-line courses only.

- ☐ On-the-job training
- ☐ Job shadowing
- ☐ Special Projects
- ☐ Classroom courses
- ☐ Computer-based learning
- ☐ Temporary Assignment
- ☐ Committee
- ☐ Coaching/mentoring
- ☐ Discussion Group
- ☐ Community of Practice
- ☐ Self Study
- ☐ Videos

Section D - Overall Assessment & Comments for Performance Plan Review Period

Date of Meeting ...

OPSEU & OPSEU Excluded	AMAPCEO
☐ Met performance commitments	☐ Above satisfactory
☐ Did not meet performance commitments	☐ Satisfactory
	☐ Below satisfactory/Needs improvement

Supervisor's Comments

Demonstrated Strengths

View attached comments

Areas for Improvement

Employee's Comments

I will do my upmost to study and prepare for these my tasks in the coming year. On occasion I have dedicated my personal-time for additional work related study. I am commited to meeting and exceeding my performance commitments. I am appreciative to my manager for supporting my development. I look forward to additional challenges as my skills progress. I welcome any opportunities to help my department and team achieve its goals whenever possible.

Supervisor's Signature	Date

Employee's Signature	Date

Employee's signature indicates employee has read and discussed supervisor's concluding comments/appraisal. It is not necessarily an indication of agreement.

Evaluator's Manager's Signature	Date

Section E - Career Plan (Optional)

Employee to Complete

1. What are your general career goals?

Currently, I am only focused on my current role and how I can achieve the best possible results.

2. What education and/or experience do you require to meet your career goals?
   (Be sure to discuss educational requirements as part of your learning plan - Section C of this form.)

I intend to explore additional internal courses. In time, I will explore external courses and industry conferences to stay abreast of current events.

3. What might you do to move your career goals forward?

Currently, I am only focused on my current role and how I can achieve the best possible results.

4. Action Plan (To be developed jointly by the employee and supervisor.)

Currently, I am only focused on my current role and how I can achieve the best possible results.

From: William Tan
To: Sarah Harris
Cc: Lisa Stein
Subject: FW: Grid Notes: RPP , RRRP and Fair Hydro
Date: Wednesday, November 22, 2017 1:25:15 PM
Attachments: IESO Fair Hydro Plan Grid Note Nov 21.2017.pdf
IESO RPP Grid Note Nov 21.2017.pdf
IESO RRRP Grid Note Nov 21.2017.pdf

Hello,

Please find the attached grid notes that references the end of day balances each of the credit facilities.

Thanks,

Will

From: Sujeev Jegatheeswaran
Sent: Wednesday, November 22, 2017 1:22 PM
To: Documentation <Documentation@ofina.on.ca>
Subject: FW: Grid Notes: RPP , RRRP and Fair Hydro

FYI.

Thank you,

Sujeev Jegatheeswaran
Settlements, Payments and Fiscal Agency
Finance and Treasury Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M7A 1Y7
Tel (416) 325-8060 | E-Mail: Sujeev.Jegatheeswaran@ofina.on.ca

---

From: Sujeev Jegatheeswaran
Sent: Tuesday, November 21, 2017 4:01 PM
To: 'Olga Whiteley' <Olga.Whiteley@ieso.ca>
Cc: Risa Thau <Risa.Thau@ofina.on.ca>; LeRoy Ahyee <LeRoy.Ahyee@ofina.on.ca>; Kathy Liu <Kathy.Liu@ofina.on.ca>; Nurudin Kaba <Nurudin.Kaba@ofina.on.ca>
Subject: Grid Notes: RPP , RRRP and Fair Hydro

Hello Olga:

I've attached the captioned Grid Notes for your attention. Please let me know whether you have any questions.

Regards,



Sujeev Jegatheeswaran
Settlements, Payments and Fiscal Agency
Finance and Treasury Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M7A 1Y7
Tel (416) 325-8060 | E-Mail: Sujeev.Jegatheeswaran@ofina.on.ca

Ontario Financing Authority

Line of Credit Grid Note

Entity : IESO

Project: Ontario Fair Hydro Plan

Schedule of loan transactions to: 21-Nov-2017

Loan Limit: 2,000,000,000.00

Loan Advanced to: 21-Nov-2017

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days
21-Nov-2017	$1,005,562,526.55	1.2300%	20-Dec-2017	29	$982,696.31	$0.00	$0.00	$0.00		

Ontario Financing Authority

Line of Credit Grid Note

Entity : IESO

Project: Regulated Price Plan Variance

Schedule of loan transactions to: 21-Nov-2017

Loan Limit: 975,000,000.00

Loan Advanced to: 21-Nov-2017

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days
19-Aug-2016	$94,951,024.00	0.8100%	19-Sep-2016	31	$65,321.10	$49,331,879.98	$49,266,558.88	$65,321.10	19-Sep-2016	31
19-Sep-2016	$45,684,465.12	0.8100%	19-Oct-2016	30	$30,414.59	$30,283,150.31	$30,252,735.72	$30,414.59	19-Oct-2016	30
19-Oct-2016	$15,431,729.40	0.7900%	21-Nov-2016	33	$11,022.06	$11,022.06	$0.00	$11,022.06	21-Nov-2016	33
21-Nov-2016	$80,224,794.60	0.7800%	21-Dec-2016	30	$51,431.79	$51,431.79	$0.00	$51,431.79	21-Dec-2016	30
21-Dec-2016	$150,501,105.00	0.8300%	20-Jan-2017	30	$102,670.62	$34,297,653.69	$34,194,983.07	$102,670.62	20-Jan-2017	30
20-Jan-2017	$116,306,121.93	0.8100%	21-Feb-2017	32	$82,593.28	$6,005,205.45	$5,922,612.17	$82,593.28	21-Feb-2017	32
21-Feb-2017	$110,383,509.76	0.8200%	21-Mar-2017	28	$69,435.76	$29,244,186.90	$29,174,751.14	$69,435.76	21-Mar-2017	28
21-Mar-2017	$81,208,758.62	0.8100%	24-Apr-2017	34	$61,273.68	$66,756,693.44	$66,695,419.76	$61,273.68	24-Apr-2017	34
24-Apr-2017	$14,513,338.86	0.8000%	23-May-2017	29	$9,224.92	$14,522,563.78	$14,513,338.86	$9,224.92	23-May-2017	29
20-Jun-2017	$109,986,030.30	0.7900%	21-Jul-2017	31	$73,796.11	$73,796.11	$0.00	$73,796.11	21-Jul-2017	31
21-Jul-2017	$246,567,897.99	1.0000%	21-Aug-2017	31	$209,413.83	$209,413.83	$0.00	$209,413.83	21-Aug-2017	31
21-Aug-2017	$394,702,336.03	1.0100%	21-Sep-2017	31	$338,578.91	$338,578.91	$0.00	$338,578.91	21-Sep-2017	31
21-Sep-2017	$604,963,600.47	1.2500%	20-Oct-2017	29	$600,820.01	$600,820.01	$0.00	$600,820.01	20-Oct-2017	29
20-Oct-2017	$825,639,102.00	1.2500%	21-Nov-2017	32	$904,809.97	$826,543,911.97	$825,639,102.00	$904,809.97	21-Nov-2017	32

Ontario Financing Authority

Line of Credit Grid Note

Entity : IESO

Project: Rural or Remote Electricity Rate Protection Variance

Schedule of loan transactions to: 21-Nov-2017

Loan Limit: 475,000,000.00

Loan Advanced to: 21-Nov-2017

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days
18-May-2017	$1,193,999.75	0.7800%	20-Jun-2017	33	$842.02	$842.02	$0.00	$842.02	20-Jun-2017	33
20-Jun-2017	$4,397,101.10	0.7900%	21-Jul-2017	31	$2,950.27	$2,950.27	$0.00	$2,950.27	21-Jul-2017	31
21-Jul-2017	$6,629,013.88	1.0000%	21-Aug-2017	31	$5,630.12	$5,630.12	$0.00	$5,630.12	21-Aug-2017	31
21-Aug-2017	$7,175,694.39	1.0100%	21-Sep-2017	31	$6,155.37	$6,155.37	$0.00	$6,155.37	21-Sep-2017	31
21-Sep-2017	$9,841,878.70	1.2500%	20-Oct-2017	29	$9,774.47	$9,774.47	$0.00	$9,774.47	20-Oct-2017	29
20-Oct-2017	$10,649,081.37	1.2500%	21-Nov-2017	32	$11,670.23	$11,670.23	$0.00	$11,670.23	21-Nov-2017	32
21-Nov-2017	$11,556,384.24	1.2300%	20-Dec-2017	29	$11,293.60	$0.00	$0.00	$0.00		

From:	Sujeev Jegatheeswaran
To:	Documentation
Subject:	FW: Grid Notes: RPP , RRRP and Fair Hydro
Date:	Wednesday, November 22, 2017 1:22:09 PM
Attachments:	IESO Fair Hydro Plan Grid Note Nov 21.2017.pdf IESO RPP Grid Note Nov 21.2017.pdf IESO RRRP Grid Note Nov 21.2017.pdf

---

FYI.

Thank you,

Sujeev Jegatheeswaran
Settlements, Payments and Fiscal Agency
Finance and Treasury Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M7A 1Y7
Tel (416) 325-8060 | E-Mail: Sujeev.Jegatheeswaran@ofina.on.ca

From: Sujeev Jegatheeswaran

Sent: Tuesday, November 21, 2017 4:01 PM

To: 'Olga Whiteley'

Cc: Risa Thau ; LeRoy Ahyee ; Kathy Liu ; Nurudin Kaba

Subject: Grid Notes: RPP , RRRP and Fair Hydro

Hello Olga:

I've attached the captioned Grid Notes for your attention. Please let me know whether you have any questions.

Regards,

Ontario

Sujeev Jegatheeswaran
Settlements, Payments and Fiscal Agency
Finance and Treasury Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M7A 1Y7
Tel (416) 325-8060 | E-Mail: Sujeev.Jegatheeswaran@ofina.on.ca

Ontario Financing Authority

Line of Credit Grid Note

Entity : IESO

Project: Ontario Fair Hydro Plan

Schedule of loan transactions to: 21-Nov-2017

Loan Limit: 2,000,000,000.00

Loan Advanced to: 21-Nov-2017

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days
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Ontario Financing Authority

Line of Credit Grid Note

Entity : IESO

Project: Regulated Price Plan Variance

Schedule of loan transactions to: 21-Nov-2017

Loan Limit: 975,000,000.00

Loan Advanced to: 21-Nov-2017

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Ontario Financing Authority

Line of Credit Grid Note

Entity : IESO

Project: Rural or Remote Electricity Rate Protection Variance

Schedule of loan transactions to: 21-Nov-2017

Loan Limit: 475,000,000.00

Loan Advanced to: 21-Nov-2017

New Loan and/or Rollover						Actual Repayment				
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21-Jul-2017	$6,629,013.88	1.0000%	21-Aug-2017	31	$5,630.12	$5,630.12	$0.00	$5,630.12	21-Aug-2017	31
21-Aug-2017	$7,175,694.39	1.0100%	21-Sep-2017	31	$6,155.37	$6,155.37	$0.00	$6,155.37	21-Sep-2017	31
21-Sep-2017	$9,841,878.70	1.2500%	20-Oct-2017	29	$9,774.47	$9,774.47	$0.00	$9,774.47	20-Oct-2017	29
20-Oct-2017	$10,649,081.37	1.2500%	21-Nov-2017	32	$11,670.23	$11,670.23	$0.00	$11,670.23	21-Nov-2017	32
21-Nov-2017	$11,556,384.24	1.2300%	20-Dec-2017	29	$11,293.60	$0.00	$0.00	$0.00		

From:	William Tan
To:	Sarah Harris
Cc:	Lisa Stein
Subject:	FW: Grid Notes: RPP , RRRP and Fair Hydro
Date:	Wednesday, November 22, 2017 1:25:15 PM
Attachments:	IESO Fair Hydro Plan Grid Note Nov 21.2017.pdf IESO RPP Grid Note Nov 21.2017.pdf IESO RRRP Grid Note Nov 21.2017.pdf

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Hello,

Please find the attached grid notes that references the end of day balances each of the credit facilities.

Thanks,

Will

From: Sujeev Jegatheeswaran

Sent: Wednesday, November 22, 2017 1:22 PM

To: Documentation

Subject: FW: Grid Notes: RPP , RRRP and Fair Hydro

FYI.

Thank you,

Sujeev Jegatheeswaran
Settlements, Payments and Fiscal Agency
Finance and Treasury Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M7A 1Y7
Tel (416) 325-8060 | E-Mail: Sujeev.Jegatheeswaran@ofina.on.ca

---

From: Sujeev Jegatheeswaran

Sent: Tuesday, November 21, 2017 4:01 PM

To: 'Olga Whiteley' <Olga.Whiteley@ieso.ca>

Cc: Risa Thau <Risa.Thau@ofina.on.ca>; LeRoy Ahyee <LeRoy.Ahyee@ofina.on.ca>; Kathy Liu <Kathy.Liu@ofina.on.ca>; Nurudin Kaba <Nurudin.Kaba@ofina.on.ca>

Subject: Grid Notes: RPP , RRRP and Fair Hydro

Hello Olga:

I've attached the captioned Grid Notes for your attention. Please let me know whether you have any questions.

Regards,



Sujeev Jegatheeswaran
Settlements, Payments and Fiscal Agency
Finance and Treasury Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M7A 1Y7
Tel (416) 325-8060 | E-Mail: Sujeev.Jegatheeswaran@ofina.on.ca

Ontario Financing Authority

Line of Credit Grid Note

Entity : IESO

Project: Ontario Fair Hydro Plan

Schedule of loan transactions to: 21-Nov-2017

Loan Limit: 2,000,000,000.00

Loan Advanced to: 21-Nov-2017

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days
21-Nov-2017	$1,005,562,526.55	1.2300%	20-Dec-2017	29	$982,696.31	$0.00	$0.00	$0.00		

Ontario Financing Authority

Line of Credit Grid Note

Entity : IESO

Project: Regulated Price Plan Variance

Schedule of loan transactions to: 21-Nov-2017

Loan Limit: 975,000,000.00

Loan Advanced to: 21-Nov-2017

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days
19-Aug-2016	$94,951,024.00	0.8100%	19-Sep-2016	31	$65,321.10	$49,331,879.98	$49,266,558.88	$65,321.10	19-Sep-2016	31
19-Sep-2016	$45,684,465.12	0.8100%	19-Oct-2016	30	$30,414.59	$30,283,150.31	$30,252,735.72	$30,414.59	19-Oct-2016	30
19-Oct-2016	$15,431,729.40	0.7900%	21-Nov-2016	33	$11,022.06	$11,022.06	$0.00	$11,022.06	21-Nov-2016	33
21-Nov-2016	$80,224,794.60	0.7800%	21-Dec-2016	30	$51,431.79	$51,431.79	$0.00	$51,431.79	21-Dec-2016	30
21-Dec-2016	$150,501,105.00	0.8300%	20-Jan-2017	30	$102,670.62	$34,297,653.69	$34,194,983.07	$102,670.62	20-Jan-2017	30
20-Jan-2017	$116,306,121.93	0.8100%	21-Feb-2017	32	$82,593.28	$6,005,205.45	$5,922,612.17	$82,593.28	21-Feb-2017	32
21-Feb-2017	$110,383,509.76	0.8200%	21-Mar-2017	28	$69,435.76	$29,244,186.90	$29,174,751.14	$69,435.76	21-Mar-2017	28
21-Mar-2017	$81,208,758.62	0.8100%	24-Apr-2017	34	$61,273.68	$66,756,693.44	$66,695,419.76	$61,273.68	24-Apr-2017	34
24-Apr-2017	$14,513,338.86	0.8000%	23-May-2017	29	$9,224.92	$14,522,563.78	$14,513,338.86	$9,224.92	23-May-2017	29
20-Jun-2017	$109,986,030.30	0.7900%	21-Jul-2017	31	$73,796.11	$73,796.11	$0.00	$73,796.11	21-Jul-2017	31
21-Jul-2017	$246,567,897.99	1.0000%	21-Aug-2017	31	$209,413.83	$209,413.83	$0.00	$209,413.83	21-Aug-2017	31
21-Aug-2017	$394,702,336.03	1.0100%	21-Sep-2017	31	$338,578.91	$338,578.91	$0.00	$338,578.91	21-Sep-2017	31
21-Sep-2017	$604,963,600.47	1.2500%	20-Oct-2017	29	$600,820.01	$600,820.01	$0.00	$600,820.01	20-Oct-2017	29
20-Oct-2017	$825,639,102.00	1.2500%	21-Nov-2017	32	$904,809.97	$826,543,911.97	$825,639,102.00	$904,809.97	21-Nov-2017	32

Ontario Financing Authority

Line of Credit Grid Note

Entity : IESO

Project: Rural or Remote Electricity Rate Protection Variance

Schedule of loan transactions to: 21-Nov-2017

Loan Limit: 475,000,000.00

Loan Advanced to: 21-Nov-2017

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days
18-May-2017	$1,193,999.75	0.7800%	20-Jun-2017	33	$842.02	$842.02	$0.00	$842.02	20-Jun-2017	33
20-Jun-2017	$4,397,101.10	0.7900%	21-Jul-2017	31	$2,950.27	$2,950.27	$0.00	$2,950.27	21-Jul-2017	31
21-Jul-2017	$6,629,013.88	1.0000%	21-Aug-2017	31	$5,630.12	$5,630.12	$0.00	$5,630.12	21-Aug-2017	31
21-Aug-2017	$7,175,694.39	1.0100%	21-Sep-2017	31	$6,155.37	$6,155.37	$0.00	$6,155.37	21-Sep-2017	31
21-Sep-2017	$9,841,878.70	1.2500%	20-Oct-2017	29	$9,774.47	$9,774.47	$0.00	$9,774.47	20-Oct-2017	29
20-Oct-2017	$10,649,081.37	1.2500%	21-Nov-2017	32	$11,670.23	$11,670.23	$0.00	$11,670.23	21-Nov-2017	32
21-Nov-2017	$11,556,384.24	1.2300%	20-Dec-2017	29	$11,293.60	$0.00	$0.00	$0.00		

From: William Tan
To: Sarah Harris
Subject: FW: History for IESO OEFC Note and Revolving Credit Facility
Date: Monday, April 23, 2018 11:52:41 AM

Hello Sarah,
IESO/OEFC $160M Revolving Credit Facility added Amending Agreement 7.
I found the FHP on page sheet 8 and added a few agreement details. I Created a history summary for FHP in the FHP folder, although we are most likely to create a restated agreement rather than amending agreement.
I cleaned up the IESO folder to make the active credit facilities more obvious.
Thanks,
Will

From: Sarah Harris
Sent: Monday, April 16, 2018 10:37 AM
To: William Tan <William.Tan@ofina.on.ca>
Subject: FW: History for IESO OEFC Note and Revolving Credit Facility
Hi Will,
I'm looking to provide updated lists to Opal of all IESO and OPG Agreements, and to ensure that changes are summarized in an agreement tracker that Karin has been working on (attached).
I'm going to ask Ryan to review OPG. I'm going to ask you to cover IESO. For IESO, could you please ensure that the attached summaries are correct and match the relevant history in the tabs of the attached tracker. The tracker contains the most material amendments, so you just need list those material changes; the individuals summaries can be more fulsome. Could you please ensure that all related OFA or OEFC –IESO Agreements are included in the tracker, along with any information on amendments.
Additionally, I don't think we started a separate individual summary for the FHP credit facility. Could you please complete one that just summarizes the main features of the agreement, so that we can easily add to it if/when it is amended?
Thanks,
Sarah

From: William Tan
Sent: Thursday, November 23, 2017 6:03 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: History for IESO OEFC Note and Revolving Credit Facility
Hello Sarah,
Please find the attached history for the IESO OEFC $120M Note Agreement and $160M Revolving Credit Facility. If you wish, please review and comment before I forward this to Opal.
Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca
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From:	Sarah Harris
To:	William Tan
Subject:	FW: History for IESO OEFC Note and Revolving Credit Facility
Date:	Monday, April 16, 2018 10:37:29 AM
Attachments:	History of IESO OEFC Amending Agreements $160M Revolving.docx History of IESO OEFC Amending Agreements $120M Note .docx TEST Copy of Agreement Due Date Tracker (12-Apr-2018).xlsx History of IESO OFA Amending Agreements.doc

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Hi Will,

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I'm going to ask Ryan to review OPG. I'm going to ask you to cover IESO. For IESO, could you please ensure that the attached summaries are correct and match the relevant history in the tabs of the attached tracker. The tracker contains the most material amendments, so you just need list those material changes; the individuals summaries can be more fulsome. Could you please ensure that all related OFA or OEFC –IESO Agreements are included in the tracker, along with any information on amendments.

Additionally, I don't think we started a separate individual summary for the FHP credit facility. Could you please complete one that just summarizes the main features of the agreement, so that we can easily add to it if/when it is amended?

Thanks,

Sarah

From: William Tan
Sent: Thursday, November 23, 2017 6:03 PM
To: Sarah Harris
Subject: History for IESO OEFC Note and Revolving Credit Facility

Hello Sarah,

Please find the attached history for the IESO OEFC $120M Note Agreement and $160M Revolving Credit Facility. If you wish, please review and comment before I forward this to Opal.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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IESO OEFC Revolving Credit Facility Agreement and Amending Agreements

(1) April 23, 2010, IESO OEFC Revolving Credit Facility Agreement
- Revolving line of credit up to $60 million;
- Term: April 30, 2013;
- Interest Rate: Province of Ontario's cost of borrowing for a 30 day term plus 25 basis points.

(2) July 21, 2010 – Amending Agreement No. 1
- Section 2.2 Commitment and Facility Limits – IESO shall have the right to repay in whole or in part the total amount outstanding to OEFC;
- Section 2.7 Repayments – (new section) Repayment terms.

(3) October 14, 2011 – Amending Agreement No. 2
- Increase the revolving line of credit from $60 million to $110 million;
- Interest Rate: Province of Ontario's cost of borrowing for a 30 day term, as determined as of the first Business Day of each month by OEFC, plus 50 basis points.

(4) April 30, 2013 – Amending Agreement No. 3
- Interest Rate: Province of Ontario's cost of funds for a 30 day term plus 50 basis points;
- Term: April 30, 2014.

(5) April 30, 2014 – Amending Agreement No. 4
- Decrease of the revolving line of credit from $110 million to $95 million;
- Term: April 30, 2017.

(6) December 19, 2014 – Amending Agreement No. 5
- OPA and IESO amalgamation pursuant to Schedule 7 of the Building opportunity and Securing our Future Act (Budget Measures), 2014. The new merged Entity "IESO" assumes all rights and obligations under the existing OFA-OPA $95 million agreement;
- Upon amalgamation, the borrower agrees to execute and deliver an Amendment and Restated of the IESO Credit Facility Agreement (Amended and Restated IESO Credit Facility Agreement);
- Use of Proceeds: To repay the revolving line of credit with the Toronto Dominion Bank; for liquidity purposes and to fund corporate requirements;
- Revised Borrowing Notice.

(7) April 30, 2017 – Amending Agreement No. 6
- Ability for Advances to be made on any business day up to a maximum of 12 times per year;

- Added definition of IESO Corporate Requirements;
- Added definition of Ontario Fair Hydro Plan,
- Use of Proceeds: IESO shall use the proceeds of Advances for the funding of IESO Corporate Requirements;
- Revised Borrowing Notice;
- Section 3.6 (c) Conditions Precedent is deleted and replaced.

  (c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO, provided however that any adverse change in IESO's financial condition related to or resulting from the discharge by IESO of its responsibilities under Ontario's Fair Hydro Plan shall be deemed not to be a material adverse change for the purposes of this Section;

- Increase of the revolving line of credit from $95 million to $160 million;
- Term: June 30, 2020.

William Tan – November 21, 2017 – added (1) to (6).

IESO OEFC for Issuance of Note and Amending Agreements

(1) April 1, 1999, IEMO OEFC Agreement Providing for Issuance of a Note

- Note amount: $70.3 million;
- Term: May 1, 2009;
- Interest Rate: 7.90% annually;
- Payment Frequency: Semi-annual instalments.

(2) March 23, 2000, Amending Agreement No. 1

- Note amount $78.2 million.

(3) January 1, 2005, The Company changed its name from IEMO to IESO.

(3) April 23, 2009, Amending Agreement No. 2

- Term: May 1, 2011;
- Interest Rate: 90 day Province of Ontario T-bill plus 25 basis points;
- Payment Frequency: Quarterly Installments;
- Section 2.9 Prepayment on Refinancing Note (new section). IESO may prepay all or part of the Refinancing Note subject to certain restrictions.

(4) May 1, 2011, Amending Agreement No. 3

- Term: May 1, 2013;
- Section 2.4 Prepayment is deleted;
- Section 2.10 Section Refinancing Note (new section);
- Section 2.11 Interest on Second Refinancing Note (new section);
- Interest Rate: Province of Ontario cost of borrowing for a two year term plus 25 basis points;
- Payment Frequency: Semi-annual instalments.

(5) May 1, 2013 – Amending Agreement No. 4

- Section 2.12 Third Refinancing Note (new section);
- Section 2.13 Interest on Third Financing Note (new section);
- Term: April 30, 2014;
- Interest Rate: Province of Ontario cost of borrowing for one year term plus 50 basis points.

(6) April 30, 2014 – Amending Agreement No. 5

- Section 1.1 Definitions (new definition)
  (i) "Loan" means, at any time, the advance made by OEFC to IESO pursuant to Section 1a.1.
  (ii) "Revolving Credit Facility Agreement" means the Revolving Credit Facility Agreement between IESO, as borrower, and OEFC, as lender, dated April 23, 2010, as amended to date and as the same may be further amended from time to time.
- Added to Article 1
  Section 1a.1
  On April 30, 2014, IESO directs OEFC to apply $11.8 million from this note to the IESO OEFC Revolving Credit Facility Agreement;

- Section 2.14 Fourth Refinancing Note (new section);
- Section 2.15 Interest on Fourth Refinancing Note (new section);
- Note amount: $90 million;
- Interest Rate: Province of Ontario's cost of borrowing for a three year term plus 50 basis points;
- Term: April 30, 2017.

(7) April 30, 2017 – Amending Agreement No. 6

- Section 1.1 Definition of "Loan" is deleted;
- Article 1a.1is deleted and replaced with the following:
  Article 1a - $30 million Advance
  Section 1a.1
  On April 30, 2017, IESO directs OEFC to apply $30 million from this note to the IESO OEFC Revolving Credit Facility Agreement.
- Section 2.16 Fifth Refinancing Note (new section);
- Note amount: $120 million;
- Interest Rate: Province of Ontario's cost of borrowing plus 50 basis points;
- Term: June 30, 2020.

William Tan – November 21, 2017

	Category	Parties	Amount	File Folder	Agreement Expiry Date	Date to be notified before Agreement Expiry Date
	Credit Facilities Agreements					
1	**Credit Agreement (10)**	IESO (formerly OPA), OFA	$475,000,000	1. Credit Agmts	31-Dec-2019	(IT project lead to insert datepicker to send alert)
2	**Revolving Credit Facility Agreement (7)**	IESO, OEFC	$160,000,000	2. Revolving Cr Facility Agmt	30-Jun-2020	(IT project lead to insert datepicker to send alert)
3	**Agreement Providing for Issuance of a Note (7)**	IESO (formerly IEMO, Ontario Hydro), OEFC	$120,000,000	3. Agmt providg for Iss of Note	30-Jun-2020	(IT project lead to insert datepicker to send alert)
4	**General Corporate Requirements Credit Facility Agreement (4)**	OPG, OEFC	$2,350,000,000	4. Gen Corp req Cr Facility Agm	31-Dec-2018	(IT project lead to insert datepicker to send alert)
5	**Long Term Non-Revolving Credit Facility Agreement (1)**	OILC, Province	$2,500,000,000	5. L-T Non-Rev Cr Fac Agmt	14-Nov-2018	(IT project lead to insert datepicker to send alert)
6	**Short-Term Revolving Credit Facility Agreement (1)**	OILC, Province	$900,000,000	6. S-T Rev Cr Fac Agmt	26-May-2020	(IT project lead to insert datepicker to send alert)
7	**Revolving Credit Facility Agreement (Line of Credit) (2)**	OILC (formerly OIPC), OFA	$200,000,000	7. Rev Cr Fac Agmt (Line of Cr)	29-Jun-2019	(IT project lead to insert datepicker to send alert)
8	**Revolving Credit Facility Agreement (1)**	IESO, OFA	$2,000,000,000	8. Rev Cr Fac Agmt	30-Sep-2022	(IT project lead to insert datepicker to send alert)
	Service Agreements					
9	**Services (Level) Agreement (2)**	OILC, OFA	N/A	9. Services (Level) Agmt	31-Mar-2020	(IT project lead to insert datepicker to send alert)
10	**Treasury Bill Issuing & Paying Agency Agreement (7)**	TD, Province	$33,000,000,000 (Province - $27,000,000,000 OEFC - $6,000,000,000)	10.T-Bill Iss & Pay Agency Agmt	10-Jun-2019	(IT project lead to insert datepicker to send alert)
11	**Financial Services Agreement (4)**	OCGC, OFA	$165,000,000	11.Fin Services Agmt OCGC & OFA	As long as OCGC has an investment in any of the Funds, or on such other date as agreed to by the Parties.	(IT project lead to insert datepicker to send alert)
	Investment Management Agreements					
12	Investment Management Agreements (5)	OFA, DICO	N/A	12.Inv Mgt Agmt OFA & DICO	Termination: ▪ <30 days by writing; or ▪ mutual agreement	(IT project lead to insert datepicker to send alert)
13	Investment Management Agreements (3)	OFA, PBGF	N/A	13. Inv Mgt Agmt OFA & PBGF	Termination: ▪ <30 days by writing; or ▪ mutual agreement	(IT project lead to insert datepicker to send alert)
14	Investment Management Agreements (5)	OFA, OTF	N/A	14.Inv Mgt Agmt OFA & OTF	Termination: ▪ <30 days by writing; or ▪ mutual agreement	(IT project lead to insert datepicker to send alert)

Credit Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OPA, OFA	1-Jan-2005	$500,000,000	▪ Advances: 30-Nov-2006. ▪ Manadatory Repayment: 31-Dec-2006.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\OFA-OPA Original Credit Agreement.pdf
Amendment No. 1 (letter)		14-Feb-2005		▪ clause 4.7 substituting the word "Agreement" for the "Services".	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 1\Amendment No. 1.pdf
Amending Agreement No. 3	OPA, OFA	11-Oct-2005	$975,000,000	▪ Increased credit amount.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 3\(Signed) Aendment 3.Final.pdf
Amending Agreement No. 4	OPA, OFA	27-Sep-2006		▪ Mandatory Repayment: 31-Dec-2010.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 4\(Signed) Amendment 4.Final.pdf
Amending Agreement No. 5	OPA, OFA	13-Jul-2007		▪ Advances: 30-Nov-2010.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 5\(Signed) Amendment 5.Final.pdf
Amending Agreement No. 6	OPA, OFA	9-Nov-2010		▪ Mandatory Repayment: 31-Dec-2013. ▪ Advances: 30-Nov-2013.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 6\Amendmen #6 (Executed).pdf
Amending Agreement No. 7	OPA, OFA	20-Dec-2013		▪ Mandatory Repayment: 31-Dec-2016. ▪ Advances: 30-Nov-2016.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 7\(Executed) OPA Amending Agreement No 7.pdf
Amending Agreement No. 8	Amalgamation	19-Dec-2014		▪ OPA and Pre-Amalgamation IESO effective 1-Jan-2015.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 8 (Amalgamation with IESO)\OFA-OPA Amending Agreement No. 8 (Executed).PDF
Amending Agreement No. 9	IESO, OFA	30-Nov-2016		▪ 1-Jan-2015: OPA amalgamated with IESO and OPA became obligations of the IESO. ▪ Mandatory Repayment: 31-Dec-2019. ▪ Advances: 30-Nov-2019.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 9\OPA IESO Amendment No 9 (Executed).pdf
Amending Agreement No. 10	IESO, OFA	21-Nov-2017	$475,000,000.00	▪ Decrease credit amount. ▪ Add "Intercept" clause.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 10\OFA IESO Amending Agreement No. to Jan 1, 2005 Credit Facility Nov 6,2007 - OFA signed.pdf

Revolving Credit Facility Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	IESO, OEFC	23-Apr-2010	$60,000,000		S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010\Credit Facility Agreement. April 23. 2010. executed..pdf
Amending Agreement No. 1		21-Jul-2010		▪ Commitment and facility limits. ▪ Repayments conditions.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010\Amending Agreement No. 1\Amending Agreement #1 (Executed).pdf
Amending Agreement No. 2		14-Oct-2011	$110,000,000	▪ Interest Rate 30-day term: up to $60M (+ 0.25% p.a.); in excess of $60M (+0.5% p.a.) ▪ A new Grid Promissory Note of $110M.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010\Amending Agreement No. 2\(executed) Amending Agreement No. 2 14-Oct-11.pdf
Amending Agreement No. 3		30-Apr-2013		▪ Interest Rate 30-day term: +0.5% p.a. ▪ Mandatory Repayment: 30-Apr-2014.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010\Amending Agreement No. 3\IESO $110 M credit facility Amending Agreement No. 3 (executed copy).PDF
Amending Agreement No. 4		30-Apr-2014	$95,000,000	▪ Interest Rate 30-day term: +0.5% p.a. ▪ Mandatory Repayment: 30-Apr-2017.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010\Amending Agreement No. 4\IESO $95 M Credit Facility Amending Agreement No. 4 Executed Copy.PDF
Amending Agreement No. 5	Amalgamation	19-Dec-2014	N/A	▪ Amalgamation of IESO with OPA effective as of 1-Jan-2015. *Note* : No executed copy. The Amending Agreement date was obtained from the first paragraph in the Amending Agreement No. 6.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010\Amending Agreement No. 5 (Amalgamation)\IESO Amending Agreement No 5 (Amalgamation) (Draft).doc
Amending Agreement No. 6	IESO, OEFC	30-Apr-2017	$160,000,000	▪ Mandatory Repayment: 30-Jun-2020. ▪ Advances: up to a maximum of 12 times per year.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010\Amending Agreement No. 6\Amending Agrt no.6 - Revolving Credit Facility - OEFC_IESO_IESO Signed.pdf

Agreement Providing for Issuance of a Note	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	IEMO, OEFC	1-Apr-1999	$70,300,000	Transferring staff, assets, liabilities, rights and obligations of Ontario Hydroto IEMO. ▪ Term of loan maturity: 1-May-2009. ▪ Interest: 7.9% p.a.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Original Agreement.pdf
Amending Agreement No. 1		23-Mar-2000	$78,200,000	▪ Increased principal amount by $7.9M.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement NO 1.pdf
Amending Agreement No. 2	IESO (formerly IEMO) , OEFC	23-Apr-2009		▪ Term of the loan maturity: 1-May-2011.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement#2 (ExecutedCopy).pdf
Amending Agreement No. 3		1-May-2011		▪ Issuance of a 2nd Refinancing Note maturing 1-May-2013 and to delete the prepayment provisions.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement No. 3\[Executed] Amending Agreement No. 3.pdf
Amending Agreement No. 4		1-May-2013		▪ Issuance of a 3rd Refinancing Note maturing 30-Apr-2014.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement No. 4\IESO Amending Agreement No. 4 for $78.2M loan (executed copy).PDF
Amending Agreement No. 5		30-Apr-2014	$90,000,000	▪ Issuance of a 4th Refinancing Note maturing 30-Apr-2017. ▪ OEFC advanced loans to IESO: $11.8M.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement No. 5\IESO Amending Agreement No. 5 Executed Copy.PDF
Amending Agreement No. 6		30-Apr-2017	$120,000,000	▪ Issuance of a 5th Refinancing Note maturing 30-Jun-2020. ▪ OEFC advanced loans to IESO: $30M. ▪ Extend maturity date to 30-Jun-2020.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement No. 6\Amending Agrt no.6 re Issuance of Note - OEFC_IESO - IESO SignedCounterpart.pdf also in: S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement No. 6\IESOExecutedCopyAgreement.pdf S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement No. 6\OEFCExecutedPageCounterpart.pdf

General Corporate Requirements Credit Facility Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OPG, OEFC	17-Jun-2016	$700,000,000	▪ Financing for the period 1-Jun-2016 to 31-Dec-2017 re Darlington Refurbishment Project.	S:\Users\CMB\Documentation\OPG Loans from OEFC\Loans to OPG\2017 OPG $700 Million CF\$700 million OEFC-OPG Credit Facility (Executed Original).pdf also in: S:\Users\CMB\Documentation\OPG Loans from OEFC\Loans to OPG\2017 OPG $700 Million CF\$700 million OEFC-OPG Credit Facility (Executed).pdf
Amending Agreement No. 1		7-Sep-2016		▪ Financing for the period 1-Jan-2017 to 31-Dec-2017.	S:\Users\CMB\Documentation\OPG Loans from OEFC\Loans to OPG\2017 OPG $700 Million CF\Amending Agreement\2017 $700 Million Facility Amending Agreement 1 (Executed original).pdf also in: S:\Users\CMB\Documentation\OPG Loans from OEFC\Loans to OPG\2017 OPG $700 Million CF\Amending Agreement\2017 $700 Million Facility Amending Agreement 1 (Executed).pdf
Amending Agreement No. 2		2-Feb-2017		▪ Proposed advances may be for a term of up to 30 years.	S:\Users\CMB\Documentation\OPG Loans from OEFC\Loans to OPG\2017 OPG $700 Million CF\Amending Agreement\Amending No 2 (executed).pdf
Amending Agreement No. 3		6-Sep-2017	$2,350,000,000	▪ No more than $1.5B to be advanced prior to 1-Jan-2018. ▪ Advances occurred for the period 1-Jan-2017 to 31-Dec-2018.	S:\Users\CMB\Documentation\OPG Loans from OEFC\Loans to OPG\2017 OPG $700 Million CF\Amending Agreement\Amendment No 3 (executed).pdf

Long-Term Non-Revolving Credit Facility Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OILC, Province	14-Nov-2016	$2,500,000,000	▪ Pursuant to OILC By-law 3U. ▪ Borrowing authoity may be exercised is for 2 years from the date of approval of this By-law 3U. ▪ No funds is to remain outstanding after 42 years from the date of approval of this By-law or November 14, 2016, whichever is later.	S:\Users\CMB\Documentation\OILC (formerly OIPC)\OILC Credit facility Agreement 2016-2018\Current Version\OILC2016-18 Long-Term Credit Facility Agreement - Executed.pdf also in: S:\Users\CMB\Documentation\OILC (formerly OIPC)\OILC Credit facility Agreement 2016-2018\OILC2016-18 Long-Term Credit Facility Agreement - Executed.pdf S:\Users\CMB\Documentation\OILC (formerly OIPC)\By-laws\By-Law 3U

Short-Term Revolving Credit Facility Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OILC, Province	26-May-2014	$900,000,000	▪ 5-year period beginning on the effective date of By-Law 3Q. ▪ OIC 631/2014. ▪ Advances only to 26-May-2019 ▪ Mandatory Repayment: 26-May-2020.	S:\Users\CMB\Documentation\OILC (formerly OIPC)\2014 Short Term Revolving Credit Facility (OILC-PROV)\{Executed) Agreement-OILC Short Term Revolving Credit Facility-May 26, 2014.pdf

Revolving Credit Facility Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OILC (formerly OIPC), OFA	23-Jun-2006	$200,000,000	▪ Mandatory Repayment: 23-Jun-2016. ▪ May prepay any advances outstanding or interest accrued upon 5 business days' notice to OFA. ▪ Advances: 23-Jun-2011.	● Z:\Users\CMB\Documentation\OILC (formerly OIPC)\Credit Facility 2006\Revolving Credit Facility Agreement.pdf
Amending Agreement		5-Jul-2011		▪ OIPC, the Ontario Realty Corporation and the Stadium Corporation of Ontario Limited were amalgamated and continued as a coporation under the name OILC. ▪ Mandatory Repayment: 29-Jun-2019. ▪ Advances: 29-Jun-2016.	● S:\Users\CMB\Documentation\OILC (formerly OIPC)\Credit Facility 2006\Amending Agreement 2011 Expires June 2016\Signed Amending Agreemen July 5_2011.pdf

Revolving Credit Facility Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	IESO, OFA	6-Nov-2017	$2,000,000,000	▪ Advances: 23-Sep-2017. ▪ Mandatory Repayment: 30-Sep-2022.	S:\Users\CMB\Documentation\IESO-OPA Merger\OFHP IESO OFA Credit Facility\FHP Credit Agreement OFA IESO - Nov 6, 2017 - OFA Signed.pdf

Services (Level) Agreement	Parties	Agreement/ Amendment Date	Program and Authorized Amount	Notes	Link to Site
Services Level Agreement	OIPC, OFA	1-Apr-2007	N/A	Background: Ontario Infrastructure Projects Corporation Act, 2006 (the "OIPC Act"), which amalgamated Infrastructure Ontario and the Ontario Strategic Infrastructure Financing Authority ("OSIFA") to form the Ontario Infrastructure Projects Corporation was proclaimed into force on July 17, 2006. Expired: 31-March-2012.	● S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OILC Ontario Infrastructure and Lands Corporation\OIPC Service Level Agreement\OIPC.Final Executed SLA.pdf also in: ● S:\Users\CMB\Documentation\Service Level Agreement\OIPC Service Level Agreement with OFA.pdf
Services Agreement	OILC, OFA	1-Feb-2015	N/A	Background: The Ontario Infrastructure and Lands Corporation Act, 2011 (the "OILC Act"), which amalgamated OIPC, Ontario Realty Corporation and Stadium Corporation of Ontario Limited to form Infrastructure Ontario was proclaimed into force on June 6, 2011. Extended the above Service Level Agreement between OILC and OFA until 31-Jan-2015.	● S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OILC Ontario Infrastructure and Lands Corporation\Service Level Agreements\SLA February 2015\Services Agreement between OFA and OILC effective February 1, 2015.pdf also in: ● S:\Users\CMB\Documentation\OILC (formerly OIPC)\SLA February 2015\ervices Agreement between OFA and OILC effective February 1, 2015.pdf ● S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OILC Ontario Infrastructure and Lands Corporation\Service Level Agreements\SLA February 2015\SLA Feb 1, 2015.pdf

Issuing and Paying Agency Agreement	Parties	Agreement/ Amendment Date	Program and Authorized Amount	Notes	Link to Site
Original	BMO, Province	18-Dec-2001	various amounts under various OICs	So long as the Global Treasury Bill is outstanding, there shall at all times be an issuing agent, registrar and paying agent.	S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Issue and Paying Agency Agreement (2003)\Issuing and Paying Agency Agrt with BMO 2001.pdf
Original	TD, Province	10-Jun-2003	various amounts under various OICs	▪ Terminated BMO. ▪ New agreement with TD.	S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill (T-Bill) services\Termination letter to BMO\Treasury Bills Termination Letter to BMO 2003.wpd S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Issue and Paying Agency Agreement (2003)\(signed) Issuing & Paying Agency Agmt 2003.pdf
1st Extension (Letter)	TD, Province	8-Jun-2010		▪ 1 year term ended 10-Jun-2010. ▪ Extended 2 years term from 10-Jun-2010 to 10-Jun-2012.	S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Approval for Extension of 2003 Contract to 2012\Approval TD contract extension (exe Gadi).pdf S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Approval for Extension of 2003 Contract to 2012\A&R IPAA Extension letter exe 2010 - 10Jun2012.PDF
1st Amendment	TD, Province	10-Jun-2010	various amounts under various OICs	▪ Retained TD to provide certain services.	S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Amended and Restated IPA (2010)\Amended Restated Issuing Paying Agency Agrt and TD cert of incumbency.PDF
2nd Amendment	TD, Province	6-Jun-2011	$30,500,000,000	▪ Cancelled Global T-bill 21-July-2010. ▪ Issued new Global T-Bill 6-Jun-2011. ▪ Amended s. 20(7) of FAA. ▪ Deleted reference of 25-year borrowing period.	S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Amended and Restated IPA -to remove expiry dates (2011)\Execution Copies\AR-IPAA exe 6Jun11.PDF
2nd Extension (Approval Note)	TD, Province	8-Aug-2011		▪ Extended additional 2 years term from 10-Jun-2012 to 10-Jun-2014.	S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Approval for Extension of 2003 Contract to 2014\Approval (exe Gadi) and briefing note - TD contract extension to 2014.pdf S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Approval for Extension of 2003 Contract to 2014\Second Extension. Extension LEtte Executed Sept 2011 to extend to 2014. TD Letter of Incumbency.pdf
3rd Extension (Letter)	TD, Province	28-May-2014		▪ Extended additional 5 years term from 10-Jun-2014 to 10-Jun-2019.	S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Approval for Extension of 2003 Contract to 2019\TD Treasury Bill Services Extension Letter May 28, 2014 (Fully Executed).PDF

Financial Services Agreement	Parties	Agreement/ Amendment Date	Program and Authorized Amount	Notes	Link to Site
Original	OCGC, OFA	27-Feb-2009	$90,000,000	Background: OCGC's Ontario Venture Capital Fund Agreement in Ontario Venture Capital Fund LP. ▪ OFA to provide investment and cash mgt services for the admin of Ontario's Venture Capital Fund LP.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OCGC Financial Services Agreement\FSA, Financial Services Agreement\OCGC Financial Services Agreement October 1, 2014\OCGC.Financial Services Agrmt.pdf
		1-Oct-2014	$50,000,000	▪ Province committed $90M to OVCF LP; OCGC committed $50M to Northleaf Venture Catalyst Fund LP.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OCGC Financial Services Agreement\FSA, Financial Services Agreement\OCGC Financial Services Agreement October 1, 2014\OCGC Financial Sservices Agreement October 1, 2014 (Executed).PDF
Amending Agreement No. 1		20-Mar-2017	$25,000,000	▪ $25M provincial commitment to ScaleUP Venture Fund I, LP.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OCGC Financial Services Agreement\Amendments\Amending Agreement 1 (Scaleup Fund Addition)\OCGC FSA Amend 1 March 20, 2017.pdf also in: S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OCGC Financial Services Agreement\Amendments\OCGC FSA Amend 1 March 20, 2017.pdf
Amending Agreement No. 2		12-Feb-2018	$20,000,000	▪ $20M provincial commitment to Yaletown Innovation Growth Limited Partnership (th e"Yaletown Fund") and update account information, signing authorities, and notification requirements.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OCGC Financial Services Agreement\Amendments\Amending Agreement 2 (Yaletown Fund, Signing Auth)\OCGC FSA Amend 2 February 12, 2018 (executed).pdf

Investment Management Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OFA, DICO	28-Sep-2005	N/A	Background: DICO to maintain the Deposite Insurance Reserve Fund (DIRF), a fund which exists to provide for the funding of deposite insurance claims and other purposes as specified under the CUCPA.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\DICO\IMA\IMA_DICO OFA_2005Sep28.pdf
Amending Agreement No. 1		30-Mar-2012	N/A	▪ Revised Investment Management Mandate (IMM) and the Transaction and Custody Fees by replacing a few schedules.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\DICO\Amending Agreements\Amending Agreement No. 1 (laddered investments)\Amending Agreement No 1 April 12 2012 (Executed) .PDF also in: S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\DICO\Amending Agreements\Amending Agreement No. 1 (laddered investments)\DICO Amending Agrmt No 1 March 30 2012 (Execution Copy).PDF
Amending Agreement No. 2		29-Aug-2012	N/A	▪ Revised SIPP by replacing existing schedules.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\DICO\Amending Agreements\Amending Agreement No. 2 (updated SIPP)\Amending Agreement No. 2 August 29 2012 (Executed).pdf
Amending Agreement No. 3		22-Jul-2014	N/A	▪ Revised Investment Policy and changed existing schedules.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\DICO\Amending Agreements\Amending Agreement No. 3\DICO Amending Agreement #3 Executed Copy.pdf
Amending Agreement No. 4		4-Jul-2016	N/A	▪ Changes to DICO representatives.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\DICO\Amending Agreements\Amending Agreement No. 4\DICO Amending Agreement #4 Executed Copy.pdf
Amending Agreement No. 5		22-Jan-2018	N/A	▪ Schedules A, B and E deleted and replaced.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\DICO\Amending Agreements\Amending Agreement No. 5\DICO Amending Agmt No. 5[executed].pdf

Investment Management Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OFA, PBGF	1-Apr-2005	N/A	Background: ▪ FSCO as administrator of PBGF. ▪ FSCO appointed OFA as investment manager.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\PBGF\IMA\IMA_PBGF OFA_01April2005.doc
Amending Agreement No. 1		24-Mar-2014	N/A	▪ Revised Statement of Investment Policies and Guidelines to provide a different asset mix (Revised SIPG). ▪ New transaction and custody fees. ▪ Replaced appendices accordingly.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\PBGF\Amending Agreements\Amending Agreement No. 1 (laddered investments)\PBGF Amending Agreement No.1 March 2014 (Executed).PDF
Amending Agreement No. 2		25-Sep-2015	N/A	▪ Revised Appendix B (FSCO as administrator of the Pension Benefits Guarantee Fund) representatives and specimen signatures.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\PBGF\Amending Agreements\Amending Agreement No. 2 (Appendix B-current representatives)\PBGF Amending Armt No 2 (Final-Executed).pdf

Investment Management Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OFA, OTF	26-Apr-2007	N/A	Background: OTF provides grants to eligible charitable and not-for-profit organizations.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\IMA\Executed.OTF IMA 2007.pdf
Amending Agreement No. 1		22-Mar-2011	N/A	▪ Revised Statement of Investment Policies and Procedures to provide a different asset mix (Revised SIPP). ▪ New transaction and custody fees. ▪ Replaced schedules accordingly.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\Amending Agreements\Amending Agreement No. 1 (laddered investments)\Amending Agreement & Schedules March 22, 2011.PDF also in: S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\Amending Agreements\Amending Agreement No. 1 (laddered investments)\Amending Agreement No. 1.pdf
Amending Agreement No. 2		28-May-2012	N/A	▪ Change in name of Ministry under which OTF operates. ▪ Revised SIPP, replaced schedule accordingly.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\Amending Agreements\Amending Agreement No. 2 (Ministry Name Change and new SIPP)\Amending Agreement No. 2 (executed).pdf also in: S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\Amending Agreements\Amending Agreement No. 3 (Signature Change and new SIPP)\Amending Agreement No. 2 (executed).pdf
Amending Agreement No. 3		6-Oct-2015	N/A	▪ Revised Statement of Investment Policies and Procedures (Revised SIPP). ▪ New transaction and custody fees. ▪ Replaced schedules accordingly.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\Amending Agreements\Amending Agreement No. 3 (Signature Change and new SIPP)\Amending Agreement No. 3 (executed).pdf
Amending Agreement No. 4		21-Oct-2016	N/A	▪ Revised list of OTF representatives. ▪ Revised SIPP.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\Amending Agreements\Amending Agreement No. 4 (New signatory and new SIPP)\Amending Agreement No.4.pdf also in: S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\Amending Agreements\Amending Agreement No. 4 (New signatory and new SIPP)\Amending Agreement, Sch B & E, signature specimen and SIPP (final signed).pdf

3 months
6 months
9 months
1 year

OFA-IESO (Formerly OPA) AMENDING AGREEMENTS

(1) Credit Agreement dated January 1, 2005-proved for $500 million line of credit-provides for repayment dates of 1 month, 2 month or 3 month from the Advance Date; Advances to be made any day prior to November 30, 2006. Mandatory Repayment Date December 31, 2006;

(2) Amending Letter- dated February 14, 2005- Clause 4.7 amended by substituting the word "Agreement" for the word "Services;

(3) Amending Agreement No. 3 dated October 11, 2005-line of credit increased to $975,000,000;

(4) Amending Agreement No. 4 dated September 27, 2006-Mandatory Repayment Date extended from December 31, 2006 to December 31, 2010;

(5) Amending Agreement No. 5 dated July 13, 2007 – amended the Advances to OPA from November 20, 2006 to November 30, 2010; amended date re all interest accrued in Event of Default from December 31, 2006 to December 31, 2010 *(this point added by Karin)*

(6) Amending Agreement No. 6 dated November 9, 2010 – Mandatory Repayment Date extended from Dec 31, 2010 (per Amending Agreement No. 4) to December 31, 2013; Advances to OPA extended to November 30, 2013; amended date in the Event of Default (all interest accrued and amounts owing) from December 31, 2010 (per Amending Agreement No. 5) to December 31, 2013.

(7) Amending Agreement No. 7 dated December 20, 2013 – Mandatory Repayment Date extended from December 31, 2013 to December 31, 2016; Advances to OPA extended to November 30, 2016.

(8) Amending Agreement No. 8 dated December 19, 2014 – OPA and IESO amalgamation pursuant to Schedule 7 of the *Building Opportunity and Securing Our Future Act (Budget Measures), 2014*. The new merged entity "IESO" assumes all rights and obligations under the existing OFA - OPA $975 million credit facility agreement.

(9) Amending Agreement No. 9 dated November 30, 2016 – Definition update; References to IESO update; Mandatory Repayment Date extended from December 31, 2016 to December 31, 2019; Advances to IESO extended from November 30, 2016 to November 30, 2019; Amended Notice for Advancements extended from One business day to Two business days; Amended from previous terms of Advance from not later than 1 month, 2 months and 3 months after the requested date of the Advance period to a period of 28 days and up to a maximum of 95 days for the initial period and recurring period; Amended address and contact information;

(10) Amending Agreement No. 10 dated November 21, 2017 – Revolving Credit Facility decrease to from $975,000,000 to $475,000,000; Definition update to include Ontario Fair Hydro Plan related language; Permitted Liens updated to include any lien arising from the IESO's role and obligations under the OFHP; Use of Proceeds – Advances may be used only for liquidity purposes; Restated section on Acceleration of Maturity; Recission and Annulment; Procedures for Advances; Addition

of Intercept Provision language; Amended Borrowing Notice, Amended Election Notice; Amended Form of Grid Note.

A. Pivnick
July 25, 2007

Lenin Alvarez-Bravo
August 17, 2016

Updated William Tan
November 17, 2017

From:	Sarah Harris
To:	William Tan
Subject:	FW: History for IESO OEFC Note and Revolving Credit Facility
Date:	Monday, April 16, 2018 10:37:29 AM
Attachments:	History of IESO OEFC Amending Agreements $160M Revolving.docx History of IESO OEFC Amending Agreements $120M Note .docx TEST Copy of Agreement Due Date Tracker (12-Apr-2018).xlsx History of IESO OFA Amending Agreements.doc

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Hi Will,

I'm looking to provide updated lists to Opal of all IESO and OPG Agreements, and to ensure that changes are summarized in an agreement tracker that Karin has been working on (attached).

I'm going to ask Ryan to review OPG. I'm going to ask you to cover IESO. For IESO, could you please ensure that the attached summaries are correct and match the relevant history in the tabs of the attached tracker. The tracker contains the most material amendments, so you just need list those material changes; the individuals summaries can be more fulsome. Could you please ensure that all related OFA or OEFC –IESO Agreements are included in the tracker, along with any information on amendments.

Additionally, I don't think we started a separate individual summary for the FHP credit facility. Could you please complete one that just summarizes the main features of the agreement, so that we can easily add to it if/when it is amended?

Thanks,

Sarah

From: William Tan
Sent: Thursday, November 23, 2017 6:03 PM
To: Sarah Harris
Subject: History for IESO OEFC Note and Revolving Credit Facility

Hello Sarah,

Please find the attached history for the IESO OEFC $120M Note Agreement and $160M Revolving Credit Facility. If you wish, please review and comment before I forward this to Opal.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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IESO OEFC Revolving Credit Facility Agreement and Amending Agreements

(1) April 23, 2010, IESO OEFC Revolving Credit Facility Agreement
- Revolving line of credit up to $60 million;
- Term: April 30, 2013;
- Interest Rate: Province of Ontario's cost of borrowing for a 30 day term plus 25 basis points.

(2) July 21, 2010 – Amending Agreement No. 1
- Section 2.2 Commitment and Facility Limits – IESO shall have the right to repay in whole or in part the total amount outstanding to OEFC;
- Section 2.7 Repayments – (new section) Repayment terms.

(3) October 14, 2011 – Amending Agreement No. 2
- Increase the revolving line of credit from $60 million to $110 million;
- Interest Rate: Province of Ontario's cost of borrowing for a 30 day term, as determined as of the first Business Day of each month by OEFC, plus 50 basis points.

(4) April 30, 2013 – Amending Agreement No. 3
- Interest Rate: Province of Ontario's cost of funds for a 30 day term plus 50 basis points;
- Term: April 30, 2014.

(5) April 30, 2014 – Amending Agreement No. 4
- Decrease of the revolving line of credit from $110 million to $95 million;
- Term: April 30, 2017.

(6) December 19, 2014 – Amending Agreement No. 5
- OPA and IESO amalgamation pursuant to Schedule 7 of the Building opportunity and Securing our Future Act (Budget Measures), 2014. The new merged Entity "IESO" assumes all rights and obligations under the existing OFA-OPA $95 million agreement;
- Upon amalgamation, the borrower agrees to execute and deliver an Amendment and Restated of the IESO Credit Facility Agreement (Amended and Restated IESO Credit Facility Agreement);
- Use of Proceeds: To repay the revolving line of credit with the Toronto Dominion Bank; for liquidity purposes and to fund corporate requirements;
- Revised Borrowing Notice.

(7) April 30, 2017 – Amending Agreement No. 6
- Ability for Advances to be made on any business day up to a maximum of 12 times per year;

- Added definition of IESO Corporate Requirements;
- Added definition of Ontario Fair Hydro Plan,
- Use of Proceeds: IESO shall use the proceeds of Advances for the funding of IESO Corporate Requirements;
- Revised Borrowing Notice;
- Section 3.6 (c) Conditions Precedent is deleted and replaced.

  (c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO, provided however that any adverse change in IESO's financial condition related to or resulting from the discharge by IESO of its responsibilities under Ontario's Fair Hydro Plan shall be deemed not to be a material adverse change for the purposes of this Section;

- Increase of the revolving line of credit from $95 million to $160 million;
- Term: June 30, 2020.

William Tan – November 21, 2017 – added (1) to (6).

IESO OEFC for Issuance of Note and Amending Agreements

(1) April 1, 1999, IEMO OEFC Agreement Providing for Issuance of a Note

- Note amount: $70.3 million;
- Term: May 1, 2009;
- Interest Rate: 7.90% annually;
- Payment Frequency: Semi-annual instalments.

(2) March 23, 2000, Amending Agreement No. 1

- Note amount $78.2 million.

(3) January 1, 2005, The Company changed its name from IEMO to IESO.

(3) April 23, 2009, Amending Agreement No. 2

- Term: May 1, 2011;
- Interest Rate: 90 day Province of Ontario T-bill plus 25 basis points;
- Payment Frequency: Quarterly Installments;
- Section 2.9 Prepayment on Refinancing Note (new section). IESO may prepay all or part of the Refinancing Note subject to certain restrictions.

(4) May 1, 2011, Amending Agreement No. 3

- Term: May 1, 2013;
- Section 2.4 Prepayment is deleted;
- Section 2.10 Section Refinancing Note (new section);
- Section 2.11 Interest on Second Refinancing Note (new section);
- Interest Rate: Province of Ontario cost of borrowing for a two year term plus 25 basis points;
- Payment Frequency: Semi-annual instalments.

(5) May 1, 2013 – Amending Agreement No. 4

- Section 2.12 Third Refinancing Note (new section);
- Section 2.13 Interest on Third Financing Note (new section);
- Term: April 30, 2014;
- Interest Rate: Province of Ontario cost of borrowing for one year term plus 50 basis points.

(6) April 30, 2014 – Amending Agreement No. 5

- Section 1.1 Definitions (new definition)
  (i) "Loan" means, at any time, the advance made by OEFC to IESO pursuant to Section 1a.1.
  (ii) "Revolving Credit Facility Agreement" means the Revolving Credit Facility Agreement between IESO, as borrower, and OEFC, as lender, dated April 23, 2010, as amended to date and as the same may be further amended from time to time.
- Added to Article 1
  Section 1a.1
  On April 30, 2014, IESO directs OEFC to apply $11.8 million from this note to the IESO OEFC Revolving Credit Facility Agreement;

- Section 2.14 Fourth Refinancing Note (new section);
- Section 2.15 Interest on Fourth Refinancing Note (new section);
- Note amount: $90 million;
- Interest Rate: Province of Ontario's cost of borrowing for a three year term plus 50 basis points;
- Term: April 30, 2017.

(7) April 30, 2017 – Amending Agreement No. 6

- Section 1.1 Definition of "Loan" is deleted;
- Article 1a.1is deleted and replaced with the following:
  Article 1a - $30 million Advance
  Section 1a.1
  On April 30, 2017, IESO directs OEFC to apply $30 million from this note to the IESO OEFC Revolving Credit Facility Agreement.
- Section 2.16 Fifth Refinancing Note (new section);
- Note amount: $120 million;
- Interest Rate: Province of Ontario's cost of borrowing plus 50 basis points;
- Term: June 30, 2020.

William Tan – November 21, 2017

	Category	Parties	Amount	File Folder	Agreement Expiry Date	Date to be notified before Agreement Expiry Date
	Credit Facilities Agreements					
1	**Credit Agreement (10)**	IESO (formerly OPA), OFA	$475,000,000	1. Credit Agmts	31-Dec-2019	(IT project lead to insert datepicker to send alert)
2	**Revolving Credit Facility Agreement (7)**	IESO, OEFC	$160,000,000	2. Revolving Cr Facility Agmt	30-Jun-2020	(IT project lead to insert datepicker to send alert)
3	**Agreement Providing for Issuance of a Note (7)**	IESO (formerly IEMO, Ontario Hydro), OEFC	$120,000,000	3. Agmt providg for Iss of Note	30-Jun-2020	(IT project lead to insert datepicker to send alert)
4	**General Corporate Requirements Credit Facility Agreement (4)**	OPG, OEFC	$2,350,000,000	4. Gen Corp req Cr Facility Agm	31-Dec-2018	(IT project lead to insert datepicker to send alert)
5	**Long Term Non-Revolving Credit Facility Agreement (1)**	OILC, Province	$2,500,000,000	5. L-T Non-Rev Cr Fac Agmt	14-Nov-2018	(IT project lead to insert datepicker to send alert)
6	**Short-Term Revolving Credit Facility Agreement (1)**	OILC, Province	$900,000,000	6. S-T Rev Cr Fac Agmt	26-May-2020	(IT project lead to insert datepicker to send alert)
7	**Revolving Credit Facility Agreement (Line of Credit) (2)**	OILC (formerly OIPC), OFA	$200,000,000	7. Rev Cr Fac Agmt (Line of Cr)	29-Jun-2019	(IT project lead to insert datepicker to send alert)
8	**Revolving Credit Facility Agreement (1)**	IESO, OFA	$2,000,000,000	8. Rev Cr Fac Agmt	30-Sep-2022	(IT project lead to insert datepicker to send alert)
	Service Agreements					
9	**Services (Level) Agreement (2)**	OILC, OFA	N/A	9. Services (Level) Agmt	31-Mar-2020	(IT project lead to insert datepicker to send alert)
10	**Treasury Bill Issuing & Paying Agency Agreement (7)**	TD, Province	$33,000,000,000 (Province - $27,000,000,000 OEFC - $6,000,000,000)	10.T-Bill Iss & Pay Agency Agmt	10-Jun-2019	(IT project lead to insert datepicker to send alert)
11	**Financial Services Agreement (4)**	OCGC, OFA	$165,000,000	11.Fin Services Agmt OCGC & OFA	As long as OCGC has an investment in any of the Funds, or on such other date as agreed to by the Parties.	(IT project lead to insert datepicker to send alert)
	Investment Management Agreements					
12	Investment Management Agreements (5)	OFA, DICO	N/A	12.Inv Mgt Agmt OFA & DICO	Termination: ▪ <30 days by writing; or ▪ mutual agreement	(IT project lead to insert datepicker to send alert)
13	Investment Management Agreements (3)	OFA, PBGF	N/A	13. Inv Mgt Agmt OFA & PBGF	Termination: ▪ <30 days by writing; or ▪ mutual agreement	(IT project lead to insert datepicker to send alert)
14	Investment Management Agreements (5)	OFA, OTF	N/A	14.Inv Mgt Agmt OFA & OTF	Termination: ▪ <30 days by writing; or ▪ mutual agreement	(IT project lead to insert datepicker to send alert)

Credit Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OPA, OFA	1-Jan-2005	$500,000,000	▪ Advances: 30-Nov-2006. ▪ Manadatory Repayment: 31-Dec-2006.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\OFA-OPA Original Credit Agreement.pdf
Amendment No. 1 (letter)		14-Feb-2005		▪ clause 4.7 substituting the word "Agreement" for the "Services".	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 1\Amendment No. 1.pdf
Amending Agreement No. 3	OPA, OFA	11-Oct-2005	$975,000,000	▪ Increased credit amount.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 3\(Signed) Aendment 3.Final.pdf
Amending Agreement No. 4	OPA, OFA	27-Sep-2006		▪ Mandatory Repayment: 31-Dec-2010.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 4\(Signed) Amendment 4.Final.pdf
Amending Agreement No. 5	OPA, OFA	13-Jul-2007		▪ Advances: 30-Nov-2010.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 5\(Signed) Amendment 5.Final.pdf
Amending Agreement No. 6	OPA, OFA	9-Nov-2010		▪ Mandatory Repayment: 31-Dec-2013. ▪ Advances: 30-Nov-2013.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 6\Amendmen #6 (Executed).pdf
Amending Agreement No. 7	OPA, OFA	20-Dec-2013		▪ Mandatory Repayment: 31-Dec-2016. ▪ Advances: 30-Nov-2016.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 7\(Executed) OPA Amending Agreement No 7.pdf
Amending Agreement No. 8	Amalgamation	19-Dec-2014		▪ OPA and Pre-Amalgamation IESO effective 1-Jan-2015.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 8 (Amalgamation with IESO)\OFA-OPA Amending Agreement No. 8 (Executed).PDF
Amending Agreement No. 9	IESO, OFA	30-Nov-2016		▪ 1-Jan-2015: OPA amalgamated with IESO and OPA became obligations of the IESO. ▪ Mandatory Repayment: 31-Dec-2019. ▪ Advances: 30-Nov-2019.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 9\OPA IESO Amendment No 9 (Executed).pdf
Amending Agreement No. 10	IESO, OFA	21-Nov-2017	$475,000,000.00	▪ Decrease credit amount. ▪ Add "Intercept" clause.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 10\OFA IESO Amending Agreement No. to Jan 1, 2005 Credit Facility Nov 6,2007 - OFA signed.pdf

Revolving Credit Facility Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	IESO, OEFC	23-Apr-2010	$60,000,000		S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010\Credit Facility Agreement. April 23. 2010. executed..pdf
Amending Agreement No. 1		21-Jul-2010		▪ Commitment and facility limits. ▪ Repayments conditions.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010\Amending Agreement No. 1\Amending Agreement #1 (Executed).pdf
Amending Agreement No. 2		14-Oct-2011	$110,000,000	▪ Interest Rate 30-day term: up to $60M (+ 0.25% p.a.); in excess of $60M (+0.5% p.a.) ▪ A new Grid Promissory Note of $110M.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010\Amending Agreement No. 2\(executed) Amending Agreement No. 2 14-Oct-11.pdf
Amending Agreement No. 3		30-Apr-2013		▪ Interest Rate 30-day term: +0.5% p.a. ▪ Mandatory Repayment: 30-Apr-2014.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010\Amending Agreement No. 3\IESO $110 M credit facility Amending Agreement No. 3 (executed copy).PDF
Amending Agreement No. 4		30-Apr-2014	$95,000,000	▪ Interest Rate 30-day term: +0.5% p.a. ▪ Mandatory Repayment: 30-Apr-2017.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010\Amending Agreement No. 4\IESO $95 M Credit Facility Amending Agreement No. 4 Executed Copy.PDF
Amending Agreement No. 5	Amalgamation	19-Dec-2014	N/A	▪ Amalgamation of IESO with OPA effective as of 1-Jan-2015. *Note* : No executed copy. The Amending Agreement date was obtained from the first paragraph in the Amending Agreement No. 6.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010\Amending Agreement No. 5 (Amalgamation)\IESO Amending Agreement No 5 (Amalgamation) (Draft).doc
Amending Agreement No. 6	IESO, OEFC	30-Apr-2017	$160,000,000	▪ Mandatory Repayment: 30-Jun-2020. ▪ Advances: up to a maximum of 12 times per year.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010\Amending Agreement No. 6\Amending Agrt no.6 - Revolving Credit Facility - OEFC_IESO_IESO Signed.pdf

Agreement Providing for Issuance of a Note	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	IEMO, OEFC	1-Apr-1999	$70,300,000	Transferring staff, assets, liabilities, rights and obligations of Ontario Hydroto IEMO. ▪ Term of loan maturity: 1-May-2009. ▪ Interest: 7.9% p.a.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Original Agreement.pdf
Amending Agreement No. 1		23-Mar-2000	$78,200,000	▪ Increased principal amount by $7.9M.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement NO 1.pdf
Amending Agreement No. 2	IESO (formerly IEMO) , OEFC	23-Apr-2009		▪ Term of the loan maturity: 1-May-2011.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement#2 (ExecutedCopy).pdf
Amending Agreement No. 3		1-May-2011		▪ Issuance of a 2nd Refinancing Note maturing 1-May-2013 and to delete the prepayment provisions.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement No. 3\[Executed] Amending Agreement No. 3.pdf
Amending Agreement No. 4		1-May-2013		▪ Issuance of a 3rd Refinancing Note maturing 30-Apr-2014.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement No. 4\IESO Amending Agreement No. 4 for $78.2M loan (executed copy).PDF
Amending Agreement No. 5		30-Apr-2014	$90,000,000	▪ Issuance of a 4th Refinancing Note maturing 30-Apr-2017. ▪ OEFC advanced loans to IESO: $11.8M.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement No. 5\IESO Amending Agreement No. 5 Executed Copy.PDF
Amending Agreement No. 6		30-Apr-2017	$120,000,000	▪ Issuance of a 5th Refinancing Note maturing 30-Jun-2020. ▪ OEFC advanced loans to IESO: $30M. ▪ Extend maturity date to 30-Jun-2020.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement No. 6\Amending Agrt no.6 re Issuance of Note - OEFC_IESO - IESO SignedCounterpart.pdf also in: S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement No. 6\IESOExecutedCopyAgreement.pdf S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement No. 6\OEFCExecutedPageCounterpart.pdf

General Corporate Requirements Credit Facility Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OPG, OEFC	17-Jun-2016	$700,000,000	▪ Financing for the period 1-Jun-2016 to 31-Dec-2017 re Darlington Refurbishment Project.	S:\Users\CMB\Documentation\OPG Loans from OEFC\Loans to OPG\2017 OPG $700 Million CF\$700 million OEFC-OPG Credit Facility (Executed Original).pdf also in: S:\Users\CMB\Documentation\OPG Loans from OEFC\Loans to OPG\2017 OPG $700 Million CF\$700 million OEFC-OPG Credit Facility (Executed).pdf
Amending Agreement No. 1		7-Sep-2016		▪ Financing for the period 1-Jan-2017 to 31-Dec-2017.	S:\Users\CMB\Documentation\OPG Loans from OEFC\Loans to OPG\2017 OPG $700 Million CF\Amending Agreement\2017 $700 Million Facility Amending Agreement 1 (Executed original).pdf also in: S:\Users\CMB\Documentation\OPG Loans from OEFC\Loans to OPG\2017 OPG $700 Million CF\Amending Agreement\2017 $700 Million Facility Amending Agreement 1 (Executed).pdf
Amending Agreement No. 2		2-Feb-2017		▪ Proposed advances may be for a term of up to 30 years.	S:\Users\CMB\Documentation\OPG Loans from OEFC\Loans to OPG\2017 OPG $700 Million CF\Amending Agreement\Amending No 2 (executed).pdf
Amending Agreement No. 3		6-Sep-2017	$2,350,000,000	▪ No more than $1.5B to be advanced prior to 1-Jan-2018. ▪ Advances occurred for the period 1-Jan-2017 to 31-Dec-2018.	S:\Users\CMB\Documentation\OPG Loans from OEFC\Loans to OPG\2017 OPG $700 Million CF\Amending Agreement\Amendment No 3 (executed).pdf

Long-Term Non-Revolving Credit Facility Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OILC, Province	14-Nov-2016	$2,500,000,000	▪ Pursuant to OILC By-law 3U. ▪ Borrowing authoity may be exercised is for 2 years from the date of approval of this By-law 3U. ▪ No funds is to remain outstanding after 42 years from the date of approval of this By-law or November 14, 2016, whichever is later.	S:\Users\CMB\Documentation\OILC (formerly OIPC)\OILC Credit facility Agreement 2016-2018\Current Version\OILC2016-18 Long-Term Credit Facility Agreement - Executed.pdf also in: S:\Users\CMB\Documentation\OILC (formerly OIPC)\OILC Credit facility Agreement 2016-2018\OILC2016-18 Long-Term Credit Facility Agreement - Executed.pdf S:\Users\CMB\Documentation\OILC (formerly OIPC)\By-laws\By-Law 3U

Short-Term Revolving Credit Facility Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OILC, Province	26-May-2014	$900,000,000	▪ 5-year period beginning on the effective date of By-Law 3Q. ▪ OIC 631/2014. ▪ Advances only to 26-May-2019 ▪ Mandatory Repayment: 26-May-2020.	S:\Users\CMB\Documentation\OILC (formerly OIPC)\2014 Short Term Revolving Credit Facility (OILC-PROV)\{Executed) Agreement-OILC Short Term Revolving Credit Facility-May 26, 2014.pdf

Revolving Credit Facility Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OILC (formerly OIPC), OFA	23-Jun-2006	$200,000,000	▪ Mandatory Repayment: 23-Jun-2016. ▪ May prepay any advances outstanding or interest accrued upon 5 business days' notice to OFA. ▪ Advances: 23-Jun-2011.	● Z:\Users\CMB\Documentation\OILC (formerly OIPC)\Credit Facility 2006\Revolving Credit Facility Agreement.pdf
Amending Agreement		5-Jul-2011		▪ OIPC, the Ontario Realty Corporation and the Stadium Corporation of Ontario Limited were amalgamated and continued as a coporation under the name OILC. ▪ Mandatory Repayment: 29-Jun-2019. ▪ Advances: 29-Jun-2016.	● S:\Users\CMB\Documentation\OILC (formerly OIPC)\Credit Facility 2006\Amending Agreement 2011 Expires June 2016\Signed Amending Agreemen July 5_2011.pdf

Revolving Credit Facility Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	IESO, OFA	6-Nov-2017	$2,000,000,000	▪ Advances: 23-Sep-2017. ▪ Mandatory Repayment: 30-Sep-2022.	S:\Users\CMB\Documentation\IESO-OPA Merger\OFHP IESO OFA Credit Facility\FHP Credit Agreement OFA IESO - Nov 6, 2017 - OFA Signed.pdf

Services (Level) Agreement	Parties	Agreement/ Amendment Date	Program and Authorized Amount	Notes	Link to Site
Services Level Agreement	OIPC, OFA	1-Apr-2007	N/A	Background: Ontario Infrastructure Projects Corporation Act, 2006 (the "OIPC Act"), which amalgamated Infrastructure Ontario and the Ontario Strategic Infrastructure Financing Authority ("OSIFA") to form the Ontario Infrastructure Projects Corporation was proclaimed into force on July 17, 2006. Expired: 31-March-2012.	● S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OILC Ontario Infrastructure and Lands Corporation\OIPC Service Level Agreement\OIPC.Final Executed SLA.pdf also in: ● S:\Users\CMB\Documentation\Service Level Agreement\OIPC Service Level Agreement with OFA.pdf
Services Agreement	OILC, OFA	1-Feb-2015	N/A	Background: The Ontario Infrastructure and Lands Corporation Act, 2011 (the "OILC Act"), which amalgamated OIPC, Ontario Realty Corporation and Stadium Corporation of Ontario Limited to form Infrastructure Ontario was proclaimed into force on June 6, 2011. Extended the above Service Level Agreement between OILC and OFA until 31-Jan-2015.	● S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OILC Ontario Infrastructure and Lands Corporation\Service Level Agreements\SLA February 2015\Services Agreement between OFA and OILC effective February 1, 2015.pdf also in: ● S:\Users\CMB\Documentation\OILC (formerly OIPC)\SLA February 2015\ervices Agreement between OFA and OILC effective February 1, 2015.pdf ● S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OILC Ontario Infrastructure and Lands Corporation\Service Level Agreements\SLA February 2015\SLA Feb 1, 2015.pdf

Issuing and Paying Agency Agreement	Parties	Agreement/ Amendment Date	Program and Authorized Amount	Notes	Link to Site
Original	BMO, Province	18-Dec-2001	various amounts under various OICs	So long as the Global Treasury Bill is outstanding, there shall at all times be an issuing agent, registrar and paying agent.	S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Issue and Paying Agency Agreement (2003)\Issuing and Paying Agency Agrt with BMO 2001.pdf
Original	TD, Province	10-Jun-2003	various amounts under various OICs	▪ Terminated BMO. ▪ New agreement with TD.	S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill (T-Bill) services\Termination letter to BMO\Treasury Bills Termination Letter to BMO 2003.wpd S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Issue and Paying Agency Agreement (2003)\(signed) Issuing & Paying Agency Agmt 2003.pdf
1st Extension (Letter)	TD, Province	8-Jun-2010		▪ 1 year term ended 10-Jun-2010. ▪ Extended 2 years term from 10-Jun-2010 to 10-Jun-2012.	S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Approval for Extension of 2003 Contract to 2012\Approval TD contract extension (exe Gadi).pdf S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Approval for Extension of 2003 Contract to 2012\A&R IPAA Extension letter exe 2010 - 10Jun2012.PDF
1st Amendment	TD, Province	10-Jun-2010	various amounts under various OICs	▪ Retained TD to provide certain services.	S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Amended and Restated IPA (2010)\Amended Restated Issuing Paying Agency Agrt and TD cert of incumbency.PDF
2nd Amendment	TD, Province	6-Jun-2011	$30,500,000,000	▪ Cancelled Global T-bill 21-July-2010. ▪ Issued new Global T-Bill 6-Jun-2011. ▪ Amended s. 20(7) of FAA. ▪ Deleted reference of 25-year borrowing period.	S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Amended and Restated IPA -to remove expiry dates (2011)\Execution Copies\AR-IPAA exe 6Jun11.PDF
2nd Extension (Approval Note)	TD, Province	8-Aug-2011		▪ Extended additional 2 years term from 10-Jun-2012 to 10-Jun-2014.	S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Approval for Extension of 2003 Contract to 2014\Approval (exe Gadi) and briefing note - TD contract extension to 2014.pdf S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Approval for Extension of 2003 Contract to 2014\Second Extension. Extension LEtte Executed Sept 2011 to extend to 2014. TD Letter of Incumbency.pdf
3rd Extension (Letter)	TD, Province	28-May-2014		▪ Extended additional 5 years term from 10-Jun-2014 to 10-Jun-2019.	S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Approval for Extension of 2003 Contract to 2019\TD Treasury Bill Services Extension Letter May 28, 2014 (Fully Executed).PDF

Financial Services Agreement	Parties	Agreement/ Amendment Date	Program and Authorized Amount	Notes	Link to Site
Original	OCGC, OFA	27-Feb-2009	$90,000,000	Background: OCGC's Ontario Venture Capital Fund Agreement in Ontario Venture Capital Fund LP. ▪ OFA to provide investment and cash mgt services for the admin of Ontario's Venture Capital Fund LP.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OCGC Financial Services Agreement\FSA, Financial Services Agreement\OCGC Financial Services Agreement October 1, 2014\OCGC.Financial Services Agrmt.pdf
		1-Oct-2014	$50,000,000	▪ Province committed $90M to OVCF LP; OCGC committed $50M to Northleaf Venture Catalyst Fund LP.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OCGC Financial Services Agreement\FSA, Financial Services Agreement\OCGC Financial Services Agreement October 1, 2014\OCGC Financial Sservices Agreement October 1, 2014 (Executed).PDF
Amending Agreement No. 1		20-Mar-2017	$25,000,000	▪ $25M provincial commitment to ScaleUP Venture Fund I, LP.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OCGC Financial Services Agreement\Amendments\Amending Agreement 1 (Scaleup Fund Addition)\OCGC FSA Amend 1 March 20, 2017.pdf also in: S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OCGC Financial Services Agreement\Amendments\OCGC FSA Amend 1 March 20, 2017.pdf
Amending Agreement No. 2		12-Feb-2018	$20,000,000	▪ $20M provincial commitment to Yaletown Innovation Growth Limited Partnership (th e"Yaletown Fund") and update account information, signing authorities, and notification requirements.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OCGC Financial Services Agreement\Amendments\Amending Agreement 2 (Yaletown Fund, Signing Auth)\OCGC FSA Amend 2 February 12, 2018 (executed).pdf

Investment Management Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OFA, DICO	28-Sep-2005	N/A	Background: DICO to maintain the Deposite Insurance Reserve Fund (DIRF), a fund which exists to provide for the funding of deposite insurance claims and other purposes as specified under the CUCPA.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\DICO\IMA\IMA_DICO OFA_2005Sep28.pdf
Amending Agreement No. 1		30-Mar-2012	N/A	▪ Revised Investment Management Mandate (IMM) and the Transaction and Custody Fees by replacing a few schedules.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\DICO\Amending Agreements\Amending Agreement No. 1 (laddered investments)\Amending Agreement No 1 April 12 2012 (Executed) .PDF also in: S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\DICO\Amending Agreements\Amending Agreement No. 1 (laddered investments)\DICO Amending Agrmt No 1 March 30 2012 (Execution Copy).PDF
Amending Agreement No. 2		29-Aug-2012	N/A	▪ Revised SIPP by replacing existing schedules.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\DICO\Amending Agreements\Amending Agreement No. 2 (updated SIPP)\Amending Agreement No. 2 August 29 2012 (Executed).pdf
Amending Agreement No. 3		22-Jul-2014	N/A	▪ Revised Investment Policy and changed existing schedules.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\DICO\Amending Agreements\Amending Agreement No. 3\DICO Amending Agreement #3 Executed Copy.pdf
Amending Agreement No. 4		4-Jul-2016	N/A	▪ Changes to DICO representatives.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\DICO\Amending Agreements\Amending Agreement No. 4\DICO Amending Agreement #4 Executed Copy.pdf
Amending Agreement No. 5		22-Jan-2018	N/A	▪ Schedules A, B and E deleted and replaced.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\DICO\Amending Agreements\Amending Agreement No. 5\DICO Amending Agmt No. 5[executed].pdf

Investment Management Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OFA, PBGF	1-Apr-2005	N/A	Background: ▪ FSCO as administrator of PBGF. ▪ FSCO appointed OFA as investment manager.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\PBGF\IMA\IMA_PBGF OFA_01April2005.doc
Amending Agreement No. 1		24-Mar-2014	N/A	▪ Revised Statement of Investment Policies and Guidelines to provide a different asset mix (Revised SIPG). ▪ New transaction and custody fees. ▪ Replaced appendices accordingly.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\PBGF\Amending Agreements\Amending Agreement No. 1 (laddered investments)\PBGF Amending Agreement No.1 March 2014 (Executed).PDF
Amending Agreement No. 2		25-Sep-2015	N/A	▪ Revised Appendix B (FSCO as administrator of the Pension Benefits Guarantee Fund) representatives and specimen signatures.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\PBGF\Amending Agreements\Amending Agreement No. 2 (Appendix B-current representatives)\PBGF Amending Armt No 2 (Final-Executed).pdf

Investment Management Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OFA, OTF	26-Apr-2007	N/A	Background: OTF provides grants to eligible charitable and not-for-profit organizations.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\IMA\Executed.OTF IMA 2007.pdf
Amending Agreement No. 1		22-Mar-2011	N/A	▪ Revised Statement of Investment Policies and Procedures to provide a different asset mix (Revised SIPP). ▪ New transaction and custody fees. ▪ Replaced schedules accordingly.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\Amending Agreements\Amending Agreement No. 1 (laddered investments)\Amending Agreement & Schedules March 22, 2011.PDF also in: S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\Amending Agreements\Amending Agreement No. 1 (laddered investments)\Amending Agreement No. 1.pdf
Amending Agreement No. 2		28-May-2012	N/A	▪ Change in name of Ministry under which OTF operates. ▪ Revised SIPP, replaced schedule accordingly.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\Amending Agreements\Amending Agreement No. 2 (Ministry Name Change and new SIPP)\Amending Agreement No. 2 (executed).pdf also in: S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\Amending Agreements\Amending Agreement No. 3 (Signature Change and new SIPP)\Amending Agreement No. 2 (executed).pdf
Amending Agreement No. 3		6-Oct-2015	N/A	▪ Revised Statement of Investment Policies and Procedures (Revised SIPP). ▪ New transaction and custody fees. ▪ Replaced schedules accordingly.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\Amending Agreements\Amending Agreement No. 3 (Signature Change and new SIPP)\Amending Agreement No. 3 (executed).pdf
Amending Agreement No. 4		21-Oct-2016	N/A	▪ Revised list of OTF representatives. ▪ Revised SIPP.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\Amending Agreements\Amending Agreement No. 4 (New signatory and new SIPP)\Amending Agreement No.4.pdf also in: S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\Amending Agreements\Amending Agreement No. 4 (New signatory and new SIPP)\Amending Agreement, Sch B & E, signature specimen and SIPP (final signed).pdf

3 months
6 months
9 months
1 year

OFA-IESO (Formerly OPA) AMENDING AGREEMENTS

(1) Credit Agreement dated January 1, 2005-proved for $500 million line of credit-provides for repayment dates of 1 month, 2 month or 3 month from the Advance Date; Advances to be made any day prior to November 30, 2006. Mandatory Repayment Date December 31, 2006;

(2) Amending Letter- dated February 14, 2005- Clause 4.7 amended by substituting the word "Agreement" for the word "Services;

(3) Amending Agreement No. 3 dated October 11, 2005-line of credit increased to $975,000,000;

(4) Amending Agreement No. 4 dated September 27, 2006-Mandatory Repayment Date extended from December 31, 2006 to December 31, 2010;

(5) Amending Agreement No. 5 dated July 13, 2007 – amended the Advances to OPA from November 20, 2006 to November 30, 2010; amended date re all interest accrued in Event of Default from December 31, 2006 to December 31, 2010 *(this point added by Karin)*

(6) Amending Agreement No. 6 dated November 9, 2010 – Mandatory Repayment Date extended from Dec 31, 2010 (per Amending Agreement No. 4) to December 31, 2013; Advances to OPA extended to November 30, 2013; amended date in the Event of Default (all interest accrued and amounts owing) from December 31, 2010 (per Amending Agreement No. 5) to December 31, 2013.

(7) Amending Agreement No. 7 dated December 20, 2013 – Mandatory Repayment Date extended from December 31, 2013 to December 31, 2016; Advances to OPA extended to November 30, 2016.

(8) Amending Agreement No. 8 dated December 19, 2014 – OPA and IESO amalgamation pursuant to Schedule 7 of the *Building Opportunity and Securing Our Future Act (Budget Measures), 2014*. The new merged entity "IESO" assumes all rights and obligations under the existing OFA - OPA $975 million credit facility agreement.

(9) Amending Agreement No. 9 dated November 30, 2016 – Definition update; References to IESO update; Mandatory Repayment Date extended from December 31, 2016 to December 31, 2019; Advances to IESO extended from November 30, 2016 to November 30, 2019; Amended Notice for Advancements extended from One business day to Two business days; Amended from previous terms of Advance from not later than 1 month, 2 months and 3 months after the requested date of the Advance period to a period of 28 days and up to a maximum of 95 days for the initial period and recurring period; Amended address and contact information;

(10) Amending Agreement No. 10 dated November 21, 2017 – Revolving Credit Facility decrease to from $975,000,000 to $475,000,000; Definition update to include Ontario Fair Hydro Plan related language; Permitted Liens updated to include any lien arising from the IESO's role and obligations under the OFHP; Use of Proceeds – Advances may be used only for liquidity purposes; Restated section on Acceleration of Maturity; Recission and Annulment; Procedures for Advances; Addition

of Intercept Provision language; Amended Borrowing Notice, Amended Election Notice; Amended Form of Grid Note.

A. Pivnick
July 25, 2007

Lenin Alvarez-Bravo
August 17, 2016

Updated William Tan
November 17, 2017

From: Sarah Harris
To: Sab Horvath
Subject: FW: History for IESO OEFC Note and Revolving Credit Facility
Date: Tuesday, November 28, 2017 10:00:54 AM
Attachments: History of IESO OEFC Amending Agreements $160M Revolving.docx
History of IESO OEFC Amending Agreements $120M Note .docx

IESO OEFC Revolving Credit Facility Agreement and Amending Agreements

(1) April 23, 2010, IESO OEFC Revolving Credit Facility Agreement
- Revolving line of credit up to $60 million;
- Term: April 30, 2013;
- Interest Rate: Province of Ontario's cost of borrowing for a 30 day term plus 25 basis points.

(2) July 21, 2010 – Amending Agreement No. 1
- Section 2.2 Commitment and Facility Limits – IESO shall have the right to repay in whole or in part the total amount outstanding to OEFC;
- Section 2.7 Repayments – (new section) Repayment terms.

(3) October 14, 2011 – Amending Agreement No. 2
- Increase the revolving line of credit from $60 million to $110 million;
- Interest Rate: Province of Ontario's cost of borrowing for a 30 day term, as determined as of the first Business Day of each month by OEFC, plus 50 basis points.

(4) April 30, 2013 – Amending Agreement No. 3
- Interest Rate: Province of Ontario's cost of funds for a 30 day term plus 50 basis points;
- Term: April 30, 2014.

(5) April 30, 2014 – Amending Agreement No. 4
- Decrease of the revolving line of credit from $110 million to $95 million;
- Term: April 30, 2017.

(6) December 19, 2014 – Amending Agreement No. 5
- OPA and IESO amalgamation pursuant to Schedule 7 of the Building opportunity and Securing our Future Act (Budget Measures), 2014. The new merged Entity "IESO" assumes all rights and obligations under the existing OFA-OPA $95 million agreement;
- Upon amalgamation, the borrower agrees to execute and deliver an Amendment and Restated of the IESO Credit Facility Agreement (Amended and Restated IESO Credit Facility Agreement);
- Use of Proceeds: To repay the revolving line of credit with the Toronto Dominion Bank; for liquidity purposes and to fund corporate requirements;
- Revised Borrowing Notice.

(7) April 30, 2017 – Amending Agreement No. 6
- Ability for Advances to be made on any business day up to a maximum of 12 times per year;

- Added definition of IESO Corporate Requirements;
- Added definition of Ontario Fair Hydro Plan,
- Use of Proceeds: IESO shall use the proceeds of Advances for the funding of IESO Corporate Requirements;
- Revised Borrowing Notice;
- Section 3.6 (c) Conditions Precedent is deleted and replaced.

  (c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO, provided however that any adverse change in IESO's financial condition related to or resulting from the discharge by IESO of its responsibilities under Ontario's Fair Hydro Plan shall be deemed not to be a material adverse change for the purposes of this Section;

- Increase of the revolving line of credit from $95 million to $160 million;
- Term: June 30, 2020.

William Tan – November 21, 2017 – added (1) to (6).

IESO OEFC for Issuance of Note and Amending Agreements

(1) April 1, 1999, IEMO OEFC Agreement Providing for Issuance of a Note

- Note amount: $70.3 million;
- Term: May 1, 2009;
- Interest Rate: 7.90% annually;
- Payment Frequency: Semi-annual instalments.

(2) March 23, 2000, Amending Agreement No. 1

- Note amount $78.2 million.

(3) January 1, 2005, The Company changed its name from IEMO to IESO.

(3) April 23, 2009, Amending Agreement No. 2

- Term: May 1, 2011;
- Interest Rate: 90 day Province of Ontario T-bill plus 25 basis points;
- Payment Frequency: Quarterly Installments;
- Section 2.9 Prepayment on Refinancing Note (new section). IESO may prepay all or part of the Refinancing Note subject to certain restrictions.

(4) May 1, 2011, Amending Agreement No. 3

- Term: May 1, 2013;
- Section 2.4 Prepayment is deleted;
- Section 2.10 Section Refinancing Note (new section);
- Section 2.11 Interest on Second Refinancing Note (new section);
- Interest Rate: Province of Ontario cost of borrowing for a two year term plus 25 basis points;
- Payment Frequency: Semi-annual instalments.

(5) May 1, 2013 – Amending Agreement No. 4

- Section 2.12 Third Refinancing Note (new section);
- Section 2.13 Interest on Third Financing Note (new section);
- Term: April 30, 2014;
- Interest Rate: Province of Ontario cost of borrowing for one year term plus 50 basis points.

(6) April 30, 2014 – Amending Agreement No. 5

- Section 1.1 Definitions (new definition)
  (i) "Loan" means, at any time, the advance made by OEFC to IESO pursuant to Section 1a.1.
  (ii) "Revolving Credit Facility Agreement" means the Revolving Credit Facility Agreement between IESO, as borrower, and OEFC, as lender, dated April 23, 2010, as amended to date and as the same may be further amended from time to time.
- Added to Article 1
  Section 1a.1
  On April 30, 2014, IESO directs OEFC to apply $11.8 million from this note to the IESO OEFC Revolving Credit Facility Agreement;

- Section 2.14 Fourth Refinancing Note (new section);
- Section 2.15 Interest on Fourth Refinancing Note (new section);
- Note amount: $90 million;
- Interest Rate: Province of Ontario's cost of borrowing for a three year term plus 50 basis points;
- Term: April 30, 2017.

(7) April 30, 2017 – Amending Agreement No. 6

- Section 1.1 Definition of "Loan" is deleted;
- Article 1a.1is deleted and replaced with the following:
  Article 1a - $30 million Advance
  Section 1a.1
  On April 30, 2017, IESO directs OEFC to apply $30 million from this note to the IESO OEFC Revolving Credit Facility Agreement.
- Section 2.16 Fifth Refinancing Note (new section);
- Note amount: $120 million;
- Interest Rate: Province of Ontario's cost of borrowing plus 50 basis points;
- Term: June 30, 2020.

William Tan – November 21, 2017

From: Sarah Harris
To: Sab Horvath
Subject: FW: History for IESO OEFC Note and Revolving Credit Facility
Date: Tuesday, November 28, 2017 10:00:54 AM
Attachments: History of IESO OEFC Amending Agreements $160M Revolving.docx
History of IESO OEFC Amending Agreements $120M Note .docx

IESO OEFC Revolving Credit Facility Agreement and Amending Agreements

(1) April 23, 2010, IESO OEFC Revolving Credit Facility Agreement
- Revolving line of credit up to $60 million;
- Term: April 30, 2013;
- Interest Rate: Province of Ontario's cost of borrowing for a 30 day term plus 25 basis points.

(2) July 21, 2010 – Amending Agreement No. 1
- Section 2.2 Commitment and Facility Limits – IESO shall have the right to repay in whole or in part the total amount outstanding to OEFC;
- Section 2.7 Repayments – (new section) Repayment terms.

(3) October 14, 2011 – Amending Agreement No. 2
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- Interest Rate: Province of Ontario's cost of borrowing for a 30 day term, as determined as of the first Business Day of each month by OEFC, plus 50 basis points.

(4) April 30, 2013 – Amending Agreement No. 3
- Interest Rate: Province of Ontario's cost of funds for a 30 day term plus 50 basis points;
- Term: April 30, 2014.

(5) April 30, 2014 – Amending Agreement No. 4
- Decrease of the revolving line of credit from $110 million to $95 million;
- Term: April 30, 2017.

(6) December 19, 2014 – Amending Agreement No. 5
- OPA and IESO amalgamation pursuant to Schedule 7 of the Building opportunity and Securing our Future Act (Budget Measures), 2014. The new merged Entity "IESO" assumes all rights and obligations under the existing OFA-OPA $95 million agreement;
- Upon amalgamation, the borrower agrees to execute and deliver an Amendment and Restated of the IESO Credit Facility Agreement (Amended and Restated IESO Credit Facility Agreement);
- Use of Proceeds: To repay the revolving line of credit with the Toronto Dominion Bank; for liquidity purposes and to fund corporate requirements;
- Revised Borrowing Notice.

(7) April 30, 2017 – Amending Agreement No. 6
- Ability for Advances to be made on any business day up to a maximum of 12 times per year;

- Added definition of IESO Corporate Requirements;
- Added definition of Ontario Fair Hydro Plan,
- Use of Proceeds: IESO shall use the proceeds of Advances for the funding of IESO Corporate Requirements;
- Revised Borrowing Notice;
- Section 3.6 (c) Conditions Precedent is deleted and replaced.

  (c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO, provided however that any adverse change in IESO's financial condition related to or resulting from the discharge by IESO of its responsibilities under Ontario's Fair Hydro Plan shall be deemed not to be a material adverse change for the purposes of this Section;

- Increase of the revolving line of credit from $95 million to $160 million;
- Term: June 30, 2020.

William Tan – November 21, 2017 – added (1) to (6).

IESO OEFC for Issuance of Note and Amending Agreements

(1) April 1, 1999, IEMO OEFC Agreement Providing for Issuance of a Note

- Note amount: $70.3 million;
- Term: May 1, 2009;
- Interest Rate: 7.90% annually;
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(2) March 23, 2000, Amending Agreement No. 1

- Note amount $78.2 million.

(3) January 1, 2005, The Company changed its name from IEMO to IESO.

(3) April 23, 2009, Amending Agreement No. 2

- Term: May 1, 2011;
- Interest Rate: 90 day Province of Ontario T-bill plus 25 basis points;
- Payment Frequency: Quarterly Installments;
- Section 2.9 Prepayment on Refinancing Note (new section). IESO may prepay all or part of the Refinancing Note subject to certain restrictions.

(4) May 1, 2011, Amending Agreement No. 3

- Term: May 1, 2013;
- Section 2.4 Prepayment is deleted;
- Section 2.10 Section Refinancing Note (new section);
- Section 2.11 Interest on Second Refinancing Note (new section);
- Interest Rate: Province of Ontario cost of borrowing for a two year term plus 25 basis points;
- Payment Frequency: Semi-annual instalments.

(5) May 1, 2013 – Amending Agreement No. 4

- Section 2.12 Third Refinancing Note (new section);
- Section 2.13 Interest on Third Financing Note (new section);
- Term: April 30, 2014;
- Interest Rate: Province of Ontario cost of borrowing for one year term plus 50 basis points.

(6) April 30, 2014 – Amending Agreement No. 5

- Section 1.1 Definitions (new definition)
  (i) "Loan" means, at any time, the advance made by OEFC to IESO pursuant to Section 1a.1.
  (ii) "Revolving Credit Facility Agreement" means the Revolving Credit Facility Agreement between IESO, as borrower, and OEFC, as lender, dated April 23, 2010, as amended to date and as the same may be further amended from time to time.
- Added to Article 1
  Section 1a.1
  On April 30, 2014, IESO directs OEFC to apply $11.8 million from this note to the IESO OEFC Revolving Credit Facility Agreement;

- Section 2.14 Fourth Refinancing Note (new section);
- Section 2.15 Interest on Fourth Refinancing Note (new section);
- Note amount: $90 million;
- Interest Rate: Province of Ontario's cost of borrowing for a three year term plus 50 basis points;
- Term: April 30, 2017.

(7) April 30, 2017 – Amending Agreement No. 6

- Section 1.1 Definition of "Loan" is deleted;
- Article 1a.1is deleted and replaced with the following:
  Article 1a - $30 million Advance
  Section 1a.1
  On April 30, 2017, IESO directs OEFC to apply $30 million from this note to the IESO OEFC Revolving Credit Facility Agreement.
- Section 2.16 Fifth Refinancing Note (new section);
- Note amount: $120 million;
- Interest Rate: Province of Ontario's cost of borrowing plus 50 basis points;
- Term: June 30, 2020.

William Tan – November 21, 2017

From: William Tan
To: Sarah Harris
Subject: FW: History for IESO OEFC Note and Revolving Credit Facility
Date: Monday, April 23, 2018 11:52:41 AM

Hello Sarah,
IESO/OEFC $160M Revolving Credit Facility added Amending Agreement 7.
I found the FHP on page sheet 8 and added a few agreement details. I Created a history summary for FHP in the FHP folder, although we are most likely to create a restated agreement rather than amending agreement.
I cleaned up the IESO folder to make the active credit facilities more obvious.
Thanks,
Will

From: Sarah Harris
Sent: Monday, April 16, 2018 10:37 AM
To: William Tan <William.Tan@ofina.on.ca>
Subject: FW: History for IESO OEFC Note and Revolving Credit Facility
Hi Will,
I'm looking to provide updated lists to Opal of all IESO and OPG Agreements, and to ensure that changes are summarized in an agreement tracker that Karin has been working on (attached).
I'm going to ask Ryan to review OPG. I'm going to ask you to cover IESO. For IESO, could you please ensure that the attached summaries are correct and match the relevant history in the tabs of the attached tracker. The tracker contains the most material amendments, so you just need list those material changes; the individuals summaries can be more fulsome. Could you please ensure that all related OFA or OEFC –IESO Agreements are included in the tracker, along with any information on amendments.
Additionally, I don't think we started a separate individual summary for the FHP credit facility. Could you please complete one that just summarizes the main features of the agreement, so that we can easily add to it if/when it is amended?
Thanks,
Sarah

From: William Tan
Sent: Thursday, November 23, 2017 6:03 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: History for IESO OEFC Note and Revolving Credit Facility
Hello Sarah,
Please find the attached history for the IESO OEFC $120M Note Agreement and $160M Revolving Credit Facility. If you wish, please review and comment before I forward this to Opal.
Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca
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To:	William Tan
Subject:	FW: IESO $2B Credit Facility - Notice for Dec 21/17 REVISED
Date:	Wednesday, December 20, 2017 9:33:50 AM
Attachments:	Rollover Notice - REVISED.pdf

From: Carlos Yep
Sent: Wednesday, December 20, 2017 9:18 AM
To: William Tan ; Sarah Harris
Subject: FW: IESO $2B Credit Facility - Notice for Dec 21/17 REVISED

FYI

From: Carlos Yep
Sent: Tuesday, December 19, 2017 2:28 PM
To: Bruno Amara <Bruno.Amara@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>
Subject: FW: IESO $2B Credit Facility - Notice for Dec 21/17 REVISED

Bruno,

For the Fair Hydro Plan LoC, IESO will pay almost all of the $1,005,562,55 … the remaining LoC will be $971,359.06

Regards

Carlos

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]
Sent: Tuesday, December 19, 2017 1:42 PM
To: CASHP <CASHP@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>; Ricky.Iayi@ofina.on.ca
Cc: Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: IESO $2B Credit Facility - Notice for Dec 21/17 REVISED

Please see attached notice, revised for **December 21, 2017.** This is regarding IESO's $2B facility for the Fair Hydro Program.

From: Olga Whiteley
Sent: December 18, 2017 9:43 AM
To: CASHP; SETTLEMENT; Carlos.Yep@ofina.on.ca; Serena.Ly@ofina.on.ca; James.Devine@ofina.on.ca
Cc: Anthony Martinello
Subject: IESO $2B Credit Facility - Notice for Dec 20/17

Please see attached notice for **December 20, 2017** regarding IESO's $2B facility for the Fair Hydro Program.

Thanks.

Olga Whiteley | Treasury and Pension Operations

Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
Station A, Box 4474, Toronto, ON M5W 4E5
Web: www.ieso.ca[ieso.ca] | Email: olga.whiteley@ieso.ca

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Independent Electricity System Operator
Station A, Box 4474
Toronto, ON M5W 4E5
t 905.403.6900
www.ieso.ca

SCHEDULE 2
FORM OF ELECTION NOTICE

Date: **December 19, 2017**

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7
Delivered Via Email: CASHP@ofina.on.ca

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is **December 21, 2017.**

(b) The aggregate amount of the proposed Continued Advance is **$971,359.06**, which is comprised of:
i. previous principal amount **$1,005,562,526.55**; and
ii. repayment **$1,004,591,167.49**;

(c) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is **January 19, 2018**. [Insert date not earlier than 5 days and not later than 95 days after the current Repayment Date for the Advance.]

IESO confirms it will also be paying interest in the amount of **$1,016,582.39**.

Such election shall be confirmed by IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: $_____
The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): **This transaction relates to the Fair Hydro Program**.

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: K Marshall

Kimberly Marshall
VP Corporate Services, CFO and Treasurer

From:	Carlos Yep
To:	William Tan; Sarah Harris
Subject:	FW: IESO $2B Credit Facility - Notice for Dec 21/17 REVISED
Date:	Wednesday, December 20, 2017 9:18:10 AM
Attachments:	Rollover Notice - REVISED.pdf

FYI

From: Carlos Yep
Sent: Tuesday, December 19, 2017 2:28 PM
To: Bruno Amara ; John Kim
Subject: FW: IESO $2B Credit Facility - Notice for Dec 21/17 REVISED

Bruno,

For the Fair Hydro Plan LoC, IESO will pay almost all of the $1,005,562,55 … the remaining LoC will be $971,359.06

Regards

Carlos

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]
Sent: Tuesday, December 19, 2017 1:42 PM
To: CASHP <CASHP@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>; Ricky.layi@ofina.on.ca
Cc: Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: IESO $2B Credit Facility - Notice for Dec 21/17 REVISED

Please see attached notice, revised for **December 21, 2017.** This is regarding IESO's $2B facility for the Fair Hydro Program.

From: Olga Whiteley
Sent: December 18, 2017 9:43 AM
To: CASHP; SETTLEMENT; Carlos.Yep@ofina.on.ca; Serena.Ly@ofina.on.ca; James.Devine@ofina.on.ca
Cc: Anthony Martinello
Subject: IESO $2B Credit Facility - Notice for Dec 20/17

Please see attached notice for **December 20, 2017** regarding IESO's $2B facility for the Fair Hydro Program.

Thanks.

Olga Whiteley | Treasury and Pension Operations

Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
Station A, Box 4474, Toronto, ON M5W 4E5
Web: www.ieso.ca[ieso.ca] | Email: olga.whiteley@ieso.ca

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Independent Electricity System Operator
Station A, Box 4474
Toronto, ON M5W 4E5
t 905.403.6900
www.ieso.ca

SCHEDULE 2
FORM OF ELECTION NOTICE

Date: **December 19, 2017**

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7
Delivered Via Email: CASHP@ofina.on.ca

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is **December 21, 2017.**

(b) The aggregate amount of the proposed Continued Advance is **$971,359.06**, which is comprised of:
i. previous principal amount **$1,005,562,526.55**; and
ii. repayment **$1,004,591,167.49**;

(c) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is **January 19, 2018**. [Insert date not earlier than 5 days and not later than 95 days after the current Repayment Date for the Advance.]

IESO confirms it will also be paying interest in the amount of **$1,016,582.39**.

Such election shall be confirmed by IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: $_____
The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): **This transaction relates to the Fair Hydro Program**.

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

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INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: K Marshall

Kimberly Marshall
VP Corporate Services, CFO and Treasurer

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To:	William Tan; Sarah Harris
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Olga Whiteley | Treasury and Pension Operations

Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
Station A, Box 4474, Toronto, ON M5W 4E5
Web: www.ieso.ca[ieso.ca] | Email: olga.whiteley@ieso.ca

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Independent Electricity System Operator
Station A, Box 4474
Toronto, ON M5W 4E5
t 905.403.6900
www.ieso.ca

SCHEDULE 2
FORM OF ELECTION NOTICE

Date: **December 19, 2017**

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7
Delivered Via Email: CASHP@ofina.on.ca

Attention: Cash Management

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IESO confirms it will also be paying interest in the amount of **$1,016,582.39**.

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Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: K Marshall

Kimberly Marshall
VP Corporate Services, CFO and Treasurer

To:	William Tan
Subject:	FW: IESO $2B Credit Facility - Notice for Dec 21/17 REVISED
Date:	Thursday, October 18, 2018 2:49:04 PM
Attachments:	Rollover Notice - REVISED.pdf

Hi Will,

Could you pleae

From: Carlos Yep
Sent: Wednesday, December 20, 2017 9:18 AM
To: William Tan <William.Tan@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: IESO $2B Credit Facility - Notice for Dec 21/17 REVISED

FYI

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Olga Whiteley | Treasury and Pension Operations

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Station A, Box 4474, Toronto, ON M5W 4E5
Web: www.ieso.ca[ieso.ca] | Email: olga.whiteley@ieso.ca

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Independent Electricity System Operator
Station A, Box 4474
Toronto, ON M5W 4E5
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SCHEDULE 2
FORM OF ELECTION NOTICE

Date: **December 19, 2017**

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7
Delivered Via Email: CASHP@ofina.on.ca

Attention: Cash Management

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Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: K Marshall

Kimberly Marshall
VP Corporate Services, CFO and Treasurer

From:	LeRoy Ahyee
To:	Sarah Harris
Subject:	FW: IESO $2B Credit Facility - Notice for Jun 20
Date:	Tuesday, June 19, 2018 9:17:23 AM
Attachments:	FH rollover notice with advance.pdf

LeRoy Ahyee

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]

Sent: Monday, June 18, 2018 9:35 AM

To: CASHP ; SETTLEMENT ; Carlos Yep ; James Devine ; Ricky Lai

Cc: Anthony Martinello

Subject: IESO $2B Credit Facility - Notice for Jun 20

Please see attached notice for June 20 regarding IESO's $2B facility for the Fair Hydro Program.

Thanks.

Olga Whiteley | Treasury and Pension Operations

Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
Station A, Box 4474, Toronto, ON M5W 4E5
Web: www.ieso.ca[ieso.ca] | Email: olga.whiteley@ieso.ca

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ieso
Connecting Today.
Powering Tomorrow.

Independent Electricity System Operator
Station A, Box 4474
Toronto, ON M5W 4E5
t 905.403.6900
www.ieso.ca

SCHEDULE 2
ELECTION NOTICE

June 18, 2018

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7
Delivered Via Email: CASHP@ofina.on.ca

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated November 21, 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is **June 20, 2018.**
(b) The aggregate amount of the proposed Continued Advance is **$256,600,389.23**, which is comprised of:
i. principal amount of Advance which is to be continued **$256,600,389.23**; and
ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date **$0.00**;
(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): **$0.00**;
(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is **July 20, 2018**. [Insert date not earlier than 5 days and not later than 95 days after the current Repayment Date for the Advance.]

IESO confirms it will also be paying interest in the amount of **$357,272.10**.

Such election shall be confirmed by IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: **$309,934,229.05**

The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: **$566,534,618.28**

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): **This transaction relates to the Fair Hydro Program**.

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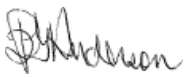
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INDEPENDENT ELECTRICITY SYSTEM OPERATOR



Per: _____

Barb Anderson
VP, Corporate Services & CFO

From:	LeRoy Ahyee
To:	Sarah Harris
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Date:	Tuesday, June 19, 2018 9:17:23 AM
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Cc: Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: IESO $2B Credit Facility - Notice for Jun 20

Please see attached notice for June 20 regarding IESO's $2B facility for the Fair Hydro Program.

Thanks.

Olga Whiteley | Treasury and Pension Operations
Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
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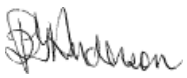
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INDEPENDENT ELECTRICITY SYSTEM OPERATOR



Per: _____

Barb Anderson
VP, Corporate Services & CFO

From:	Sujeev Jegatheeswaran
To:	Documentation
Subject:	FW: IESO $2B Credit Facility - Notice for May 18
Date:	Thursday, May 17, 2018 3:24:03 PM
Attachments:	FH rollover notice with advance.pdf

FYI.

Thanks,

Sujeev

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]

Sent: Wednesday, May 16, 2018 9:08 AM

To: CASHP ; SETTLEMENT ; Carlos Yep ; James Devine ; Ricky Lai

Cc: Anthony Martinello

Subject: IESO $2B Credit Facility - Notice for May 18

Please see attached notice for May 18 regarding IESO's $2B facility for the Fair Hydro Program.

Thanks.

Olga Whiteley | Treasury and Pension Operations

Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
Station A, Box 4474, Toronto, ON M5W 4E5
Web: www.ieso.ca[ieso.ca] | Email: olga.whiteley@ieso.ca

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Independent Electricity System Operator
Station A, Box 4474
Toronto, ON M5W 4E5
t 905.403.6900
www.ieso.ca

SCHEDULE 2
ELECTION NOTICE

May 16, 2018

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7
Delivered Via Email: CASHP@ofina.on.ca

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated November 21, 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is **May 18, 2018.**
(b) The aggregate amount of the proposed Continued Advance is **$852,203.09**, which is comprised of:
i. principal amount of Advance which is to be continued **$852,203.09**; and
ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date **$0.00**;
(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): **$0.00**;
(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is **June 20, 2018**. [Insert date not earlier than 5 days and not later than 95 days after the current Repayment Date for the Advance.]

IESO confirms it will also be paying interest in the amount of **$993.69**.

Such election shall be confirmed by IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: **$255,748,186.14**

The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: **$256,600,389.23**

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): **This transaction relates to the Fair Hydro Program**.

The IESO hereby certifies that:

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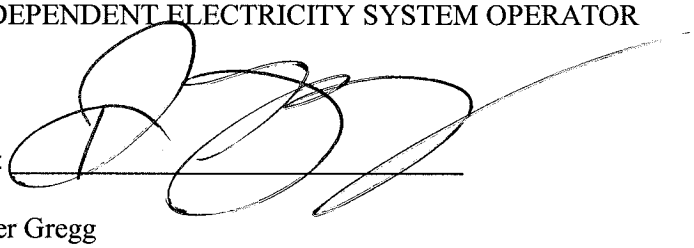
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The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: 

Peter Gregg
President & CEO

From:	Jean-Francois Beaupre
To:	Sarah Harris
Subject:	FW: IESO $2B Credit Facility - Notice for May 18
Date:	Thursday, May 17, 2018 3:15:47 PM
Attachments:	FH rollover notice with advance.pdf RRRP rollover notice with advance.pdf

FYI

From: Sujeev Jegatheeswaran
Sent: Thursday, May 17, 2018 3:15 PM
To: William Tan
Cc: Nurudin Kaba ; Jean-Francois Beaupre
Subject: FW: IESO $2B Credit Facility - Notice for May 18

Hi William,

Please speak to OLGA with regards to the documents that you requested. we have processed the payment for May 18.2018 based on the borrowing notice.

The attached are the borrowing notices with the CEO's signature.

Thanks,

Sujeev Jegatheeswaran
Settlements, Payments and Fiscal Agency
Finance and Treasury Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M7A 1Y7
Tel (416) 325-8060 | E-Mail: Sujeev.Jegatheeswaran@ofina.on.ca

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]
Sent: Wednesday, May 16, 2018 9:08 AM
To: CASHP <CASHP@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>; Ricky Lai <Ricky.Lai@ofina.on.ca>
Cc: Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: IESO $2B Credit Facility - Notice for May 18

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Thanks.

Olga Whiteley | Treasury and Pension Operations
Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
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ELECTION NOTICE

May 16, 2018

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IESO confirms it will also be paying interest in the amount of **$993.69**.

Such election shall be confirmed by IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: **$255,748,186.14**

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Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): **This transaction relates to the Fair Hydro Program**.

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

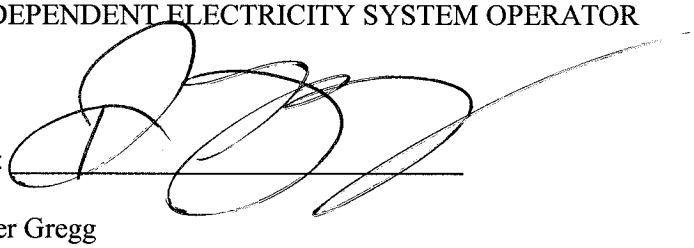
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The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: 

Peter Gregg
President & CEO

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t 905 403.6900
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SCHEDULE 2 TO AMENDING AGREEMENT NO. 10
ELECTION NOTICE

May 16, 2018

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7
Delivered Via Email: CASHP@ofina.on.ca

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is **May 18, 2018**;
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   ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date **$0.00**;
(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): **$0.00**;
(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is **June 20, 2018**. [Insert date no earlier than 28 days and not later than 95 days after the Current Repayment Date for the Advance].

IESO confirms it will also be paying interest in the amount of **$16,462.01**.

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: **$838,764.93**

The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: **$14,956,793.43**

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): **This transaction relates to the settlement of the Rural or Remote Electricity Rate Protection (RRRP) variance.**

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

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Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Peter Gregg
President & CEO

From:	Jean-Francois Beaupre
To:	Sarah Harris
Subject:	FW: IESO $2B Credit Facility - Notice for May 18
Date:	Thursday, May 17, 2018 3:15:47 PM
Attachments:	FH rollover notice with advance.pdf RRRP rollover notice with advance.pdf

FYI

From: Sujeev Jegatheeswaran
Sent: Thursday, May 17, 2018 3:15 PM
To: William Tan
Cc: Nurudin Kaba ; Jean-Francois Beaupre
Subject: FW: IESO $2B Credit Facility - Notice for May 18

Hi William,

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Thanks,

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Sent: Wednesday, May 16, 2018 9:08 AM
To: CASHP <CASHP@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>; Ricky Lai <Ricky.Lai@ofina.on.ca>
Cc: Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: IESO $2B Credit Facility - Notice for May 18

Please see attached notice for May 18 regarding IESO's $2B facility for the Fair Hydro Program.

Thanks.

Olga Whiteley | Treasury and Pension Operations
Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
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SCHEDULE 2
ELECTION NOTICE

May 16, 2018

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7
Delivered Via Email: CASHP@ofina.on.ca

Attention: Cash Management

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IESO confirms it will also be paying interest in the amount of **$993.69**.

Such election shall be confirmed by IESO by a telephone call to OFA Cash Management at 416-325-8108.

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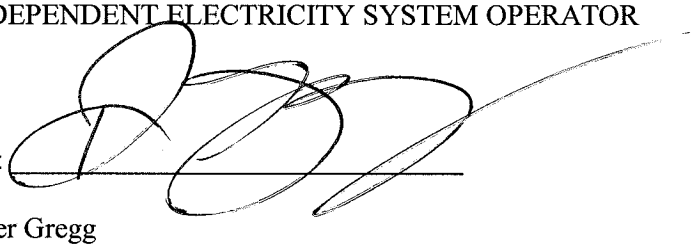
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INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: 

Peter Gregg
President & CEO

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SCHEDULE 2 TO AMENDING AGREEMENT NO. 10
ELECTION NOTICE

May 16, 2018

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1 Dundas Street West, Suite 1400
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Peter Gregg
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From:	Sujeev Jegatheeswaran
To:	Documentation
Subject:	FW: IESO $2B Credit Facility - Notice for May 18
Date:	Thursday, May 17, 2018 3:24:03 PM
Attachments:	FH rollover notice with advance.pdf

FYI.

Thanks,

Sujeev

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]

Sent: Wednesday, May 16, 2018 9:08 AM

To: CASHP ; SETTLEMENT ; Carlos Yep ; James Devine ; Ricky Lai

Cc: Anthony Martinello

Subject: IESO $2B Credit Facility - Notice for May 18

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The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

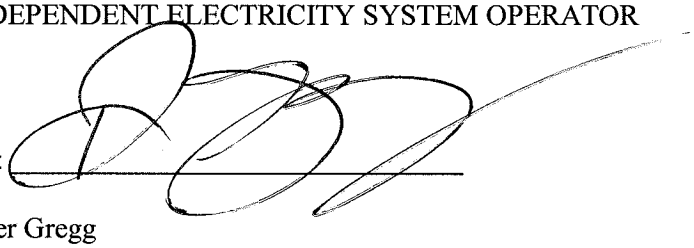
No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: 

Peter Gregg
President & CEO

From:	Sarah Harris
To:	CASHP; SETTLEMENT; Carlos Yep; James Devine; Ricky Lai
Cc:	William Tan
Subject:	FW: IESO $2B and $475M Credit Facilities
Date:	Friday, May 18, 2018 10:55:05 AM
Attachments:	SAMF170118051810190.pdf SAMF170118051810200.pdf

Hello,

Please find attached for your records the IESO Borrowing Notices with the IESO corporate seal applied. This is acceptable in respect of the current IESO signatory.

Thanks,

Sarah

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]

Sent: Friday, May 18, 2018 10:29 AM

To: William Tan ; Sarah Harris

Cc: Anthony Martinello ; Victor Buza

Subject: RE: IESO $2B and $475M Credit Facilities

Hello Will and Sarah,

Please see attached borrowing notices with IESO's corporate seal applied to Peter Gregg's signature (CEO). I will forward the originals to you on Monday.

Thank you very much for your help with all this.

Regards.

Olga Whiteley | Treasury and Pension Operations

Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
Station A, Box 4474, Toronto, ON M5W 4E5
Web: www.ieso.ca[ieso.ca] | Email: olga.whiteley@ieso.ca H

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Powering Tomorrow.

Independent Electricity System Operator
Station A, Box 4474
Toronto, ON M5W 4E5
t 905.403.6900
www.ieso.ca

SCHEDULE 2
ELECTION NOTICE

May 16, 2018

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7
Delivered Via Email: CASHP@ofina.on.ca

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated November 21, 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is **May 18, 2018**.
(b) The aggregate amount of the proposed Continued Advance is **$852,203.09**, which is comprised of:
    i. principal amount of Advance which is to be continued **$852,203.09**; and
    ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date **$0.00**;
(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): **$0.00**;
(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is **June 20, 2018**. [Insert date not earlier than 5 days and not later than 95 days after the current Repayment Date for the Advance.]

IESO confirms it will also be paying interest in the amount of **$993.69**.

Such election shall be confirmed by IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: **$255,748,186.14**

The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: **$256,600,389.23**

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): **This transaction relates to the Fair Hydro Program**.

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Peter Gregg
President & CEO

ieso
Connecting Today.
Powering Tomorrow.

Independent Electricity System Operator
Station A, Box 4474
Toronto, ON M5W 4E5
t 905.403.6900
www.ieso.ca

SCHEDULE 2 TO AMENDING AGREEMENT NO. 10
ELECTION NOTICE

May 16, 2018

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7
Delivered Via Email: CASHP@ofina.on.ca

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is **May 18, 2018**;
(b) The aggregate amount of the proposed Continued Advance is **$14,118,028.50**, which is comprised of:
   i. principal amount of Advance which is to be continued **$14,118,028.50**; and
   ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date **$0.00**;
(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): **$0.00**;
(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is **June 20, 2018**. [Insert date no earlier than 28 days and not later than 95 days after the Current Repayment Date for the Advance].

IESO confirms it will also be paying interest in the amount of **$16,462.01**.

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: **$838,764.93**

The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: **$14,956,793.43**

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): **This transaction relates to the settlement of the Rural or Remote Electricity Rate Protection (RRRP) variance.**

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Peter Gregg
President & CEO

From:	William Tan
To:	"Anthony Martinello"
Cc:	CASHP; SETTLEMENT; Carlos Yep; James Devine; Ricky Lai; Olga Whiteley; Sarah Harris
Subject:	FW: IESO $2B and $475M Credit Facilities
Date:	Thursday, May 10, 2018 3:12:16 PM
Attachments:	Certified IESO Brd Resol"n June 14_17 re Credit Facilities and Incumb Cert - Nov 6 2017.pdf

Hello Anthony,

As per our earlier conversation, we would require updated signing authority documents.

Please provide the following:

1. Certified resolution of the board of directors for IESO authorizing both the Fair Hydro Plan Credit Agreement and for the Existing Credit Facility authorizing the signatory.
2. Updated Incumbency Certificate.

Attached is an example of the documents.

Thanks,

Will

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]

Sent: Thursday, May 10, 2018 11:47 AM

To: CASHP ; SETTLEMENT ; Carlos Yep ; James Devine ; Ricky Lai ; William Tan

Cc: Olga Whiteley

Subject: IESO $2B and $475M Credit Facilities

Hi,

The IESO's CFO, Kim Marshall, is no longer with the IESO effective May-1-2018.

We are actively recruiting for a CFO, but no CFO and no acting CFO is yet named……the new CFO is not expected to be in place until July 2018.

For the $2B and $475MM facilities, we will be drawing on these next week……..are you ok if I sign the OFA notices or do you require the IESO CEO (remember no CFO is present).

Please advise.

Regards.

Anthony Martinello CPA CA, CFA

Director, Treasury & Pension Operations
Independent Electricity System Operator (IESO) | T: 905-403-6944
Station A, Box 4474, Toronto, ON, M5W 4E5
www.ieso.ca[ieso.ca]

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" Resolution of the Board of Directors
Independent Electricity System Operator

June 14, 2017

In Respect of the establishment of a new credit facility and revision of existing credit facilities in relation to the Fair Hydro Plan

---

WHEREAS, as further described in the memorandum to the Audit Committee entitled "Fair Hydro Plan Credit Facility" dated June 13, 2017 (the "**Memorandum**"), the Corporation has determined that in order to support the IESO's role in the Fair Hydro Plan it requires greater credit liquidity;

AND WHEREAS the Corporation proposes to enter into a new credit facility with the Ontario Financing Authority or Ontario Electricity Financial Corporation to support the Corporation's role in the Fair Hydro Plan in an amount yet to be determined of between $1,800 million and $2,500 million (the "**New Facility**");

AND WHEREAS, due to the structure of the Fair Hydro Plan, once the New Facility is established, the Corporation's existing credit facility with the Ontario Financing Authority in the amount of $975 million (the "**OFA Facility**") will include unnecessary and duplicative credit liquidity such that the OFA Facility may be reduced to an amount yet to be determined between $400 million and $500 million;

AND WHEREAS ...[Recital redacted]...

NOW THEREFORE BE IT RESOLVED THAT:

1. The Board of Directors hereby authorizes and approves the establishment of the New Facility and the amendment of the OFA Facility ...**[Redacted]**... on such terms and conditions as are generally outlined in the Memorandum (collectively, all facilities being the "**Credit Facilities**").

2. The Chief Financial Officer or her delegate is hereby authorized for and on behalf of the Corporation to:

(a) finalize, execute and deliver

(i) all relevant agreements, instruments and other documents required for the establishment or amendment, as applicable, of the Credit Facilities, and

(ii) all ancillary documents, deeds and instruments determined to be necessary or desirable in connection therewith (the execution of any such document, deed or instrument being conclusive evidence of such determination),

and to perform the Corporation's obligations thereunder, and to obtain the benefits thereof;

(b) draw upon or continue to draw upon, as applicable, the Credit Facilities from time to time in accordance with their terms; and

(c) do any and all such further acts as may be determined to be necessary or desirable to give effect to the foregoing transactions including, for further certainty, amending any other agreements as may be required as a consequence of such transactions. "

I certify that the above is a true, redacted copy of a resolution approved by the Board of Directors of the Independent Electricity System Operator on June 14, 2017.

John Rattray

General Counsel, Secretary and Chief Reliability Compliance Officer
Independent Electricity System Operator
November 6th, 2017

INCUMBENCY CERTIFICATE

To: Ontario Financing Authority ("**OFA**")

I, the undersigned, Secretary to the Independent Electricity System Operator (the "**IESO**"), in my capacity as an officer of the IESO, and not in my personal capacity, do hereby certify that:

1. Kimberly Marshall has been duly appointed as Vice President, Corporate Services; Chief Financial Officer and Treasurer of the IESO and holds, as at the date hereof, such offices.

2. Pursuant to a resolution of the board of directors of IESO dated June 14, 2017, Kimberly Marshall has the authority to finalize, execute and deliver: (i) Amending Agreement No. 10 to the Credit Agreement between OFA and IESO (as successor by amalgamation to Ontario Power Authority) made as of January 1, 2005, as amended; and (ii) the Revolving Credit Facility Agreement between IESO and the Ontario Financing Authority made in relation to the Fair Hydro Plan.

3. The following is the genuine signature of the following individual:

Kimberly Marshall K Marshall

DATED this 6th day of November, 2017.

John Rattray
General Counsel, Secretary and Chief
Reliability Compliance Officer

I, the undersigned, do hereby certify for and on behalf of the IESO in my capacity as an officer of the IESO, and not in my personal capacity, that: (i) John Rattray has been duly appointed to the office of General Counsel, Secretary and Chief Reliability Compliance Officer and (ii) John Rattray holds, as at the date hereof, such office.

DATED this 6th day of November, 2017.

K Marshall

Kimberly Marshall
Vice President, Corporate Services; Chief
Financial Officer and Treasurer

From:	William Tan
To:	"Anthony Martinello"
Cc:	CASHP; SETTLEMENT; Carlos Yep; James Devine; Ricky Lai; Olga Whiteley; Sarah Harris
Subject:	FW: IESO $2B and $475M Credit Facilities
Date:	Thursday, May 10, 2018 3:12:16 PM
Attachments:	Certified IESO Brd Resol"n June 14_17 re Credit Facilities and Incumb Cert - Nov 6 2017.pdf

Hello Anthony,

As per our earlier conversation, we would require updated signing authority documents.

Please provide the following:

1. Certified resolution of the board of directors for IESO authorizing both the Fair Hydro Plan Credit Agreement and for the Existing Credit Facility authorizing the signatory.
2. Updated Incumbency Certificate.

Attached is an example of the documents.

Thanks,

Will

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]

Sent: Thursday, May 10, 2018 11:47 AM

To: CASHP ; SETTLEMENT ; Carlos Yep ; James Devine ; Ricky Lai ; William Tan

Cc: Olga Whiteley

Subject: IESO $2B and $475M Credit Facilities

Hi,

The IESO's CFO, Kim Marshall, is no longer with the IESO effective May-1-2018.

We are actively recruiting for a CFO, but no CFO and no acting CFO is yet named……the new CFO is not expected to be in place until July 2018.

For the $2B and $475MM facilities, we will be drawing on these next week……..are you ok if I sign the OFA notices or do you require the IESO CEO (remember no CFO is present).

Please advise.

Regards.

Anthony Martinello CPA CA, CFA

Director, Treasury & Pension Operations
Independent Electricity System Operator (IESO) | T: 905-403-6944
Station A, Box 4474, Toronto, ON, M5W 4E5
www.ieso.ca[ieso.ca]

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" Resolution of the Board of Directors
Independent Electricity System Operator

June 14, 2017

In Respect of the establishment of a new credit facility and revision of existing credit facilities in relation to the Fair Hydro Plan

---

WHEREAS, as further described in the memorandum to the Audit Committee entitled "Fair Hydro Plan Credit Facility" dated June 13, 2017 (the "**Memorandum**"), the Corporation has determined that in order to support the IESO's role in the Fair Hydro Plan it requires greater credit liquidity;

AND WHEREAS the Corporation proposes to enter into a new credit facility with the Ontario Financing Authority or Ontario Electricity Financial Corporation to support the Corporation's role in the Fair Hydro Plan in an amount yet to be determined of between $1,800 million and $2,500 million (the "**New Facility**");

AND WHEREAS, due to the structure of the Fair Hydro Plan, once the New Facility is established, the Corporation's existing credit facility with the Ontario Financing Authority in the amount of $975 million (the "**OFA Facility**") will include unnecessary and duplicative credit liquidity such that the OFA Facility may be reduced to an amount yet to be determined between $400 million and $500 million;

AND WHEREAS ...[Recital redacted]...

NOW THEREFORE BE IT RESOLVED THAT:

1. The Board of Directors hereby authorizes and approves the establishment of the New Facility and the amendment of the OFA Facility ...**[Redacted]**... on such terms and conditions as are generally outlined in the Memorandum (collectively, all facilities being the "**Credit Facilities**").

2. The Chief Financial Officer or her delegate is hereby authorized for and on behalf of the Corporation to:

(a) finalize, execute and deliver

(i) all relevant agreements, instruments and other documents required for the establishment or amendment, as applicable, of the Credit Facilities, and

(ii) all ancillary documents, deeds and instruments determined to be necessary or desirable in connection therewith (the execution of any such document, deed or instrument being conclusive evidence of such determination),

and to perform the Corporation's obligations thereunder, and to obtain the benefits thereof;

(b) draw upon or continue to draw upon, as applicable, the Credit Facilities from time to time in accordance with their terms; and

(c) do any and all such further acts as may be determined to be necessary or desirable to give effect to the foregoing transactions including, for further certainty, amending any other agreements as may be required as a consequence of such transactions. "

I certify that the above is a true, redacted copy of a resolution approved by the Board of Directors of the Independent Electricity System Operator on June 14, 2017.

John Rattray

General Counsel, Secretary and Chief Reliability Compliance Officer
Independent Electricity System Operator
November 6th, 2017

INCUMBENCY CERTIFICATE

To: Ontario Financing Authority ("**OFA**")

I, the undersigned, Secretary to the Independent Electricity System Operator (the "**IESO**"), in my capacity as an officer of the IESO, and not in my personal capacity, do hereby certify that:

1. Kimberly Marshall has been duly appointed as Vice President, Corporate Services; Chief Financial Officer and Treasurer of the IESO and holds, as at the date hereof, such offices.

2. Pursuant to a resolution of the board of directors of IESO dated June 14, 2017, Kimberly Marshall has the authority to finalize, execute and deliver: (i) Amending Agreement No. 10 to the Credit Agreement between OFA and IESO (as successor by amalgamation to Ontario Power Authority) made as of January 1, 2005, as amended; and (ii) the Revolving Credit Facility Agreement between IESO and the Ontario Financing Authority made in relation to the Fair Hydro Plan.

3. The following is the genuine signature of the following individual:

Kimberly Marshall K Marshall

DATED this 6th day of November, 2017.

John Rattray
General Counsel, Secretary and Chief
Reliability Compliance Officer

I, the undersigned, do hereby certify for and on behalf of the IESO in my capacity as an officer of the IESO, and not in my personal capacity, that: (i) John Rattray has been duly appointed to the office of General Counsel, Secretary and Chief Reliability Compliance Officer and (ii) John Rattray holds, as at the date hereof, such office.

DATED this 6th day of November, 2017.

K Marshall

Kimberly Marshall
Vice President, Corporate Services; Chief
Financial Officer and Treasurer

From: Sarah Harris
To: William Tan
Subject: FW: IESO $2B and $475M Credit Facilities
Date: Friday, May 18, 2018 10:42:41 AM
Attachments: SAMF170118051810190.pdf
SAMF170118051810200.pdf

Hi Will,

Please circulate to all required parties.

Thanks,

Sarah

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]
Sent: Friday, May 18, 2018 10:29 AM
To: William Tan ; Sarah Harris
Cc: Anthony Martinello ; Victor Buza
Subject: RE: IESO $2B and $475M Credit Facilities

Hello Will and Sarah,

Please see attached borrowing notices with IESO's corporate seal applied to Peter Gregg's signature (CEO). I will forward the originals to you on Monday.

Thank you very much for your help with all this.

Regards.

Olga Whiteley | Treasury and Pension Operations

Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
Station A, Box 4474, Toronto, ON M5W 4E5
Web: www.ieso.ca[ieso.ca] | Email: olga.whiteley@ieso.ca

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: May 17, 2018 3:54 PM
To: Anthony Martinello; Olga Whiteley
Cc: Sarah Harris
Subject: RE: IESO $2B and $475M Credit Facilities

Hello Anthony and Olga,

I apologise for the multiple emails. I have additional solutions as I am having a fluid conversation with my legal department.

1. Certified resolution of the board of directors for IESO authorizing both the Fair Hydro Plan Credit Agreement and for the Existing Credit Facility authorizing the signatory and Updated Incumbency Certificate.
2. A delegation of authority from the (former) IESO CFO to the IESO CEO (or other authorized signatories).
3. A general signing authority resolution of the IESO Board of Directors.
4. By-law or other document in place providing authorization to the IESO CEO.
5. A certificate from the IESO Corporate Secretary stating that the IESO CEO has signing authority.
6. A signature under seal of the corporation.

Thanks,

Will

From: William Tan
Sent: Thursday, May 17, 2018 3:27 PM
To: 'Anthony Martinello' <Anthony.Martinello@ieso.ca>; 'Olga Whiteley' <Olga.Whiteley@ieso.ca>

Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO $2B and $475M Credit Facilities

Hello Anthony,

Can you please request the following documents from your legal department:

1. a delegation of authority from the (former) IESO CFO to the IESO CEO (or other authorized signatories); and/or,
2. a general signing authority resolution of the IESO Board of Directors

Thank you,

Will

From: William Tan
Sent: Thursday, May 17, 2018 2:10 PM
To: 'Anthony Martinello' <Anthony.Martinello@ieso.ca>; Olga Whiteley <Olga.Whiteley@ieso.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO $2B and $475M Credit Facilities

Hello Anthony,

Unfortunately the documents required are key documents. Could you please check on the status of the documents? I will seek any possible solutions from my end.

Thanks,

Will

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Thursday, May 17, 2018 6:34 AM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO $2B and $475M Credit Facilities

Will,

I have requested our legal group to address your request and prepare an updated cert….it is pending.

I'm not sure this cert will be ready by today or tomorrow…let me know if this is a problem.

As for the IESO CEO signing the draw, the resolution you already have notes that the CFO delegate can sign and thus the IESO CEO (CFO's boss) is now signing the draws.

Regards.

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: May 10, 2018 3:12 PM
To: Anthony Martinello
Cc: CASHP; SETTLEMENT; Carlos Yep; James Devine; Ricky Lai; Olga Whiteley; Sarah Harris
Subject: FW: IESO $2B and $475M Credit Facilities

Hello Anthony,

As per our earlier conversation, we would require updated signing authority documents.

Please provide the following:

1. Certified resolution of the board of directors for IESO authorizing both the Fair Hydro Plan Credit Agreement and for the Existing Credit Facility authorizing the signatory.
2. Updated Incumbency Certificate.

Attached is an example of the documents.

Thanks,

Will

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Thursday, May 10, 2018 11:47 AM
To: CASHP <CASHP@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>; Ricky Lai <Ricky.Lai@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>
Subject: IESO $2B and $475M Credit Facilities

Hi,

The IESO's CFO, Kim Marshall, is no longer with the IESO effective May-1-2018.

We are actively recruiting for a CFO, but no CFO and no acting CFO is yet named……the new CFO is not expected to be in place until July 2018.

For the $2B and $475MM facilities, we will be drawing on these next week……..are you ok if I sign the OFA notices or do you require the IESO CEO (remember no CFO is present).

Please advise.

Regards.

Anthony Martinello CPA CA, CFA
Director, Treasury & Pension Operations
Independent Electricity System Operator (IESO) | T: 905-403-6944
Station A, Box 4474, Toronto, ON, M5W 4E5
www.ieso.ca[ieso.ca][na01.safelinks.protection.outlook.com]

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Independent Electricity System Operator
Station A, Box 4474
Toronto, ON M5W 4E5
t 905.403.6900
www.ieso.ca

SCHEDULE 2
ELECTION NOTICE

May 16, 2018

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7
Delivered Via Email: CASHP@ofina.on.ca

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated November 21, 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is **May 18, 2018**.
(b) The aggregate amount of the proposed Continued Advance is **$852,203.09**, which is comprised of:
    i. principal amount of Advance which is to be continued **$852,203.09**; and
    ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date **$0.00**;
(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): **$0.00**;
(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is **June 20, 2018**. [Insert date not earlier than 5 days and not later than 95 days after the current Repayment Date for the Advance.]

IESO confirms it will also be paying interest in the amount of **$993.69**.

Such election shall be confirmed by IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: **$255,748,186.14**

The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: **$256,600,389.23**

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): **This transaction relates to the Fair Hydro Program**.

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Peter Gregg
President & CEO

ieso
Connecting Today.
Powering Tomorrow.

Independent Electricity System Operator
Station A, Box 4474
Toronto, ON M5W 4E5
t 905.403.6900
www.ieso.ca

SCHEDULE 2 TO AMENDING AGREEMENT NO. 10
ELECTION NOTICE

May 16, 2018

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7
Delivered Via Email: CASHP@ofina.on.ca

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is **May 18, 2018**;
(b) The aggregate amount of the proposed Continued Advance is **$14,118,028.50**, which is comprised of:
   i. principal amount of Advance which is to be continued **$14,118,028.50**; and
   ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date **$0.00**;
(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): **$0.00**;
(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is **June 20, 2018**. [Insert date no earlier than 28 days and not later than 95 days after the Current Repayment Date for the Advance].

IESO confirms it will also be paying interest in the amount of **$16,462.01**.

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: **$838,764.93**

The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: **$14,956,793.43**

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): **This transaction relates to the settlement of the Rural or Remote Electricity Rate Protection (RRRP) variance.**

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Peter Gregg
President & CEO

From: Sarah Harris
To: William Tan
Subject: FW: IESO $2B and $475M Credit Facilities
Date: Friday, May 18, 2018 10:42:41 AM
Attachments: SAMF170118051810190.pdf
SAMF170118051810200.pdf

Hi Will,

Please circulate to all required parties.

Thanks,

Sarah

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]
Sent: Friday, May 18, 2018 10:29 AM
To: William Tan ; Sarah Harris
Cc: Anthony Martinello ; Victor Buza
Subject: RE: IESO $2B and $475M Credit Facilities

Hello Will and Sarah,

Please see attached borrowing notices with IESO's corporate seal applied to Peter Gregg's signature (CEO). I will forward the originals to you on Monday.

Thank you very much for your help with all this.

Regards.

Olga Whiteley | Treasury and Pension Operations

Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
Station A, Box 4474, Toronto, ON M5W 4E5
Web: www.ieso.ca[ieso.ca] | Email: olga.whiteley@ieso.ca

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: May 17, 2018 3:54 PM
To: Anthony Martinello; Olga Whiteley
Cc: Sarah Harris
Subject: RE: IESO $2B and $475M Credit Facilities

Hello Anthony and Olga,

I apologise for the multiple emails. I have additional solutions as I am having a fluid conversation with my legal department.

1. Certified resolution of the board of directors for IESO authorizing both the Fair Hydro Plan Credit Agreement and for the Existing Credit Facility authorizing the signatory and Updated Incumbency Certificate.
2. A delegation of authority from the (former) IESO CFO to the IESO CEO (or other authorized signatories).
3. A general signing authority resolution of the IESO Board of Directors.
4. By-law or other document in place providing authorization to the IESO CEO.
5. A certificate from the IESO Corporate Secretary stating that the IESO CEO has signing authority.
6. A signature under seal of the corporation.

Thanks,

Will

From: William Tan
Sent: Thursday, May 17, 2018 3:27 PM
To: 'Anthony Martinello' <Anthony.Martinello@ieso.ca>; 'Olga Whiteley' <Olga.Whiteley@ieso.ca>

Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO $2B and $475M Credit Facilities

Hello Anthony,

Can you please request the following documents from your legal department:

1. a delegation of authority from the (former) IESO CFO to the IESO CEO (or other authorized signatories); and/or,
2. a general signing authority resolution of the IESO Board of Directors

Thank you,

Will

From: William Tan
Sent: Thursday, May 17, 2018 2:10 PM
To: 'Anthony Martinello' <Anthony.Martinello@ieso.ca>; Olga Whiteley <Olga.Whiteley@ieso.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO $2B and $475M Credit Facilities

Hello Anthony,

Unfortunately the documents required are key documents. Could you please check on the status of the documents? I will seek any possible solutions from my end.

Thanks,

Will

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Thursday, May 17, 2018 6:34 AM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO $2B and $475M Credit Facilities

Will,

I have requested our legal group to address your request and prepare an updated cert….it is pending.

I'm not sure this cert will be ready by today or tomorrow…let me know if this is a problem.

As for the IESO CEO signing the draw, the resolution you already have notes that the CFO delegate can sign and thus the IESO CEO (CFO's boss) is now signing the draws.

Regards.

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: May 10, 2018 3:12 PM
To: Anthony Martinello
Cc: CASHP; SETTLEMENT; Carlos Yep; James Devine; Ricky Lai; Olga Whiteley; Sarah Harris
Subject: FW: IESO $2B and $475M Credit Facilities

Hello Anthony,

As per our earlier conversation, we would require updated signing authority documents.

Please provide the following:

1. Certified resolution of the board of directors for IESO authorizing both the Fair Hydro Plan Credit Agreement and for the Existing Credit Facility authorizing the signatory.
2. Updated Incumbency Certificate.

Attached is an example of the documents.

Thanks,

Will

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Thursday, May 10, 2018 11:47 AM
To: CASHP <CASHP@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>; Ricky Lai <Ricky.Lai@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>
Subject: IESO $2B and $475M Credit Facilities

Hi,

The IESO's CFO, Kim Marshall, is no longer with the IESO effective May-1-2018.

We are actively recruiting for a CFO, but no CFO and no acting CFO is yet named……the new CFO is not expected to be in place until July 2018.

For the $2B and $475MM facilities, we will be drawing on these next week……..are you ok if I sign the OFA notices or do you require the IESO CEO (remember no CFO is present).

Please advise.

Regards.

Anthony Martinello CPA CA, CFA
Director, Treasury & Pension Operations
Independent Electricity System Operator (IESO) | T: 905-403-6944
Station A, Box 4474, Toronto, ON, M5W 4E5
www.ieso.ca[ieso.ca][na01.safelinks.protection.outlook.com]

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Independent Electricity System Operator
Station A, Box 4474
Toronto, ON M5W 4E5
t 905.403.6900
www.ieso.ca

SCHEDULE 2
ELECTION NOTICE

May 16, 2018

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7
Delivered Via Email: CASHP@ofina.on.ca

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated November 21, 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is **May 18, 2018**.
(b) The aggregate amount of the proposed Continued Advance is **$852,203.09**, which is comprised of:
    i. principal amount of Advance which is to be continued **$852,203.09**; and
    ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date **$0.00**;
(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): **$0.00**;
(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is **June 20, 2018**. [Insert date not earlier than 5 days and not later than 95 days after the current Repayment Date for the Advance.]

IESO confirms it will also be paying interest in the amount of **$993.69**.

Such election shall be confirmed by IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: **$255,748,186.14**

The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: **$256,600,389.23**

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): **This transaction relates to the Fair Hydro Program**.

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Peter Gregg
President & CEO

ieso
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Powering Tomorrow.

Independent Electricity System Operator
Station A, Box 4474
Toronto, ON M5W 4E5
t 905.403.6900
www.ieso.ca

SCHEDULE 2 TO AMENDING AGREEMENT NO. 10
ELECTION NOTICE

May 16, 2018

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7
Delivered Via Email: CASHP@ofina.on.ca

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is **May 18, 2018**;
(b) The aggregate amount of the proposed Continued Advance is **$14,118,028.50**, which is comprised of:
   i. principal amount of Advance which is to be continued **$14,118,028.50**; and
   ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date **$0.00**;
(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): **$0.00**;
(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is **June 20, 2018**. [Insert date no earlier than 28 days and not later than 95 days after the Current Repayment Date for the Advance].

IESO confirms it will also be paying interest in the amount of **$16,462.01**.

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: **$838,764.93**

The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: **$14,956,793.43**

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): **This transaction relates to the settlement of the Rural or Remote Electricity Rate Protection (RRRP) variance.**

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Peter Gregg
President & CEO

From: William Tan
To: Sarah Harris
Subject: FW: IESO $2B and $475M Credit Facilities
Date: Thursday, May 17, 2018 4:57:05 PM

Hello Sarah,

I spoke to David Peters and he clarified his concerns from earlier this afternoon about John Kim's approval if we do not receive signatory documents by tomorrow. His earlier concern related to whether the absence of signatures was a legal issue. Lisa commented below that this is a business decision. This reassured David that he could accept with confidence that John Kim's (delegated authority for OFA matters/business decisions) approval to advance funds and accept signatory documentation at a later time.

Thanks,

Will

From: Lisa Stein
Sent: Thursday, May 17, 2018 3:46 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO $2B and $475M Credit Facilities

Hi Will and Sarah,

Further to my earlier e-mails, if none of the requested documents are available from the IESO (i.e. by-law, delegation of signing authority, or signing authority resolution), we can also accept:

- A certificate from the IESO Corporate Secretary stating that the IESO CEO has signing authority (although this will be unlikely if there is no evidence of signing authority available); or,
- A signature under seal of the corporation

If none of the above are available, it will be a business decision as to whether the OFA is willing to accept borrowing notices that are not properly executed. It would likely be low risk, given that all of the other details are consistent with the terms of the agreement. However, this would not be a legal decision.

Happy to discuss further,

Lisa

Lisa N. Stein

Legal Counsel
Ontario Financing Authority
416-325-2320

****
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****

From: Lisa Stein
Sent: Thursday, May 17, 2018 3:39 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO $2B and $475M Credit Facilities

Please request it as well – it would be an alternative if the other two documents are not available.

From: William Tan
Sent: Thursday, May 17, 2018 3:38 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO $2B and $475M Credit Facilities

Hi Lisa,

Sorry, I already requested the other two items below. Is the by-law a must have for now?

- a delegation of authority from the (former) IESO CFO to the IESO CEO (or other authorized signatories); and/or,
- a general signing authority resolution of the IESO Board of Directors

---

From: Lisa Stein
Sent: Thursday, May 17, 2018 3:28 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO $2B and $475M Credit Facilities

We should also ask if there is a by-law or other document in place providing authorization to the IESO CEO

From: Lisa Stein
Sent: Thursday, May 17, 2018 3:22 PM

To: William Tan <William.Tan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO $2B and $475M Credit Facilities

While we might require something like this, we first require evidence of signing authority.

Lisa

From: William Tan
Sent: Thursday, May 17, 2018 3:19 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: IESO $2B and $475M Credit Facilities

Hello Lisa,

Attached is a Certificate of Officer for IESO signed in 2015. Could we accept something like this?

Thanks,

Will

From: William Tan
Sent: Thursday, May 17, 2018 2:51 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO $2B and $475M Credit Facilities

Hello Lisa,

As requested.

Thanks,

Will

From: Lisa Stein
Sent: Thursday, May 17, 2018 2:48 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO $2B and $475M Credit Facilities

Hi Will,

Please let me know when you are available for a call or meeting to discuss?

Thank you,

Lisa

From: William Tan
Sent: Thursday, May 17, 2018 2:06 PM
To: Sarah Neville <Sarah.Neville@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: IESO $2B and $475M Credit Facilities

Hello Lisa and Sarah N.,

On May 10, IESO notified us that Kimberly Marshall is no longer with the company (the only person we had documented to have signing authority). Anthony Martinello (IESO) was informed of the required documents to facilitate a new signatory. Yesterday, we received a Borrowing Notice with an advance date for tomorrow (May 18), signed by the their president and CEO. According to Anthony, their legal department is working on providing us with the required documents. However, he has informed us that there is a real possibility that the required documents may not be provided by today or tomorrow.

Could you provide some guidance as to how to proceed if the documents are not received in time or options available to us?

Thanks,

Will

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Thursday, May 17, 2018 6:34 AM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO $2B and $475M Credit Facilities

Will,
I have requested our legal group to address your request and prepare an updated cert….it is pending.
I'm not sure this cert will be ready by today or tomorrow…let me know if this is a problem.
As for the IESO CEO signing the draw, the resolution you already have notes that the CFO delegate can sign and thus the IESO CEO (CFO's boss) is now signing the draws.

Regards.

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: May 10, 2018 3:12 PM
To: Anthony Martinello
Cc: CASHP; SETTLEMENT; Carlos Yep; James Devine; Ricky Lai; Olga Whiteley; Sarah Harris
Subject: FW: IESO $2B and $475M Credit Facilities

Hello Anthony,

As per our earlier conversation, we would require updated signing authority documents.

Please provide the following:

1. Certified resolution of the board of directors for IESO authorizing both the Fair Hydro Plan Credit Agreement and for the Existing Credit Facility authorizing the signatory.
2. Updated Incumbency Certificate.

Attached is an example of the documents.

Thanks,

Will

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Thursday, May 10, 2018 11:47 AM
To: CASHP <CASHP@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>; Ricky Lai <Ricky.Lai@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>
Subject: IESO $2B and $475M Credit Facilities

Hi,

The IESO's CFO, Kim Marshall, is no longer with the IESO effective May-1-2018.

We are actively recruiting for a CFO, but no CFO and no acting CFO is yet named……the new CFO is not expected to be in place until July 2018.

For the $2B and $475MM facilities, we will be drawing on these next week……..are you ok if I sign the OFA notices or do you require the IESO CEO (remember no CFO is present).

Please advise.

Regards.

Anthony Martinello CPA CA, CFA
Director, Treasury & Pension Operations

Independent Electricity System Operator (IESO) | T: 905-403-6944
Station A, Box 4474, Toronto, ON, M5W 4E5
www.ieso.ca[ieso.ca][na01.safelinks.protection.outlook.com]

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From: William Tan
To: Sarah Harris
Subject: FW: IESO $2B and $475M Credit Facilities
Date: Thursday, May 17, 2018 4:57:05 PM

Hello Sarah,
I spoke to David Peters and he clarified his concerns from earlier this afternoon about John Kim's approval if we do not receive signatory documents by tomorrow. His earlier concern related to whether the absence of signatures was a legal issue. Lisa commented below that this is a business decision. This reassured David that he could accept with confidence that John Kim's (delegated authority for OFA matters/business decisions) approval to advance funds and accept signatory documentation at a later time.
Thanks,
Will

From: Lisa Stein
Sent: Thursday, May 17, 2018 3:46 PM
To: William Tan
Cc: Sarah Harris
Subject: RE: IESO $2B and $475M Credit Facilities

Hi Will and Sarah,
Further to my earlier e-mails, if none of the requested documents are available from the IESO (i.e. by-law, delegation of signing authority, or signing authority resolution), we can also accept:

- A certificate from the IESO Corporate Secretary stating that the IESO CEO has signing authority (although this will be unlikely if there is no evidence of signing authority available); or,
- A signature under seal of the corporation

If none of the above are available, it will be a business decision as to whether the OFA is willing to accept borrowing notices that are not properly executed. It would likely be low risk, given that all of the other details are consistent with the terms of the agreement. However, this would not be a legal decision.
Happy to discuss further,
Lisa

Lisa N. Stein
Legal Counsel
Ontario Financing Authority
416-325-2320

****
This message, including any attachments, is intended only for the use of the individual(s) to which it is addressed and contains information that is privileged/confidential. Any other distribution, copying or disclosure is strictly prohibited. If you are not the intended recipient or have received this message in error, please notify the sender immediately by reply e-mail and permanently delete this message, including any attachments, without reading it or making a copy. Thank you.
****

From: Lisa Stein
Sent: Thursday, May 17, 2018 3:39 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO $2B and $475M Credit Facilities

Please request it as well – it would be an alternative if the other two documents are not available.

From: William Tan
Sent: Thursday, May 17, 2018 3:38 PM

To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO $2B and $475M Credit Facilities

Hi Lisa,

Sorry, I already requested the other two items below. Is the by-law a must have for now?

- a delegation of authority from the (former) IESO CFO to the IESO CEO (or other authorized signatories); and/or,
- a general signing authority resolution of the IESO Board of Directors

---

From: Lisa Stein
Sent: Thursday, May 17, 2018 3:28 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO $2B and $475M Credit Facilities

We should also ask if there is a by-law or other document in place providing authorization to the IESO CEO

From: Lisa Stein
Sent: Thursday, May 17, 2018 3:22 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO $2B and $475M Credit Facilities

While we might require something like this, we first require evidence of signing authority.

Lisa

From: William Tan
Sent: Thursday, May 17, 2018 3:19 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: IESO $2B and $475M Credit Facilities

Hello Lisa,

Attached is a Certificate of Officer for IESO signed in 2015. Could we accept something like this?

Thanks,

Will

From: William Tan
Sent: Thursday, May 17, 2018 2:51 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO $2B and $475M Credit Facilities

Hello Lisa,

As requested.

Thanks,

Will

From: Lisa Stein
Sent: Thursday, May 17, 2018 2:48 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>

Subject: RE: IESO $2B and $475M Credit Facilities

Hi Will,

Please let me know when you are available for a call or meeting to discuss?

Thank you,

Lisa

From: William Tan
Sent: Thursday, May 17, 2018 2:06 PM
To: Sarah Neville <Sarah.Neville@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>
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Hello Lisa and Sarah N.,

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Could you provide some guidance as to how to proceed if the documents are not received in time or options available to us?

Thanks,

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From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
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Will,

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I'm not sure this cert will be ready by today or tomorrow…let me know if this is a problem.

As for the IESO CEO signing the draw, the resolution you already have notes that the CFO delegate can sign and thus the IESO CEO (CFO's boss) is now signing the draws.

Regards.

From: William Tan [mailto:William.Tan@ofina.on.ca]
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To: Anthony Martinello
Cc: CASHP; SETTLEMENT; Carlos Yep; James Devine; Ricky Lai; Olga Whiteley; Sarah Harris
Subject: FW: IESO $2B and $475M Credit Facilities

Hello Anthony,

As per our earlier conversation, we would require updated signing authority documents.

Please provide the following:

1. Certified resolution of the board of directors for IESO authorizing both the Fair Hydro Plan Credit Agreement and for the Existing Credit Facility authorizing the signatory.
2. Updated Incumbency Certificate.

Attached is an example of the documents.

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Please advise.

Regards.

Anthony Martinello CPA CA, CFA
Director, Treasury & Pension Operations
Independent Electricity System Operator (IESO) | T: 905-403-6944
Station A, Box 4474, Toronto, ON, M5W 4E5
www.ieso.ca[ieso.ca][na01.safelinks.protection.outlook.com]

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To:	Lisa Stein
Cc:	Sarah Harris
Subject:	FW: IESO $2B and $475M Credit Facilities
Date:	Thursday, May 17, 2018 3:18:49 PM
Attachments:	Certificate for OFA-OPA Amd. Agmt. No. 8.PDF

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CERTIFICATE OF OFFICER

OF INDEPENDENT ELECTRICITY SYSTEM OPERATOR

(the "Corporation")

TO: Ontario Financing Authority (the "**OFA**")

RE: Credit Agreement dated January 1, 2005 between the Ontario Power Authority (a predecessor of the Corporation) and the OFA, as amended by the amending agreements dated February 14, 2005, October 11, 2005 (titled, "Amending Agreement No.3"), September 27, 2006 (titled, "Amending Agreement No. 4"), July 13, 2007 (titled, "Amending Agreement No. 5"), November 9, 2010 (titled, "Amending Agreement No. 6"), December 20, 2013 (titled, "Amending Agreement No. 7") and December 19, 2014 (titled, "Amending Agreement No. 8") (collectively, the "**Credit Agreement**")

I, John Rattray, am the Secretary of the Corporation. As Secretary, I certify for and on behalf of the Corporation and without personal liability, that:

1. All the representations and warranties of the Corporation in the Credit Agreement are true and correct.

2. no default or Event of Default (as defined in the Credit Agreement) has occurred or is continuing and no event or condition has occurred which, with the lapse of time or the giving of notice or both, constitutes an Event of Default.

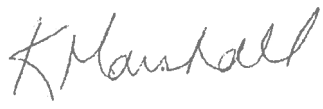
3. Attached as Exhibit "A" is a list of all the officers and directors of the Corporation as of the date hereof and set forth opposite each person's name is the position he or she occupies with the Corporation and, to the extent it appears, a true specimen of his or her signature.

This certificate is being given by the Corporation and without personal liability of the undersigned and any party seeking to make a claim with respect to any matter contained in this certificate shall have recourse solely to the Corporation.

DATED at Toronto as of this 1st day of January, 2015.

John Rattray

EXHIBIT "A"
INCUMBENCY

Name	Position Occupied	Specimen Signature
Timothy O'Neill	Director	
Jim Hinds	Director .	
Cynthia Chaplin	Director	
Murray Elston	Director	
William J. Museler	Director	
Susanna Han	Director	
Ronald Jamieson	Director	
Margaret Kelch	Director	
Bruce Lourie	Director	
Deborah S. Whale	Director	
Bruce Campbell	Director, President & Chief Executive Officer	
Kim Warren	Vice President, Market and System Operations; and Chief Operating Officer	
Kimberly Marshall	Vice President, Corporate Services; Chief Financial Officer; and Treasurer	
JoAnne Bulter	Vice President, Market and Resource Development	
Doug Thomas	Vice President, Information and Technology Services; and Chief Information Officer	
Terry Young	Vice President, Conservation and Corporate Relations	
Michael Lyle	Vice President, Planning, Law and Aboriginal Relations	
John Rattray	General Counsel and Secretary	

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Cc:	Sarah Harris
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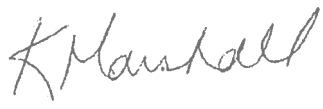
3. Attached as Exhibit "A" is a list of all the officers and directors of the Corporation as of the date hereof and set forth opposite each person's name is the position he or she occupies with the Corporation and, to the extent it appears, a true specimen of his or her signature.

This certificate is being given by the Corporation and without personal liability of the undersigned and any party seeking to make a claim with respect to any matter contained in this certificate shall have recourse solely to the Corporation.

DATED at Toronto as of this 1st day of January, 2015.

John Rattray

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INCUMBENCY

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Jim Hinds	Director .	
Cynthia Chaplin	Director	
Murray Elston	Director	
William J. Museler	Director	
Susanna Han	Director	
Ronald Jamieson	Director	
Margaret Kelch	Director	
Bruce Lourie	Director	
Deborah S. Whale	Director	
Bruce Campbell	Director, President & Chief Executive Officer	
Kim Warren	Vice President, Market and System Operations; and Chief Operating Officer	
Kimberly Marshall	Vice President, Corporate Services; Chief Financial Officer; and Treasurer	
JoAnne Bulter	Vice President, Market and Resource Development	
Doug Thomas	Vice President, Information and Technology Services; and Chief Information Officer	
Terry Young	Vice President, Conservation and Corporate Relations	
Michael Lyle	Vice President, Planning, Law and Aboriginal Relations	
John Rattray	General Counsel and Secretary	

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To: Sarah Neville; Lisa Stein
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Please advise.

Regards.

Anthony Martinello CPA CA, CFA
Director, Treasury & Pension Operations
Independent Electricity System Operator (IESO) | T: 905-403-6944
Station A, Box 4474, Toronto, ON, M5W 4E5
www.ieso.ca[ieso.ca][na01.safelinks.protection.outlook.com]

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From: William Tan
To: Sarah Neville; Lisa Stein
Cc: Sarah Harris
Subject: FW: IESO $2B and $475M Credit Facilities
Date: Thursday, May 17, 2018 2:06:19 PM

Hello Lisa and Sarah N.,
On May 10, IESO notified us that Kimberly Marshall is no longer with the company (the only person we had documented to have signing authority). Anthony Martinello (IESO) was informed of the required documents to facilitate a new signatory. Yesterday, we received a Borrowing Notice with an advance date for tomorrow (May 18), signed by the their president and CEO. According to Anthony, their legal department is working on providing us with the required documents. However, he has informed us that there is a real possibility that the required documents may not be provided by today or tomorrow.
Could you provide some guidance as to how to proceed if the documents are not received in time or options available to us?
Thanks,
Will

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Thursday, May 17, 2018 6:34 AM
To: William Tan
Cc: Olga Whiteley ; Sarah Harris
Subject: RE: IESO $2B and $475M Credit Facilities
Will,
I have requested our legal group to address your request and prepare an updated cert….it is pending.
I'm not sure this cert will be ready by today or tomorrow…let me know if this is a problem.
As for the IESO CEO signing the draw, the resolution you already have notes that the CFO delegate can sign and thus the IESO CEO (CFO's boss) is now signing the draws.
Regards.

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: May 10, 2018 3:12 PM
To: Anthony Martinello
Cc: CASHP; SETTLEMENT; Carlos Yep; James Devine; Ricky Lai; Olga Whiteley; Sarah Harris
Subject: FW: IESO $2B and $475M Credit Facilities
Hello Anthony,
As per our earlier conversation, we would require updated signing authority documents.
Please provide the following:

1. Certified resolution of the board of directors for IESO authorizing both the Fair Hydro Plan Credit Agreement and for the Existing Credit Facility authorizing the signatory.
2. Updated Incumbency Certificate.

Attached is an example of the documents.
Thanks,
Will

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Thursday, May 10, 2018 11:47 AM
To: CASHP <CASHP@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>; Carlos Yep

<Carlos.Yep@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>; Ricky Lai <Ricky.Lai@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>

Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>

Subject: IESO $2B and $475M Credit Facilities

Hi,

The IESO's CFO, Kim Marshall, is no longer with the IESO effective May-1-2018.

We are actively recruiting for a CFO, but no CFO and no acting CFO is yet named……the new CFO is not expected to be in place until July 2018.

For the $2B and $475MM facilities, we will be drawing on these next week……..are you ok if I sign the OFA notices or do you require the IESO CEO (remember no CFO is present).

Please advise.

Regards.

Anthony Martinello CPA CA, CFA
Director, Treasury & Pension Operations
Independent Electricity System Operator (IESO) | T: 905-403-6944
Station A, Box 4474, Toronto, ON, M5W 4E5
www.ieso.ca[ieso.ca][na01.safelinks.protection.outlook.com]

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From:	Sarah Harris
To:	CASHP; SETTLEMENT; Carlos Yep; James Devine; Ricky Lai
Cc:	William Tan
Subject:	FW: IESO $2B and $475M Credit Facilities
Date:	Friday, May 18, 2018 10:55:05 AM
Attachments:	SAMF170118051810190.pdf SAMF170118051810200.pdf

Hello,

Please find attached for your records the IESO Borrowing Notices with the IESO corporate seal applied. This is acceptable in respect of the current IESO signatory.

Thanks,

Sarah

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]

Sent: Friday, May 18, 2018 10:29 AM

To: William Tan ; Sarah Harris

Cc: Anthony Martinello ; Victor Buza

Subject: RE: IESO $2B and $475M Credit Facilities

Hello Will and Sarah,

Please see attached borrowing notices with IESO's corporate seal applied to Peter Gregg's signature (CEO). I will forward the originals to you on Monday.

Thank you very much for your help with all this.

Regards.

Olga Whiteley | Treasury and Pension Operations

Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
Station A, Box 4474, Toronto, ON M5W 4E5
Web: www.ieso.ca[ieso.ca] | Email: olga.whiteley@ieso.ca H

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Toronto, ON M5W 4E5
t 905.403.6900
www.ieso.ca

SCHEDULE 2
ELECTION NOTICE

May 16, 2018

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7
Delivered Via Email: CASHP@ofina.on.ca

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated November 21, 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is **May 18, 2018**.
(b) The aggregate amount of the proposed Continued Advance is **$852,203.09**, which is comprised of:
    i. principal amount of Advance which is to be continued **$852,203.09**; and
    ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date **$0.00**;
(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): **$0.00**;
(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is **June 20, 2018**. [Insert date not earlier than 5 days and not later than 95 days after the current Repayment Date for the Advance.]

IESO confirms it will also be paying interest in the amount of **$993.69**.

Such election shall be confirmed by IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: **$255,748,186.14**

The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: **$256,600,389.23**

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): **This transaction relates to the Fair Hydro Program**.

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Peter Gregg
President & CEO

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Independent Electricity System Operator
Station A, Box 4474
Toronto, ON M5W 4E5
t 905.403.6900
www.ieso.ca

SCHEDULE 2 TO AMENDING AGREEMENT NO. 10
ELECTION NOTICE

May 16, 2018

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7
Delivered Via Email: CASHP@ofina.on.ca

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is **May 18, 2018**;
(b) The aggregate amount of the proposed Continued Advance is **$14,118,028.50**, which is comprised of:
   i. principal amount of Advance which is to be continued **$14,118,028.50**; and
   ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date **$0.00**;
(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): **$0.00**;
(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is **June 20, 2018**. [Insert date no earlier than 28 days and not later than 95 days after the Current Repayment Date for the Advance].

IESO confirms it will also be paying interest in the amount of **$16,462.01**.

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: **$838,764.93**

The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: **$14,956,793.43**

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): **This transaction relates to the settlement of the Rural or Remote Electricity Rate Protection (RRRP) variance.**

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Peter Gregg
President & CEO

From:	Carlos Yep
To:	William Tan; Sarah Harris
Subject:	FW: IESO $475M Credit Facility - Notice for Dec 20/17
Date:	Wednesday, December 20, 2017 9:18:06 AM
Attachments:	Rollover Notice with advance.pdf

FYI

From: Carlos Yep
Sent: Tuesday, December 19, 2017 2:28 PM
To: Bruno Amara ; John Kim
Subject: FW: IESO $475M Credit Facility - Notice for Dec 20/17

Bruno,

For the Rural or Remote Electricity LoC, IESO will rollover $11,556,384.24 and add a new $724,314.98.

The total advances will be $12,280,699.22

Regards

Carlos

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]
Sent: Monday, December 18, 2017 9:46 AM
To: CASHP <CASHP@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; Serena Ly <Serena.Ly@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>
Cc: Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: IESO $475M Credit Facility - Notice for Dec 20/17

See attached notice for December 20, 2017 regarding IESO's $475million facility for the RRRP Loan.

Please send the funds to IESO RRRP account:

Beneficiary: Independent Electricity System Operator - RRRP

Bank: TD Bank

Bank ID: 0004

Transit Number: 10202

Account Number: 5500617

Thanks.

Olga Whiteley | Treasury and Pension Operations

Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
Station A, Box 4474, Toronto, ON M5W 4E5
Web: www.ieso.ca[ieso.ca] | Email: olga.whiteley@ieso.ca

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Station A, Box 4474
Toronto, ON M5W 4E5
t 905.403.6900
www.ieso.ca

SCHEDULE 2 TO AMENDING AGREEMENT NO. 10
FORM OF ELECTION NOTICE

Date: **December 18, 2017**

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7
Delivered Via Email: CASHP@ofina.on.ca

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is **December 20, 2017**;
(b) The aggregate amount of the proposed Continued Advance is **$12,280,699.22**, which is comprised of:
   i. previous principal amount of advance which is to be continued **$11,556,384.24**; and
   ii. additional advance **$724,314.98**;
(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): **$0.00**;
(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is **January 19, 2018**. [Insert date no earlier than 28 days and not later than 95 days after the Current Repayment Date for the Advance].

IESO confirms it will also be paying interest in the amount of **$11,293.60**.

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: $_____

The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): **This transaction relates to the settlement of the Rural or Remote Electricity Rate Protection (RRRP) variance.**

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: K Marshall

Kimberly Marshall
VP Corporate Services, CFO and Treasurer

From:	Carlos Yep
To:	William Tan; Sarah Harris
Subject:	FW: IESO $475M Credit Facility - Notice for Dec 20/17
Date:	Wednesday, December 20, 2017 9:18:06 AM
Attachments:	Rollover Notice with advance.pdf

FYI

From: Carlos Yep
Sent: Tuesday, December 19, 2017 2:28 PM
To: Bruno Amara ; John Kim
Subject: FW: IESO $475M Credit Facility - Notice for Dec 20/17

Bruno,

For the Rural or Remote Electricity LoC, IESO will rollover $11,556,384.24 and add a new $724,314.98.

The total advances will be $12,280,699.22

Regards

Carlos

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]
Sent: Monday, December 18, 2017 9:46 AM
To: CASHP <CASHP@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; Serena Ly <Serena.Ly@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>
Cc: Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: IESO $475M Credit Facility - Notice for Dec 20/17

See attached notice for December 20, 2017 regarding IESO's $475million facility for the RRRP Loan.

Please send the funds to IESO RRRP account:

Beneficiary: Independent Electricity System Operator - RRRP

Bank: TD Bank

Bank ID: 0004

Transit Number: 10202

Account Number: 5500617

Thanks.

Olga Whiteley | Treasury and Pension Operations

Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
Station A, Box 4474, Toronto, ON M5W 4E5
Web: www.ieso.ca[ieso.ca] | Email: olga.whiteley@ieso.ca

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Station A, Box 4474
Toronto, ON M5W 4E5
t 905.403.6900
www.ieso.ca

SCHEDULE 2 TO AMENDING AGREEMENT NO. 10
FORM OF ELECTION NOTICE

Date: **December 18, 2017**

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7
Delivered Via Email: CASHP@ofina.on.ca

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is **December 20, 2017**;
(b) The aggregate amount of the proposed Continued Advance is **$12,280,699.22**, which is comprised of:
   i. previous principal amount of advance which is to be continued **$11,556,384.24**; and
   ii. additional advance **$724,314.98**;
(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): **$0.00**;
(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is **January 19, 2018**. [Insert date no earlier than 28 days and not later than 95 days after the Current Repayment Date for the Advance].

IESO confirms it will also be paying interest in the amount of **$11,293.60**.

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: $_____

The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): **This transaction relates to the settlement of the Rural or Remote Electricity Rate Protection (RRRP) variance.**

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: K Marshall

Kimberly Marshall
VP Corporate Services, CFO and Treasurer

From:	LeRoy Ahyee
To:	Sarah Harris
Subject:	FW: IESO $475M Credit Facility - Notice for Jun 20
Date:	Tuesday, June 19, 2018 9:17:15 AM
Attachments:	RRRP rollover notice with advance.pdf

LeRoy Ahyee

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]

Sent: Monday, June 18, 2018 9:37 AM

To: CASHP ; SETTLEMENT ; Carlos Yep ; James Devine ; Ricky Lai

Cc: Anthony Martinello

Subject: IESO $475M Credit Facility - Notice for Jun 20

See attached notice for June 20 regarding IESO's $475million facility for the RRRP Loan.

Thanks.

Olga Whiteley | Treasury and Pension Operations

Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
Station A, Box 4474, Toronto, ON M5W 4E5
Web: www.ieso.ca[ieso.ca] | Email: olga.whiteley@ieso.ca

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Independent Electricity System Operator
Station A, Box 4474
Toronto, ON M5W 4E5
t 905.403.6900
www.ieso.ca

SCHEDULE 2 TO AMENDING AGREEMENT NO. 10
ELECTION NOTICE

Jun 18, 2018

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7
Delivered Via Email: CASHP@ofina.on.ca

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is **June 20, 2018**;
(b) The aggregate amount of the proposed Continued Advance is **$14,956,793.43**, which is comprised of:
   i. principal amount of Advance which is to be continued **$14,956,793.43**; and
   ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date **$0.00**;
(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): **$0.00**;
(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is **July 20, 2018**. [Insert date no earlier than 28 days and not later than 95 days after the Current Repayment Date for the Advance].

IESO confirms it will also be paying interest in the amount of **$20,824.77**.

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: **$886,169.13**

The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: **$15,842,962.56**

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): **This transaction relates to the settlement of the Rural or Remote Electricity Rate Protection (RRRP) variance.**

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

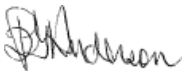
No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR



Per: _____

Barb Anderson
VP, Corporate Services & CFO

From:	LeRoy Ahyee
To:	Sarah Harris
Subject:	FW: IESO $475M Credit Facility - Notice for Jun 20
Date:	Tuesday, June 19, 2018 9:17:15 AM
Attachments:	RRRP rollover notice with advance.pdf

LeRoy Ahyee

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]
Sent: Monday, June 18, 2018 9:37 AM
To: CASHP <CASHP@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>; Ricky Lai <Ricky.Lai@ofina.on.ca>
Cc: Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: IESO $475M Credit Facility - Notice for Jun 20

See attached notice for June 20 regarding IESO's $475million facility for the RRRP Loan.

Thanks.

Olga Whiteley | Treasury and Pension Operations
Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
Station A, Box 4474, Toronto, ON M5W 4E5
Web: www.ieso.ca[ieso.ca] | Email: olga.whiteley@ieso.ca

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Independent Electricity System Operator
Station A, Box 4474
Toronto, ON M5W 4E5
t 905.403.6900
www.ieso.ca

SCHEDULE 2 TO AMENDING AGREEMENT NO. 10
ELECTION NOTICE

Jun 18, 2018

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7
Delivered Via Email: CASHP@ofina.on.ca

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is **June 20, 2018**;
(b) The aggregate amount of the proposed Continued Advance is **$14,956,793.43**, which is comprised of:
   i. principal amount of Advance which is to be continued **$14,956,793.43**; and
   ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date **$0.00**;
(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): **$0.00**;
(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is **July 20, 2018**. [Insert date no earlier than 28 days and not later than 95 days after the Current Repayment Date for the Advance].

IESO confirms it will also be paying interest in the amount of **$20,824.77**.

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: **$886,169.13**

The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: **$15,842,962.56**

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): **This transaction relates to the settlement of the Rural or Remote Electricity Rate Protection (RRRP) variance.**

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

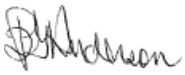
No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR



Per: _____

Barb Anderson
VP, Corporate Services & CFO

From:	Sujeev Jegatheeswaran
To:	Documentation
Subject:	FW: IESO $475M Credit Facility - Notice for May 18
Date:	Thursday, May 17, 2018 3:23:44 PM
Attachments:	RRRP rollover notice with advance.pdf

FYI.

Thanks,

Sujeev

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]

Sent: Wednesday, May 16, 2018 9:06 AM

To: CASHP ; SETTLEMENT ; Carlos Yep ; James Devine ; Ricky Lai

Cc: Anthony Martinello

Subject: IESO $475M Credit Facility - Notice for May 18

See attached notice for May 18 regarding IESO's $475million facility for the RRRP Loan.

Thanks.

Olga Whiteley | Treasury and Pension Operations

Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
Station A, Box 4474, Toronto, ON M5W 4E5
Web: www.ieso.ca[ieso.ca] | Email: olga.whiteley@ieso.ca

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Station A, Box 4474
Toronto, ON M5W 4E5
t 905 403.6900
www.ieso.ca

SCHEDULE 2 TO AMENDING AGREEMENT NO. 10
ELECTION NOTICE

May 16, 2018

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7
Delivered Via Email: CASHP@ofina.on.ca

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is **May 18, 2018**;
(b) The aggregate amount of the proposed Continued Advance is **$14,118,028.50**, which is comprised of:
   i. principal amount of Advance which is to be continued **$14,118,028.50**; and
   ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date **$0.00**;
(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): **$0.00**;
(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is **June 20, 2018**. [Insert date no earlier than 28 days and not later than 95 days after the Current Repayment Date for the Advance].

IESO confirms it will also be paying interest in the amount of **$16,462.01**.

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: **$838,764.93**

The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: **$14,956,793.43**

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): **This transaction relates to the settlement of the Rural or Remote Electricity Rate Protection (RRRP) variance.**

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Peter Gregg
President & CEO

From:	Sujeev Jegatheeswaran
To:	Documentation
Subject:	FW: IESO $475M Credit Facility - Notice for May 18
Date:	Thursday, May 17, 2018 3:23:44 PM
Attachments:	RRRP rollover notice with advance.pdf

FYI.

Thanks,

Sujeev

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]

Sent: Wednesday, May 16, 2018 9:06 AM

To: CASHP ; SETTLEMENT ; Carlos Yep ; James Devine ; Ricky Lai

Cc: Anthony Martinello

Subject: IESO $475M Credit Facility - Notice for May 18

See attached notice for May 18 regarding IESO's $475million facility for the RRRP Loan.

Thanks.

Olga Whiteley | Treasury and Pension Operations

Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
Station A, Box 4474, Toronto, ON M5W 4E5
Web: www.ieso.ca[ieso.ca] | Email: olga.whiteley@ieso.ca

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SCHEDULE 2 TO AMENDING AGREEMENT NO. 10
ELECTION NOTICE

May 16, 2018

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7
Delivered Via Email: CASHP@ofina.on.ca

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is **May 18, 2018**;
(b) The aggregate amount of the proposed Continued Advance is **$14,118,028.50**, which is comprised of:
   i. principal amount of Advance which is to be continued **$14,118,028.50**; and
   ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date **$0.00**;
(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): **$0.00**;
(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is **June 20, 2018**. [Insert date no earlier than 28 days and not later than 95 days after the Current Repayment Date for the Advance].

IESO confirms it will also be paying interest in the amount of **$16,462.01**.

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: **$838,764.93**

The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: **$14,956,793.43**

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): **This transaction relates to the settlement of the Rural or Remote Electricity Rate Protection (RRRP) variance.**

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Peter Gregg
President & CEO

From:	Carlos Yep
To:	Sarah Harris; William Tan; John Kim
Subject:	FW: IESO $975M Credit Facility (RRRP Loan) - Notice for Nov 21/17 REVISED
Date:	Friday, November 17, 2017 4:20:00 PM
Attachments:	Rollover Notice with advance REVISED.pdf

FYI

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]

Sent: Friday, November 17, 2017 3:09 PM

To: CASHP ; SETTLEMENT ; Carlos Yep ; Serena Ly ; James Devine

Cc: Anthony Martinello

Subject: IESO $975M Credit Facility (RRRP Loan) - Notice for Nov 21/17 REVISED

As requested, please see revised notice.

From: Olga Whiteley
Sent: November 16, 2017 4:45 PM
To: CASHP; SETTLEMENT; Carlos.Yep@ofina.on.ca; Serena.Ly@ofina.on.ca; James.Devine@ofina.on.ca
Cc: Anthony Martinello
Subject: IESO $975M Credit Facility (RRRP Loan) - Notice for Nov 21/17

See attached notice for November 21, 2017 regarding IESO's $975million facility for the RRRP Loan.

Please send the funds to IESO RRRP account:

Beneficiary: Independent Electricity System Operator - RRRP

Bank: TD Bank

Bank ID: 0004

Transit Number: 10202

Account Number: 5500617

Thanks.

Olga Whiteley | Treasury and Pension Operations

Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
Station A, Box 4474, Toronto, ON M5W 4E5
Web: www.ieso.ca[ieso.ca] | Email: olga.whiteley@ieso.ca

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Toronto, ON M5W 4E5
t 905.403.6900
www.ieso.ca

SCHEDULE 2
FORM OF ELECTION NOTICE*

Date: November 17, 2017

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7AIY7

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("**IESO**"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the" **Agreement**", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue all or a portion of an Advance for an additional term, and in that connection with such election, sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day is November 21, 2017
(b) The aggregate amount of the new loan is $11,556,384.24
    i. previous principal amount: $10,649,081.37
    ii. advance: $907,302.87
(c) The new Repayment Date applicable to such Advance is December 20, 2017

IESO confirms it will also be paying interest in the amount of $11,670.23. This transaction relates to the settlement of the Rural or Remote Electricity Rate Protection (RRRP) variance.

Such election shall be confirmed by the IESO by a telephone call to OFA Cash· Management (416) 325-8108.

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement, and are not being used for any other purpose.

Yours truly,
INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: K Marshall

Kimberly Marshall
VP Corporate Services, CFO and Treasurer

From:	Carlos Yep
To:	William Tan; Sarah Harris
Subject:	FW: IESO $975M Credit Facility (RRRP Loan) - Notice for Nov 21/17
Date:	Friday, November 17, 2017 8:20:28 AM
Attachments:	Rollover Notice with advance.pdf

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]
Sent: Thursday, November 16, 2017 4:45 PM
To: CASHP ; SETTLEMENT ; Carlos Yep ; Serena Ly ; James Devine
Cc: Anthony Martinello
Subject: IESO $975M Credit Facility (RRRP Loan) - Notice for Nov 21/17

See attached notice for November 21, 2017 regarding IESO's $975million facility for the RRRP Loan.

Please send the funds to IESO RRRP account:

Beneficiary: Independent Electricity System Operator - RRRP

Bank: TD Bank

Bank ID: 0004

Transit Number: 10202

Account Number: 5500617

Thanks.

Olga Whiteley | Treasury and Pension Operations

Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
Station A, Box 4474, Toronto, ON M5W 4E5
Web: www.ieso.ca[ieso.ca] | Email: olga.whiteley@ieso.ca

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Independent Electricity System Operator
Station A, Box 4474
Toronto, ON M5W 4E5
t 905.403.6900
www.ieso.ca

SCHEDULE 2
FORM OF ELECTION NOTICE*

Date: November 17, 2017

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7AIY7

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("**IESO**"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the" **Agreement**", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue all or a portion of an Advance for an additional term, and in that connection with such election, sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day is November 21, 2017
(b) The aggregate amount of the new loan is $11,556,092.48
    i. previous principal amount: $10,649,081.37
    ii. advance: $907,011.11
(c) The new Repayment Date applicable to such Advance is December 20, 2017

IESO confirms it will also be paying interest in the amount of $11,378.47. This transaction relates to the settlement of the Rural or Remote Electricity Rate Protection (RRRP) variance.

Such election shall be confirmed by the IESO by a telephone call to OFA Cash· Management (416) 325-8108.

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement, and are not being used for any other purpose.

Yours truly,
INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: K Marshall

Kimberly Marshall
VP Corporate Services, CFO and Treasurer

From: Carlos Yep
To: William Tan; Sarah Harris
Subject: FW: IESO $975M Credit Facility (RRRP Loan) - Notice for Nov 21/17
Date: Friday, November 17, 2017 8:20:28 AM
Attachments: Rollover Notice with advance.pdf

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]
Sent: Thursday, November 16, 2017 4:45 PM
To: CASHP <CASHP@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; Serena Ly <Serena.Ly@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>
Cc: Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: IESO $975M Credit Facility (RRRP Loan) - Notice for Nov 21/17

See attached notice for November 21, 2017 regarding IESO's $975million facility for the RRRP Loan.

Please send the funds to IESO RRRP account:

Beneficiary:	Independent Electricity System Operator - RRRP
Bank:	TD Bank
Bank ID:	0004
Transit Number:	10202
Account Number:	5500617

Thanks.

Olga Whiteley | Treasury and Pension Operations
Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
Station A, Box 4474, Toronto, ON M5W 4E5
Web: www.ieso.ca[ieso.ca] | Email: olga.whiteley@ieso.ca

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Independent Electricity System Operator
Station A, Box 4474
Toronto, ON M5W 4E5
t 905.403.6900
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SCHEDULE 2
FORM OF ELECTION NOTICE*

Date: November 17, 2017

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7AIY7

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("**IESO**"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the" **Agreement**", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue all or a portion of an Advance for an additional term, and in that connection with such election, sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day is November 21, 2017
(b) The aggregate amount of the new loan is $11,556,092.48
    i. previous principal amount: $10,649,081.37
    ii. advance: $907,011.11
(c) The new Repayment Date applicable to such Advance is December 20, 2017

IESO confirms it will also be paying interest in the amount of $11,378.47. This transaction relates to the settlement of the Rural or Remote Electricity Rate Protection (RRRP) variance.

Such election shall be confirmed by the IESO by a telephone call to OFA Cash· Management (416) 325-8108.

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement, and are not being used for any other purpose.

Yours truly,
INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: K Marshall

Kimberly Marshall
VP Corporate Services, CFO and Treasurer

From:	Carlos Yep
To:	Sarah Harris; William Tan; John Kim
Subject:	FW: IESO $975M Credit Facility (RRRP Loan) - Notice for Nov 21/17 REVISED
Date:	Friday, November 17, 2017 4:20:00 PM
Attachments:	Rollover Notice with advance REVISED.pdf

FYI

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]
Sent: Friday, November 17, 2017 3:09 PM
To: CASHP <CASHP@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; Serena Ly <Serena.Ly@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>
Cc: Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: IESO $975M Credit Facility (RRRP Loan) - Notice for Nov 21/17 REVISED

As requested, please see revised notice.

From: Olga Whiteley
Sent: November 16, 2017 4:45 PM
To: CASHP; SETTLEMENT; Carlos.Yep@ofina.on.ca; Serena.Ly@ofina.on.ca; James.Devine@ofina.on.ca
Cc: Anthony Martinello
Subject: IESO $975M Credit Facility (RRRP Loan) - Notice for Nov 21/17

See attached notice for November 21, 2017 regarding IESO's $975million facility for the RRRP Loan.

Please send the funds to IESO RRRP account:

Beneficiary:	Independent Electricity System Operator - RRRP
Bank:	TD Bank
Bank ID:	0004
Transit Number:	10202
Account Number:	5500617

Thanks.

Olga Whiteley | Treasury and Pension Operations
Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
Station A, Box 4474, Toronto, ON M5W 4E5
Web: www.ieso.ca[ieso.ca] | Email: olga.whiteley@ieso.ca

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recipient(s), please notify the sender immediately and delete this e-mail message.

ieso
Connecting Today.
Powering Tomorrow.

Independent Electricity System Operator
Station A, Box 4474
Toronto, ON M5W 4E5
t 905.403.6900
www.ieso.ca

SCHEDULE 2
FORM OF ELECTION NOTICE*

Date: November 17, 2017

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7AIY7

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("**IESO**"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the" **Agreement**", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue all or a portion of an Advance for an additional term, and in that connection with such election, sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day is November 21, 2017
(b) The aggregate amount of the new loan is $11,556,384.24
    i. previous principal amount: $10,649,081.37
    ii. advance: $907,302.87
(c) The new Repayment Date applicable to such Advance is December 20, 2017

IESO confirms it will also be paying interest in the amount of $11,670.23. This transaction relates to the settlement of the Rural or Remote Electricity Rate Protection (RRRP) variance.

Such election shall be confirmed by the IESO by a telephone call to OFA Cash· Management (416) 325-8108.

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement, and are not being used for any other purpose.

Yours truly,
INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: K Marshall

Kimberly Marshall
VP Corporate Services, CFO and Treasurer

From: Sarah Harris
To: Opal Kandelas
Cc: Lisa Stein
Subject: FW: IESO - OEFC Nov 27
Date: Monday, November 27, 2017 3:01:32 PM

Hi Opal,
Anthony is reaching out to provide drafts of the agreements. While we have started to work on them here, we haven't received word on final sign-off from Ron/Gadi. Any word?
I'm cc'ing Lisa, as she also wasn't cc'd on IESO's request.
Thanks,
Sarah

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Subject: FW: IESO - OEFC Nov 27
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Sent: November 07, 2017 4:07 PM
To: 'Ryan.Blackbyrne@ofina.on.ca'
Cc: 'Jean-Francois.Beaupre@ofina.on.ca'; William Tan; John Kim; Victor Buza
Subject: IESO - OEFC Nov 7
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The OFA agreements had required an intercept provision, …..not sure if the same applies to OEFC if yes:

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(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of November 6th , 2017 herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the Capital Investment Plan Act, 1993 (the "Intercept Letter"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("Appropriated Funds"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("Intercept").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail."

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From: Jean-Francois Beaupre
To: Sarah Harris
Cc: Ryan Blackbyrne
Subject: FW: IESO - OEFC Nov 27
Date: Monday, November 27, 2017 2:54:44 PM

Hi Sarah,
Do we have sign-off on the final briefing note and/or authorization from Mike/Gadi/Ron to proceed? I am not entirely comfortable with CEFD now saying this is a 'business decision' and not involving OFA Legal (i.e. Lisa Stein).
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J-F

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From: Ryan Blackbyrne
To: Lisa Stein
Cc: Sarah Harris
Subject: FW: IESO - OEFC Nov 7
Date: Monday, November 27, 2017 3:04:31 PM

Hi Lisa,

Please see below the original email we received from Anthony at IESO in early November. As you can see at this time his suggestion was to "copy and paste the salient sections" from the IESO-OFA agreements that were updated for the fair hydro plan into the amendments to the IESO-OEFC agreements. In his email Anthony referenced both the 'Permitted Lien' and 'Intercept Provision' sections, but we have since agreed the intercept provision will not be included in the IESO-OEFC amending agreements. We are still waiting for final sign-off from Gadi, Ron and Mike on whether we can include the permitted-Lien language from the IESO-OFA amending agreements into the IESO-OEFC amending agreements.

Thank You,
Ryan

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To:	Sarah Harris
Subject:	FW: IESO - OEFC Nov 7
Date:	Monday, November 27, 2017 2:24:50 PM

FYI

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Date: Wednesday, November 08, 2017 8:23:43 AM

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"(xx) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

2.DRAFT

The OFA agreements had required an intercept provision, …..not sure if the same applies to OEFC if yes:

"Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of November 6th , 2017 herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the Capital Investment Plan Act, 1993 (the "Intercept Letter"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("Appropriated Funds"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("Intercept").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.
(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.
The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail."
3.
If any… other relevant updates that make sense to do now……I do not anticipate any material ones.
We need your support to expedite the above in order to avoid delays in the Fair Hydro implementation.
Regards.
This e-mail message and any files transmitted with it are intended only for the named recipient(s) above and may contain information that is privileged, confidential and/or exempt from disclosure under applicable law. If you are not the intended recipient(s), any dissemination, distribution or copying of this e-mail message or any files transmitted with it is strictly prohibited. If you have received this message in error, or are not the named recipient(s), please notify the sender immediately and delete this e-mail message.

From: Sarah Harris
To: Jean-Francois Beaupre
Subject: FW: IESO - OEFC Nov 7
Date: Wednesday, November 08, 2017 7:15:36 AM

Hi JF,
Could I please ask if you could manage this in the office…I'm under the radar today, as much as possible.
Thanks,
Sarah

From: John Kim
Sent: Tuesday, November 07, 2017 4:42 PM
To: William Tan
Cc: Ryan Blackbyrne ; Sarah Harris ; Jean-Francois Beaupre ; Opal Kandelas ; Gavin He
Subject: RE: IESO - OEFC Nov 7
Hi William,
Gavin will coordinate. Wait to hear from him.
John

From: William Tan
Sent: Tuesday, November 07, 2017 4:39 PM
To: John Kim <John.Kim@ofina.on.ca>
Cc: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>
Subject: RE: IESO - OEFC Nov 7
Hello John,
I agree that you were to speak with IESO this afternoon and we would hear from you afterwards. Anthony called me this afternoon and provided required changes to the existing credit facilities. We did not get into specific details. He did not mention if he spoke with Electricity Finance and I didn't ask him if he had contacted Electricity Finance either. I only stated that Ryan will be coordinating the update to the credit facilities and provide required changes in email. It was a very brief call. After you have discussed the proposed changes with IESO please schedule a convenient time for you to meet with Ryan, Jean-Francois and I.
Thanks,
Will

From: John Kim
Sent: Tuesday, November 07, 2017 4:15 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>
Subject: RE: IESO - OEFC Nov 7
Hi there,
I thought Sarah asked us to touch base with IESO on the policy side of things before you were going to talk to them on implementation?

John

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Tuesday, November 07, 2017 4:07 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>
Subject: IESO - OEFC Nov 7

Ryan,

As discussed with Will today, I understand you will be co-ordinating the proposed 2 amendments to the existing IESO-OEFC credit facilities.

For starters, there are no expected changes being asked to the existing agreement's key business content (e.g. amounts, dates, interest, notices etc.), rather given that IESO-OFA have just finished two new agreements pertaining to the new fair hydro program, ….I suggest we just copy and paste the salient sections from these agreements that would now be relevant to the OEFC agreements for fair hydro namely;

1.DRAFT

The definition of "Permitted Liens" is amended by deleting the word "and" at the end of subsection (xx); replacing the "." at the end of subsection (xx) and replacing it with "; and" ; and adding the following subsection (xx):

"(xx) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

2.DRAFT

The OFA agreements had required an intercept provision, …..not sure if the same applies to OEFC if yes:

"Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of November 6th , 2017 herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the Capital Investment Plan Act, 1993 (the "Intercept Letter"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("Appropriated Funds"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("Intercept").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.
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The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail."
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If any… other relevant updates that make sense to do now……I do not anticipate any material ones.
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From: Ryan Blackbyrne
To: Lisa Stein
Cc: Sarah Harris
Subject: FW: IESO - OEFC Nov 7
Date: Monday, November 27, 2017 3:04:31 PM

Hi Lisa,
Please see below the original email we received from Anthony at IESO in early November. As you can see at this time his suggestion was to "copy and paste the salient sections" from the IESO-OFA agreements that were updated for the fair hydro plan into the amendments to the IESO-OEFC agreements. In his email Anthony referenced both the 'Permitted Lien' and 'Intercept Provision' sections, but we have since agreed the intercept provision will not be included in the IESO-OEFC amending agreements. We are still waiting for final sign-off from Gadi, Ron and Mike on whether we can include the permitted-Lien language from the IESO-OFA amending agreements into the IESO-OEFC amending agreements.
Thank You,
Ryan

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Tuesday, November 07, 2017 4:07 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>
Subject: IESO - OEFC Nov 7
Ryan,
As discussed with Will today, I understand you will be co-ordinating the proposed 2 amendments to the existing IESO-OEFC credit facilities.
For starters, there are no expected changes being asked to the existing agreement's key business content (e.g. amounts, dates, interest, notices etc.), rather given that IESO-OFA have just finished two new agreements pertaining to the new fair hydro program, ….I suggest we just copy and paste the salient sections from these agreements that would now be relevant to the OEFC agreements for fair hydro namely;
1.DRAFT
The definition of "Permitted Liens" is amended by deleting the word "and" at the end of subsection (xx); replacing the "." at the end of subsection (xx) and replacing it with "; and" ; and adding the following subsection (xx):
"(xx) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."
2.DRAFT
The OFA agreements had required an intercept provision, …..not sure if the same applies to OEFC if yes:
"Section 5.7 Intercept
(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of November 6th , 2017 herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the Capital Investment Plan Act, 1993 (the "Intercept Letter"), the Minister

of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("Appropriated Funds"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("Intercept").
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(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.
(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.
The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail."
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If any… other relevant updates that make sense to do now……I do not anticipate any material ones.
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Regards.
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From:	Jean-Francois Beaupre
To:	Sarah Harris
Subject:	FW: IESO - OEFC credit facilities : permitted liens
Date:	Thursday, November 16, 2017 11:41:35 AM
Attachments:	IESO-OEFC - FHP LoC_Nov 2017_v7.docx IESO-OEFC - FHP LoC_Nov 2017_v7.docx

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Please find attached my revised comments.

From: Gavin He
Sent: Thursday, November 16, 2017 8:21 AM
To: Sarah Harris ; Ryan Blackbyrne ; Jean-Francois Beaupre
Cc: Lisa Stein
Subject: RE: IESO - OEFC credit facilities : permitted liens

Hi all,

We have confirmed with the IESO that the reason for their requested change to the definition of the "permitted liens" in the OEFC credit facility agreements are the same for the request to OFA. The IESO wants to be able to grant security to the OPG Trust, and address the possibility that the Clean Energy Adjustment funds collected by IESO might be considered to be subject to a lien. The IESO does not want to be inadvertently in default.

We have drafted the attached BN for internal approval (Ron and Gadi) process. Could you please review and let us know if you have any concerns? It would be much appreciated if you could provide us your feedback around noon today, given the limited timeframe on this request.

This has been reviewed by Legal last night and I have incorporated the feedback from Sarah N. (in Lisa's absence).

Please let me know if you have any questions.

Thanks,

Gavin He

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Wednesday, November 15, 2017 6:49 AM
To: John Kim <John.Kim@ofina.on.ca>
Cc: Victor Buza <Victor.Buza@ieso.ca>
Subject: IESO - OEFC credit facilities : permitted liens

John,

As discussed yesterday, it likely is best to add to the definition of "Permitted Liens" in the two OEFC facilities to address a) IESO granting security to the OPG Trust during the first 4 years of fair hydro program and b) the possibility that the Clean Energy Adjustment funds collected by IESO might be considered to be subject to a lien. The IESO does not want to be inadvertently in default.

Happy to discuss further. I am out of the office most of this week on IESO business matters but available by cell 289-795-9426, or if necessary you may connect with Victor.

Regards.

This e-mail message and any files transmitted with it are intended only for the named recipient(s) above and may contain information that is privileged, confidential and/or exempt from disclosure under applicable law. If you are not the intended recipient(s), any dissemination, distribution or copying of this e-mail message or any files transmitted with it is strictly prohibited. If you have received this message in error, or are not the named recipient(s), please notify the sender immediately and delete this e-mail message.

OEFC -- IESO CREDIT FACILITY AGREEMENT & THE PERMITTED LIENS

ISSUE

The Independent Electricity System Operator ("IESO") has requested OEFC to amend the existing credit facility agreements between OEFC and IESO (for $160M and $120M) to address the additional obligations the IESO is taking on under Ontario's Fair Hydro Plan.

CONTEXT

The Fair Hydro Plan will require the IESO and Ontario Power Generation (OPG) to work together to spread out the costs of Ontario's clean energy investments over a longer period of time, which ensures that the costs of these investments are allocated fairly among current and future ratepayers. This is being accomplished through refinancing a portion of the Global Adjustment (GA). The IESO and OPG are in a discussion to potentially grant the security/priority on IESO's assets to the OPG Trust for the period of the first four years of the GA deferral. The IESO will seek its Board approval on Nov 22, 2017 for the security agreement and this would be in conflict with OEFC's $160M and $120M credit facility agreements (the "OEFC Agreements") with the IESO without the requested amendments. Paragraph 4.7 – Negative Pledges – in both OEFC credit facility agreements does not allow IESO to grant such security/priority to the OPG Trust.

In order to address this issue, the IESO has requested OEFC to amend the definition of the "permitted liens" in both existing OEFC Agreements to include any liens related to the Fair Hydro Plan (FHP). Specifically, adding a clause in the existing OEFC Agreements that any lien related to OFHP will not be viewed as negative pledge by OEFC, so those liens can be used to secure the performance of IESO's obligations towards OPG. This would allow IESO to grant security to the OPG Trust during the first 4 years of implementing the GA deferral and also avoid the possibility that the Clean Energy Adjustment funds collected by IESO might be considered to be subject to a lien. The IESO does not want inadvertently to be in default.

To support IESO's role in the implementation and participation under the *Ontario Fair Hydro Plan Act, 2017* ("OFHP Act") in July 2017, the IESO had reached out to the Capital Market Division – Operations of the OFA to make the same request to the credit facility agreements with OFA in October. The OFA staff have recommended providing the requested amendments and amended the $475M and $2B credit facility agreements between OFA and the IESO on November 6th, 2017 (the "OFA Agreements"), as suggested by the IESO. One of the amendments to the agreement is to amend the definition of the permitted liens to include any lien arising from the IESO's role and obligations under the OFHP.

RECOMMENDATION

- To support IESO's role in the implementation and participation under the OFHP Act and also to be consistent with the approach OFA implemented , OFA staff are of the view that the exisiting OEFC Agreements require amendments to the permitted liens and negative covenant language to make it the same as, or very similar to, the language in the OFA Agreements that were signed recently.
- Although the OEFC credit facility is not used for OFHP's purpose, it is IESO's position that it wants to make such change to the definition of the permitted liens to make sure that the IESO is not inadvertently in default of its security obligations to OPG Trust ~~is still required in order for IESO to~~and meets its role and obligation under the OFHP Act.

BACKGROUND

- Currently, under the existing credit facility agreement between OEFC and the IESO, the definition of the "permitted liens" does not include any lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation,

amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

- On November 6, 2017, OFA and IESO signed an updated OFA IESO credit facility agreement with respect to changes related to OFHP.

Electricity Finance Branch / Corporate and Electricity Finance Division / Ontario Financing Authority
November 15, 2017

OEFC -- IESO CREDIT FACILITY AGREEMENT & THE PERMITTED LIENS

ISSUE

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To support IESO's role in the implementation and participation under the *Ontario Fair Hydro Plan Act, 2017* ("OFHP Act") in July 2017, the IESO had reached out to the Capital Market Division – Operations of the OFA to make the same request to the credit facility agreements with OFA in October. The OFA staff have recommended providing the requested amendments and amended the $475M and $2B credit facility agreements between OFA and the IESO on November 6th, 2017 (the "OFA Agreements"), as suggested by the IESO. One of the amendments to the agreement is to amend the definition of the permitted liens to include any lien arising from the IESO's role and obligations under the OFHP.

RECOMMENDATION

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- Although the OEFC credit facility is not used for OFHP's purpose, it is IESO's position that it wants to make such change to the definition of the permitted liens to make sure that the IESO is not inadvertently in default of its security obligations to OPG Trust ~~is still required in order for IESO to~~and meets its role and obligation under the OFHP Act.

BACKGROUND

- Currently, under the existing credit facility agreement between OEFC and the IESO, the definition of the "permitted liens" does not include any lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation,

Commented [JB1]:
If the existing agreements between OEFC and IESO will not be used for OFHP purposes (see 2nd bullet in "Recommendations") and since draws for FHP purposes will only made from the OFA-IESO $2B credit facility agreement, there does not appear to be a clear rationale why the definition of 'permitted liens" needs to be amended in the OEFC agreement at this time. Please advise.

Commented [JB2]:
Please clarify if the GA relates to the OFHP and if so, how?

Also, may you please explain if the GA is related to OEFC and how this may impact the existing $120M and $160M agreements precisely?

Commented [JB3]:
Please explain what are the risks, if any, of OEFC granting IESO priority to OPG Trust? We are not privy to the 'security agreement' and need to understand why this would be in conflict with existing agreements.

(e.g. If changes were made to the Clean Energy Adjustment fund collected by IESO in the future and OPG Trust had liens in place against these assets, is there a possibility that IESO would default on its 'non-OFHP' related obligations to OEFC? How would this work exactly?

Commented [JB4]:
We require a better understanding of how the GA, Clean Energy Adjustment Funds and OPG Trust fit together in the context of OEFC. Please advise.

May you please provide a specific example of a situation where non-OFHP related business conducted between IESO-OEFC would end up as part of a lien related to FHP obligations?

Commented [JB5]:

Commented [JB6]:
Is the objective to make the language consistent across all agreements regardless of their intended purpose?

Should these agreements be examined on a case-by-case basis to determine what they are being used for and only those agreements which pertain to OFHP obligations should be amended?

Commented [JB7]:
How would funds collected from the Clean Energy Adjustment affect OEFC and IESO's obligations to repay OEFC?

amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

- On November 6, 2017, OFA and IESO signed an updated OFA IESO credit facility agreement with respect to changes related to OFHP.

Electricity Finance Branch / Corporate and Electricity Finance Division / Ontario Financing Authority
November 15, 2017

From:	Sarah Harris
To:	Opal Kandelas; Jean-Francois Beaupre
Subject:	FW: IESO - OEFC credit facilities : permitted liens
Date:	Thursday, November 16, 2017 9:55:15 AM
Importance:	High

Opal and JF,
Are you available for quick call – just the three of us?
Thanks,
Sarah

From: Gavin He
Sent: Thursday, November 16, 2017 9:53 AM
To: Sarah Harris
Subject: RE: IESO - OEFC credit facilities : permitted liens

Hi Sarah,
For the interest of time and also suggested by Sarah N., I am going to ask IESO to start working on a draft amendment and then share with us. Is it okay if I tell them that your team and Legal will be the lead contacts for updating the agreements?
Thanks,
Gavin He

From: Gavin He
Sent: Thursday, November 16, 2017 8:21 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Hi all,
We have confirmed with the IESO that the reason for their requested change to the definition of the "permitted liens" in the OEFC credit facility agreements are the same for the request to OFA. The IESO wants to be able to grant security to the OPG Trust, and address the possibility that the Clean Energy Adjustment funds collected by IESO might be considered to be subject to a lien. The IESO does not want to be inadvertently in default.
We have drafted the attached BN for internal approval (Ron and Gadi) process. Could you please review and let us know if you have any concerns? It would be much appreciated if you could provide us your feedback around noon today, given the limited timeframe on this request.
This has been reviewed by Legal last night and I have incorporated the feedback from Sarah N. (in Lisa's absence).
Please let me know if you have any questions.
Thanks,
Gavin He

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Wednesday, November 15, 2017 6:49 AM
To: John Kim <John.Kim@ofina.on.ca>
Cc: Victor Buza <Victor.Buza@ieso.ca>
Subject: IESO - OEFC credit facilities : permitted liens

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Happy to discuss further. I am out of the office most of this week on IESO business matters but available by cell 289-795-9426, or if necessary you may connect with Victor.

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From:	Sarah Harris
To:	Opal Kandelas; Jean-Francois Beaupre
Subject:	FW: IESO - OEFC credit facilities : permitted liens
Date:	Thursday, November 16, 2017 9:55:15 AM
Importance:	High

Opal and JF,
Are you available for quick call – just the three of us?
Thanks,
Sarah

From: Gavin He
Sent: Thursday, November 16, 2017 9:53 AM
To: Sarah Harris
Subject: RE: IESO - OEFC credit facilities : permitted liens

Hi Sarah,
For the interest of time and also suggested by Sarah N., I am going to ask IESO to start working on a draft amendment and then share with us. Is it okay if I tell them that your team and Legal will be the lead contacts for updating the agreements?
Thanks,
Gavin He

From: Gavin He
Sent: Thursday, November 16, 2017 8:21 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>
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From: Sarah Harris
To: Opal Kandelas
Subject: FW: IESO - OEFC credit facilities : permitted liens
Date: Thursday, November 16, 2017 9:42:39 AM
Attachments: IESO-OEFC - FHP LoC_Nov 2017_v7.docx

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Electricity Finance Branch / Corporate and Electricity Finance Division / Ontario Financing Authority
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November 15, 2017

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Attachments:	IESO-OEFC - FHP LoC_Nov 2017_v7.docx

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- Although the OEFC credit facility is not used for OFHP's purpose, it is IESO's position that it wants to make such change to the definition of the permitted liens to make sure that the IESO is not inadvertently in default of its security obligations to OPG Trust ~~is still required in order for IESO to~~and meets its role and obligation under the OFHP Act.

BACKGROUND

- Currently, under the existing credit facility agreement between OEFC and the IESO, the definition of the "permitted liens" does not include any lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation,

amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

- On November 6, 2017, OFA and IESO signed an updated OFA IESO credit facility agreement with respect to changes related to OFHP.

Electricity Finance Branch / Corporate and Electricity Finance Division / Ontario Financing Authority
November 15, 2017

From:	Jean-Francois Beaupre
To:	Sarah Harris
Subject:	FW: IESO - OEFC credit facilities : permitted liens
Date:	Thursday, November 16, 2017 11:41:35 AM
Attachments:	IESO-OEFC - FHP LoC_Nov 2017_v7.docx IESO-OEFC - FHP LoC_Nov 2017_v7.docx

---

Please find attached my revised comments.

From: Gavin He
Sent: Thursday, November 16, 2017 8:21 AM
To: Sarah Harris ; Ryan Blackbyrne ; Jean-Francois Beaupre
Cc: Lisa Stein
Subject: RE: IESO - OEFC credit facilities : permitted liens

Hi all,

We have confirmed with the IESO that the reason for their requested change to the definition of the "permitted liens" in the OEFC credit facility agreements are the same for the request to OFA. The IESO wants to be able to grant security to the OPG Trust, and address the possibility that the Clean Energy Adjustment funds collected by IESO might be considered to be subject to a lien. The IESO does not want to be inadvertently in default.

We have drafted the attached BN for internal approval (Ron and Gadi) process. Could you please review and let us know if you have any concerns? It would be much appreciated if you could provide us your feedback around noon today, given the limited timeframe on this request.

This has been reviewed by Legal last night and I have incorporated the feedback from Sarah N. (in Lisa's absence).

Please let me know if you have any questions.

Thanks,

Gavin He

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Wednesday, November 15, 2017 6:49 AM
To: John Kim <John.Kim@ofina.on.ca>
Cc: Victor Buza <Victor.Buza@ieso.ca>
Subject: IESO - OEFC credit facilities : permitted liens

John,

As discussed yesterday, it likely is best to add to the definition of "Permitted Liens" in the two OEFC facilities to address a) IESO granting security to the OPG Trust during the first 4 years of fair hydro program and b) the possibility that the Clean Energy Adjustment funds collected by IESO might be considered to be subject to a lien. The IESO does not want to be inadvertently in default.

Happy to discuss further. I am out of the office most of this week on IESO business matters but available by cell 289-795-9426, or if necessary you may connect with Victor.

Regards.

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OEFC -- IESO CREDIT FACILITY AGREEMENT & THE PERMITTED LIENS

ISSUE

The Independent Electricity System Operator ("IESO") has requested OEFC to amend the existing credit facility agreements between OEFC and IESO (for $160M and $120M) to address the additional obligations the IESO is taking on under Ontario's Fair Hydro Plan.

CONTEXT

The Fair Hydro Plan will require the IESO and Ontario Power Generation (OPG) to work together to spread out the costs of Ontario's clean energy investments over a longer period of time, which ensures that the costs of these investments are allocated fairly among current and future ratepayers. This is being accomplished through refinancing a portion of the Global Adjustment (GA). The IESO and OPG are in a discussion to potentially grant the security/priority on IESO's assets to the OPG Trust for the period of the first four years of the GA deferral. The IESO will seek its Board approval on Nov 22, 2017 for the security agreement and this would be in conflict with OEFC's $160M and $120M credit facility agreements (the "OEFC Agreements") with the IESO without the requested amendments. Paragraph 4.7 – Negative Pledges – in both OEFC credit facility agreements does not allow IESO to grant such security/priority to the OPG Trust.

In order to address this issue, the IESO has requested OEFC to amend the definition of the "permitted liens" in both existing OEFC Agreements to include any liens related to the Fair Hydro Plan (FHP). Specifically, adding a clause in the existing OEFC Agreements that any lien related to OFHP will not be viewed as negative pledge by OEFC, so those liens can be used to secure the performance of IESO's obligations towards OPG. This would allow IESO to grant security to the OPG Trust during the first 4 years of implementing the GA deferral and also avoid the possibility that the Clean Energy Adjustment funds collected by IESO might be considered to be subject to a lien. The IESO does not want inadvertently to be in default.

To support IESO's role in the implementation and participation under the *Ontario Fair Hydro Plan Act, 2017* ("OFHP Act") in July 2017, the IESO had reached out to the Capital Market Division – Operations of the OFA to make the same request to the credit facility agreements with OFA in October. The OFA staff have recommended providing the requested amendments and amended the $475M and $2B credit facility agreements between OFA and the IESO on November 6th, 2017 (the "OFA Agreements"), as suggested by the IESO. One of the amendments to the agreement is to amend the definition of the permitted liens to include any lien arising from the IESO's role and obligations under the OFHP.

RECOMMENDATION

- To support IESO's role in the implementation and participation under the OFHP Act and also to be consistent with the approach OFA implemented , OFA staff are of the view that the exisiting OEFC Agreements require amendments to the permitted liens and negative covenant language to make it the same as, or very similar to, the language in the OFA Agreements that were signed recently.
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Commented [JB1]:
If the existing agreements between OEFC and IESO will not be used for OFHP purposes (see 2nd bullet in "Recommendations") and since draws for FHP purposes will only made from the OFA-IESO $2B credit facility agreement, there does not appear to be a clear rationale why the definition of 'permitted liens" needs to be amended in the OEFC agreement at this time. Please advise.

Commented [JB2]:
Please clarify if the GA relates to the OFHP and if so, how?

Also, may you please explain if the GA is related to OEFC and how this may impact the existing $120M and $160M agreements precisely?

Commented [JB3]:
Please explain what are the risks, if any, of OEFC granting IESO priority to OPG Trust? We are not privy to the 'security agreement' and need to understand why this would be in conflict with existing agreements.

(e.g. If changes were made to the Clean Energy Adjustment fund collected by IESO in the future and OPG Trust had liens in place against these assets, is there a possibility that IESO would default on its 'non-OFHP' related obligations to OEFC? How would this work exactly?

Commented [JB4]:
We require a better understanding of how the GA, Clean Energy Adjustment Funds and OPG Trust fit together in the context of OEFC. Please advise.

May you please provide a specific example of a situation where non-OFHP related business conducted between IESO-OEFC would end up as part of a lien related to FHP obligations?

Commented [JB5]:

Commented [JB6]:
Is the objective to make the language consistent across all agreements regardless of their intended purpose?

Should these agreements be examined on a case-by-case basis to determine what they are being used for and only those agreements which pertain to OFHP obligations should be amended?

Commented [JB7]:
How would funds collected from the Clean Energy Adjustment affect OEFC and IESO's obligations to repay OEFC?

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Electricity Finance Branch / Corporate and Electricity Finance Division / Ontario Financing Authority
November 15, 2017

From:	Sarah Harris
To:	Sarah Harris
Subject:	FW: IESO - Signing Authority Documents
Date:	Friday, August 03, 2018 9:08:28 PM

From: William Tan
Sent: Monday, June 18, 2018 11:38 AM
To: 'Anthony Martinello' ; Olga Whiteley
Cc: Sarah Harris ; Carlos Yep ; James Devine ; Ricky Lai
Subject: IESO - Signing Authority Documents

Hello Anthony,

As per conversation regarding the required signing authority documents for Barb Anderson VP, & CFO on the election notices for June 20. Please provide completed documents for one of the following options below before June 20.

While option 6 is a suitable solution, it should be viewed as a temporary solution. Therefore, I recommend option 1, as a comprehensive long-term solution.

Options provided in May, 2018:

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4. By-law or other document in place providing authorization to the IESO ~~CEO~~ CFO.
5. A certificate from the IESO Corporate Secretary stating that the IESO ~~CEO~~ CFO has signing authority.
6. A signature under seal of the corporation.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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To:	Olga Whiteley
Cc:	Anthony Martinello; Sujeev Jegatheeswaran
Subject:	FW: IESO - Signing Authority Documents
Date:	Tuesday, June 19, 2018 11:17:39 AM

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]
Sent: Tuesday, June 19, 2018 10:02 AM
To: Sarah Harris
Cc: William Tan ; Anthony Martinello
Subject: RE: IESO - Signing Authority Documents

Hi Sarah, our legal counsel is working on providing the incumbency certificate and board resolution first thing tomorrow morning (but we can use the corporate seal as plan B).
Regards.

From: Sarah Harris [mailto:Sarah.Harris@ofina.on.ca]
Sent: June 19, 2018 9:56 AM
To: William Tan; Olga Whiteley; Anthony Martinello
Subject: RE: IESO - Signing Authority Documents

Hello Olga,

In the interest of practicality, for this round, the CFO's signature under seal of the corporation is fine for the June advances. For the next month's advances, would you please send us a complete signing authority for the signatory of next month's notices.

Thanks,
Sarah

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Hello Olga,
My legal department replied back to me and unfortunately a redacted board resolution and certificate of incumbency is required.
Thanks,
Will

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]
Sent: Monday, June 18, 2018 3:51 PM
To: William Tan <William.Tan@ofina.on.ca>
Subject: RE: IESO - Signing Authority Documents

What is your number Will?

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: June 18, 2018 3:45 PM
To: Anthony Martinello; Olga Whiteley
Cc: Sarah Harris; Carlos Yep; James Devine; Ricky Lai
Subject: RE: IESO - Signing Authority Documents

Hello Anthony and Olga,
I am following-up to get an indication of the solution you wish to pursue. Also, when will you be providing the documents. As a heads-up I will be out-of-the-office on Tuesday. For signatory related documents please coordinate with Sarah Harris.

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To: Sujeev Jegatheeswaran
Subject: FW: IESO - Signing Authority Documents
Date: Tuesday, June 19, 2018 10:25:03 AM

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Subject: RE: IESO - Signing Authority Documents

Hello Olga,

In the interest of practicality, for this round, the CFO's signature under seal of the corporation is fine for the June advances. For the next month's advances, would you please send us a complete signing authority for the signatory of next month's notices.

Thanks,
Sarah

From: William Tan
Sent: Monday, June 18, 2018 5:22 PM
To: 'Olga Whiteley' <Olga.Whiteley@ieso.ca>; 'Anthony Martinello' <Anthony.Martinello@ieso.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO - Signing Authority Documents

Hello Olga,
My legal department replied back to me and unfortunately a redacted board resolution and certificate of incumbency is required.
Thanks,
Will

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]
Sent: Monday, June 18, 2018 3:51 PM
To: William Tan <William.Tan@ofina.on.ca>
Subject: RE: IESO - Signing Authority Documents

What is your number Will?

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: June 18, 2018 3:45 PM
To: Anthony Martinello; Olga Whiteley
Cc: Sarah Harris; Carlos Yep; James Devine; Ricky Lai
Subject: RE: IESO - Signing Authority Documents

Hello Anthony and Olga,
I am following-up to get an indication of the solution you wish to pursue. Also, when will you be providing the documents. As a heads-up I will be out-of-the-office on Tuesday. For signatory related documents please coordinate with Sarah Harris.

Thanks,
Will

From: William Tan
Sent: Monday, June 18, 2018 11:38 AM
To: 'Anthony Martinello' <Anthony.Martinello@ieso.ca>; Olga Whiteley <Olga.Whiteley@ieso.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>; Ricky Lai <Ricky.Lai@ofina.on.ca>
Subject: IESO - Signing Authority Documents

Hello Anthony,

As per conversation regarding the required signing authority documents for Barb Anderson VP, & CFO on the election notices for June 20. Please provide completed documents for one of the following options below before June 20.

While option 6 is a suitable solution, it should be viewed as a temporary solution. Therefore, I recommend option 1, as a comprehensive long-term solution.

Options provided in May, 2018:

1. Certified resolution of the board of directors for IESO authorizing both the Fair Hydro Plan Credit Agreement and for the Existing Credit Facility authorizing the signatory and Updated Incumbency Certificate.
2. ~~A delegation of authority from the (former) IESO CFO to the IESO CEO (or other authorized signatories).~~
3. A general signing authority resolution of the IESO Board of Directors.
4. By-law or other document in place providing authorization to the IESO ~~CEO~~ CFO.
5. A certificate from the IESO Corporate Secretary stating that the IESO ~~CEO~~ CFO has signing authority.
6. A signature under seal of the corporation.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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To: Sujeev Jegatheeswaran
Subject: FW: IESO - Signing Authority Documents
Date: Tuesday, June 19, 2018 10:25:03 AM

Hi Sujeev

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]
Sent: Tuesday, June 19, 2018 10:02 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: RE: IESO - Signing Authority Documents

Hi Sarah, our legal counsel is working on providing the incumbency certificate and board resolution first thing tomorrow morning (but we can use the corporate seal as plan B).
Regards.

From: Sarah Harris [mailto:Sarah.Harris@ofina.on.ca]
Sent: June 19, 2018 9:56 AM
To: William Tan; Olga Whiteley; Anthony Martinello
Subject: RE: IESO - Signing Authority Documents

Hello Olga,

In the interest of practicality, for this round, the CFO's signature under seal of the corporation is fine for the June advances. For the next month's advances, would you please send us a complete signing authority for the signatory of next month's notices.

Thanks,
Sarah

From: William Tan
Sent: Monday, June 18, 2018 5:22 PM
To: 'Olga Whiteley' <Olga.Whiteley@ieso.ca>; 'Anthony Martinello' <Anthony.Martinello@ieso.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO - Signing Authority Documents

Hello Olga,

My legal department replied back to me and unfortunately a redacted board resolution and certificate of incumbency is required.

Thanks,

Will

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]
Sent: Monday, June 18, 2018 3:51 PM
To: William Tan <William.Tan@ofina.on.ca>
Subject: RE: IESO - Signing Authority Documents

What is your number Will?

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: June 18, 2018 3:45 PM
To: Anthony Martinello; Olga Whiteley
Cc: Sarah Harris; Carlos Yep; James Devine; Ricky Lai
Subject: RE: IESO - Signing Authority Documents

Hello Anthony and Olga,

I am following-up to get an indication of the solution you wish to pursue. Also, when will you be providing the documents. As a heads-up I will be out-of-the-office on Tuesday. For signatory related documents please coordinate with Sarah Harris.

Thanks,

Will

From: William Tan
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To: 'Anthony Martinello' <Anthony.Martinello@ieso.ca>; Olga Whiteley <Olga.Whiteley@ieso.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>; Ricky Lai <Ricky.Lai@ofina.on.ca>
Subject: IESO - Signing Authority Documents

Hello Anthony,

As per conversation regarding the required signing authority documents for Barb Anderson VP, & CFO on the election notices for June 20. Please provide completed documents for one of the following options below before June 20.

While option 6 is a suitable solution, it should be viewed as a temporary solution. Therefore, I recommend option 1, as a comprehensive long-term solution.

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1. Certified resolution of the board of directors for IESO authorizing both the Fair Hydro Plan Credit Agreement and for the Existing Credit Facility authorizing the signatory and Updated Incumbency Certificate.
2. ~~A delegation of authority from the (former) IESO CFO to the IESO CEO (or other authorized~~

~~signatories).~~

3. A general signing authority resolution of the IESO Board of Directors.
4. By-law or other document in place providing authorization to the IESO ~~CEO~~ CFO.
5. A certificate from the IESO Corporate Secretary stating that the IESO ~~CEO~~ CFO has signing authority.
6. A signature under seal of the corporation.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
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Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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From: William Tan
To: Lisa Stein
Cc: Sarah Harris
Subject: FW: IESO - Signing Authority Documents
Date: Monday, June 18, 2018 4:09:32 PM

Hello Lisa,
Olga Whiteley (IESO) is asking if IESO can provide a Certificate of Incumbency without a Board Resolution to satisfy required sighing authority documentation. According to Olga their legal counsel are willing to provide the Board Resolution but it would "require some work" to redact non-essential information and to satisfy the deadline of June 18/19. Please let me know if this is possible.
Thanks,
Will

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]
Sent: Monday, June 18, 2018 3:51 PM
To: William Tan
Subject: RE: IESO - Signing Authority Documents
What is your number Will?

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: June 18, 2018 3:45 PM
To: Anthony Martinello; Olga Whiteley
Cc: Sarah Harris; Carlos Yep; James Devine; Ricky Lai
Subject: RE: IESO - Signing Authority Documents
Hello Anthony and Olga,
I am following-up to get an indication of the solution you wish to pursue. Also, when will you be providing the documents. As a heads-up I will be out-of-the-office on Tuesday. For signatory related documents please coordinate with Sarah Harris.
Thanks,
Will

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Sent: Monday, June 18, 2018 11:38 AM
To: 'Anthony Martinello' <Anthony.Martinello@ieso.ca>; Olga Whiteley <Olga.Whiteley@ieso.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>; Ricky Lai <Ricky.Lai@ofina.on.ca>
Subject: IESO - Signing Authority Documents
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While option 6 is a suitable solution, it should be viewed as a temporary solution. Therefore, I recommend option 1, as a comprehensive long-term solution.
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4. By-law or other document in place providing authorization to the IESO ~~CEO~~ CFO.
5. A certificate from the IESO Corporate Secretary stating that the IESO ~~CEO~~ CFO has signing authority.
6. A signature under seal of the corporation.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
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Date: Monday, June 18, 2018 4:09:32 PM

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Thanks,

Will

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]
Sent: Monday, June 18, 2018 3:51 PM
To: William Tan <William.Tan@ofina.on.ca>
Subject: RE: IESO - Signing Authority Documents

What is your number Will?

From: William Tan [mailto:William.Tan@ofina.on.ca]
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Cc: Sarah Harris; Carlos Yep; James Devine; Ricky Lai
Subject: RE: IESO - Signing Authority Documents

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From: Sarah Harris
To: Sarah Harris
Subject: FW: IESO - Signing Authority Documents
Date: Friday, August 03, 2018 9:08:28 PM

From: William Tan
Sent: Monday, June 18, 2018 11:38 AM
To: 'Anthony Martinello' <Anthony.Martinello@ieso.ca>; Olga Whiteley <Olga.Whiteley@ieso.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>; Ricky Lai <Ricky.Lai@ofina.on.ca>
Subject: IESO - Signing Authority Documents

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william.tan@ofina.on.ca

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From:	Sarah Harris
To:	William Tan
Subject:	FW: IESO Amendments
Date:	Tuesday, August 28, 2018 3:48:13 PM
Attachments:	IESO Revolving Credit Facility Amending Agreement No 6 OFA Legal Comment....doc $120MMNoteIESOBlacklineApr27IESOLegal-rev.docx

---

From: Kelly Listoe
Sent: Friday, April 28, 2017 9:06 AM
To: 'Victor Buza'
Cc: Sarah Harris
Subject: RE: IESO Amendments

Hi Victor

I am resending these. They are ok on my screen.

Regards,

Kelly Listoe
Documentation & Compliance Coordinator
Capital Markets
Ontario Financing Authority
1 Dundas Street West, Ste. 1400
Toronto, ON. M7A 1Y7
(416) 325 - 8129

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Friday, April 28, 2017 8:11 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: Kelly Listoe <Kelly.Listoe@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: Re: IESO Amendments

Hi Sarah - could you resend the attachments you sent in your 4:58 email yesterday (shows up as 5:07 too). For some reason the Note Agreement is on a magenta background, and I want to make sure I am looking at the right documents. It's a long story but the problem may be on this end and it's best if you could just resend.

Thanks

Victor

From: Sarah Harris <Sarah.Harris@ofina.on.ca>
Sent: Thursday, April 27, 2017 4:58 PM
To: Victor Buza
Cc: Kelly Listoe; Lisa Stein
Subject: RE: IESO Amendments

Hi Victor,

Thanks for the revised drafts. Please note the following:

1. Re the Note Agreement For clarity, we've amended Section 2.17 to better show the breakdown of the calculation of the accrual of interest for the two calculations separate periods used for Part A (from April 30) and Part B (from May 1). Similar changes were also made to the form of Note.

2. Re the Revolving Facility – We agree with your changes
3. Certified Board Resolution – Looks good.

The Note and Revolving Facility have been tidied up for a few typos.
I think we are in good shape. Fingers crossed.
Regarding your question, yes, you should sign and deliver the actual two notes (i.e.as separate them from the forms of notes in each respective schedule). Given the rate is set on Monday for the $120M note, I am thinking that we leave the 'descriptor' the interest rate at the top of the note as the effective rate on the note (vs. the discrete interest rate) , but am going to verify tomorrow. It seems there's precedent for both in the past.
Thanks,
Sarah Harris
Manager, Operations
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M7A 1Y7
416-325-8193
sarah.harris@ofina.on.ca

From: Kelly Listoe
Sent: Thursday, April 27, 2017 3:31 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: IESO Amendments
Importance: High

Kelly Listoe
Documentation & Compliance Coordinator
Capital Markets
Ontario Financing Authority
1 Dundas Street West, Ste. 1400
Toronto, ON. M7A 1Y7
(416) 325 - 8129

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Thursday, April 27, 2017 3:25 PM
To: Kelly Listoe <Kelly.Listoe@ofina.on.ca>
Subject: RE: IESO Amendments
Importance: High

Hi Kelly – per our call earlier this afternoon, I have amended both agreements to what I hope are now final versions.

1. Re the Note Agreement – as discussed, we agree with the latest changes you made to introduce the Part A and Part B Amounts – this resolves the interest issues very cleanly. Also, as mentioned, I added the stub period language that was inserted previously into the main body of the agreement into the Note itself, for consistency. And I fixed a couple of small typos which you'll see in the mark-up.
2. Re the Revolving Facility – I understand the Fair Hydro language I provided last night is acceptable to you, so I just accepted it. I also added the Counterparts language to the Revolving Facility that was in the Note Agreement in case we have trouble circulating the

same documents to everyone in time tomorrow. Finally, I deleted the reference to the "market renewals program" in the Use of Proceeds section since we intended to remove reference to that from the agreement, but apparently missed one of the three references.

3. Certified Board Resolution – Per your email of a few moments ago, I correct the typo in the name of OEFC – see attached.

Important Question – in addition to signing the two agreements and the Certified Director's Resolution and Incumbency Certificate, do we not also have to sign the two actual Notes themselves? Ie. The $120million Note for the Note Agreement; and the $160 million Note for the Revolver? If so, can you provide those in execution form asap so I can include them in the final package for execution ?

Thanks,

Victor

Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079
1600-120 Adelaide Street West, Toronto, ON M5H 1T1
Web: www.ieso.ca[ieso.ca][na01.safelinks.protection.outlook.com] | Twitter: IESO_Tweets[twitter.com][na01.safelinks.protection.outlook.com] | LinkedIn: IESO[linkedin.com][na01.safelinks.protection.outlook.com]

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From: Kelly Listoe [mailto:Kelly.Listoe@ofina.on.ca]
Sent: April 27, 2017 1:09 PM
To: Victor Buza
Subject: RE: IESO Amendments

Yes, they look fine. Thanks.

Kelly Listoe
Documentation & Compliance Coordinator
Capital Markets
Ontario Financing Authority
1 Dundas Street West, Ste. 1400
Toronto, ON. M7A 1Y7
(416) 325 - 8053

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Thursday, April 27, 2017 1:07 PM
To: Kelly Listoe <Kelly.Listoe@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: RE: IESO Amendments

Hi Kelly – can you please confirm that the form of the attached documents (Incumbency Certificate and Certified Board Resolution) is acceptable to IESO, and that, other than the amending agreements themselves, there are no other documents that will need to be signed tomorrow in connection with closing the amendment agreements.

Thanks,

Victor

416-969-6079

From: Kelly Listoe [mailto:Kelly.Listoe@ofina.on.ca]
Sent: April 27, 2017 12:05 PM
To: Victor Buza
Cc: Sarah Harris
Subject: FW: IESO Amendments

Hi Victor:

Should I send everything to you, or Kim Marshall, or someone else once they are ready for execution? We are working on language to cover off the 2 components of the "new" $120MM note, consisting of the $90MM roll and the $30MM new money. We should have something fairly soon and hope to execute everything tomorrow.

Regards,

Kelly Listoe
Documentation & Compliance Coordinator
Capital Markets
Ontario Financing Authority
1 Dundas Street West, Ste. 1400
Toronto, ON. M7A 1Y7
(416) 325 - 8053

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Thursday, April 27, 2017 9:41 AM
To: Victor Buza <Victor.Buza@ieso.ca>; Kelly Listoe <Kelly.Listoe@ofina.on.ca>
Subject: FW: IESO Amendments

Kelly – Victor will advise. Regards.

From: Kelly Listoe [mailto:Kelly.Listoe@ofina.on.ca]
Sent: April 27, 2017 9:26 AM
To: Anthony Martinello
Subject: IESO Amendments

Hi Anthony

I think we are close to getting the agreements signed. Could you ensure that the board resolution is provided to me as soon as possible? Also, to whom should the docs be couriered and what is the address to ensure the least amount of wasted time?

Regards,

Kelly Listoe
Documentation & Compliance Coordinator
Capital Markets
Ontario Financing Authority
1 Dundas Street West, Ste. 1400
Toronto, ON. M7A 1Y7
(416) 325 - 8053

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recipient(s), please notify the sender immediately and delete this e-mail message.

AMENDING AGREEMENT NO. 6

This Amending Agreement is effective as of the 30 day of April, 2017.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011, Amending Agreement No. 3 dated April 30, 2013, Amending Agreement No. 4 dated April 30, 2014 and Amending Agreement No. 5 dated December 19, 2014 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $95 million.

AND WHEREAS IESO and OEFC wish to amend the Agreement to increase the revolving line of credit from a principal amount of CDN $95 million to a principal amount of up to CDN $160 million to provide funding for IESO Corporate Requirements (as defined herein);

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for an extension of the mandatory repayment date established in the Agreement to June 30, 2020;

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for the ability for Advances to be made on any business day up to a maximum of 12 times per year;

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. Section 1.1 Definitions of the Agreement is amended as follows:

   i) The definition of "Amalgamation" is deleted.

   ii) The definition of "Commitment" is deleted and replaced with:

   "Commitment" means, at any time, an amount equal to the principal amount of One Hundred and Sixty Million Dollars.

   iii) A definition of "IESO Corporate Requirements" is added as follows:

   "IESO Corporate Requirements" means any borrowing purposes authorized by O. Reg. 280/14 made under the *Electricity Act, 1998* (as such regulation may be amended

or replaced from time to time), other than for funding liquidity requirements relating to the settlement of the Ontario wholesale electricity markets.

iv) A definition of "Ontario's Fair Hydro Plan" is added as follows:

"Ontario's Fair Hydro Plan" means the plan announced March 2, 2017 by the Government of Ontario to affect the Ontario Energy Board's setting of electricity prices for certain Ontario consumers of electricity, which plan is referred to in the Ontario Energy Board's report dated April 20, 2017 and titled "Regulated Price Plan Price Report – May 1, 2017 to April 30, 2018", and including all relevant developments in or changes to such plan from time to time.

v) The definition of "New IESO" is deleted.

vi) The definition of "Note" is deleted and replaced with:

"Note" means the $160 Million Note issued pursuant to Section 2 of Amending Agreement No. 6 dated as of the 30th day of April, 2017.

vii) The definition of "OPA" is deleted.

viii) The definition of "Pre-Amalgamation IESO" is deleted.

2. IESO shall execute and deliver to OEFC a grid promissory note in the form attached as Schedule I hereto which shall be in an aggregate principal amount of up to One Hundred and Sixty Million Dollars (the "$160 Million Note") dated April 30, 2017 and on which shall be recorded the Advances Outstanding under the grid promissory note delivered pursuant to Amending Agreement No. 4. Upon receipt by OEFC of the $160 Million Note dated April 30, 2017, the $95 Million Note dated April 30, 2014 shall be of no further force and effect and shall be returned to the IESO marked "cancelled".

3. Section 2.3 of the Agreement is deleted and replaced by the following:

Section 2.3 Use of Proceeds

IESO shall use the proceeds of Advances for the funding of IESO Corporate Requirements. ~~and costs related to the market renewals program.~~

4. Section 2.4 of the Agreement is deleted and replaced by the following:

Section 2.4 Mandatory Repayment.

Subject to Sections 3.5 and 5.2 of this Agreement, IESO shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, in full on or before June 30, 2020.

5. Section 3.1 of the Agreement is deleted and replaced by the following:

Section 3.1 Advances.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO under the Credit Facility on any Business Day in a month up to twelve (12) times per annum from and including May 1, 2017 to and including May 29, 2020

6. Paragraph 3.6(c) of the Agreement is deleted and replaced by the following:
   (c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO, provided however that any adverse change in IESO's financial condition related to or resulting from the discharge by IESO of its responsibilities under Ontario's Fair Hydro Plan shall be deemed not to be a material adverse change for the purposes of this Section; and

7. The Form of Borrowing Notice is deleted and replaced with the Form of Borrowing Notice attached hereto as Schedule 1.

8. This Aamending Aagreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.

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IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by:_____
Name: Michael D. Manning
Title: Chief Operating Officer

SCHEDULE 1

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $160,000,000 Date: 30 April, 2017

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("**IESO**"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid **("Grid")** attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No. 1 dated July 21, 2010, by Amending Agreement No. 2 dated October 14, 2011, by Amending Agreement No. 3 dated April 30, 2013, by Amending Agreement No. 4 dated April 30, 2014, by Amending Agreement No. 5 dated December 19, 2014, and by Amending Agreement No. 6 dated April 30, 2017 (collectively the "Agreement").

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before June 30, 2020.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance or part of an Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be p*rima facie* evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Agreement. All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment, demand, protest, notice of dishonour and notice

of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

(Revolving Credit Facility April 30, 2017)

DATE	PRINCIPAL ADVANCED	RATE	REPAYMENT DATE	INTEREST AMOUNT	AMOUNT OF PAYMENT		UNPAID BALANCE			NOTATION MADE BY
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	REFINANCED (AMOUNT & DATE)	

AMENDING AGREEMENT NO. 6

This Amending Agreement is made as of the 30th day of April, 2017

between:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR
("IESO")

- and -

ONTARIO ELECTRICITY FINANCIAL CORPORATION
("OEFC")

WHEREAS IESO and OEFC have entered into an agreement Providing for the Issuance of a Note dated April 1, 1999 (the "Original Agreement");

AND WHEREAS pursuant to amending agreements dated March 23, 2000, April 23, 2009, May 1, 2011, May 1, 2013, and April 30, 2014 the parties amended the Original Agreement (as so amended, the "Agreement");

AND WHEREAS the parties wish to further amend the Agreement to increase the loan advanced to IESO from a principal amount of C$90 million to a principal amount of up to C$120 million and to extend the maturity date of the loan to June 30, 2020, all of which is to be evidenced through the the issuance of a Fifth Refinancing Note.

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and sufficiency of which are hereby acknowledged by each party), the parties agree as follows:

1. **Defined Terms**

Capitalized terms used in this Amending Agreement and not otherwise defined herein have the meanings specified in the Agreement.

2. **Amendments to Agreement**

(a) Definition of "Loan" in the Agreement is deleted.

(b) Article 1a (The Loan) of the Agreement is deleted in its entirety and replaced with the following:

Article 1a $30 Million Advance

Section 1a.1

Effective April 30, 2017, OEFC will make an advance to IESO in the amount of $30 million (the "$30 Million Advance"). IESO directs OEFC to apply, and OEFC agrees to apply, the $30 Million Advance, first to repay Advances Outstanding (as such term is defined in the Revolving Credit Facility Agreement), if any, under the Revolving Credit Facility Agreement, with any amount remaining out of the $30 Million Advance after repaying all Advances Outstanding to be used by IESO for the purpose of funding new IESO capital expenditures~~, provided IESO is authorized to borrow funds for such purpose.~~. The following sections are added to the Agreement following Section 2.15:

Section 2.16 Fifth Refinancing Note

On April 30, 2017, IESO shall execute and deliver to OEFC a promissory note in the form attached as Schedule 1 (the "Fifth Refinancing Note") which shall be in an aggregate principal amount equal to $120 million, dated as of ~~May 1~~April 30, 2017 and maturing on June 30, 2020 and bearing interest at a per annum rate equal to the Province of Ontario's cost of borrowing for the period from ~~May 1~~April 30, 2017 to June 30, 2020, as determined by the Chief Executive Officer of OEFC or the Chief Operating Officer of OEFC, or by a person designated by either of them, plus fifty basis points (0.50%) (after as well as before default or judgment, with interest on the amounts in default at the same rate). Upon receipt of the Fifth Refinancing Note by OEFC, the Fourth Refinancing Note dated April 30, 2014 shall be of no further force or effect and shall be returned by OEFC to IESO marked "cancelled".

For greater clarity, the Fifth Refinancing Note shall evidence the indebtedness of IESO to OEFC in respect of the principal amount of $90 million under the Fourth Refinancing Note ("Part A") and the additional ~~$30 million advanced to IESO pursuant to section 1a.1 of this Agreement,~~ $30 Million Advance ("Part B"), for a total aggregate principal amount of $120 million.

Notwithstanding Section 1.5 herein, the interest rate on the Fifth~~Fifrth~~ Refinancing Note shall be set on Monday, May 1, 2017, with interest accruing on Part A commencing on Sunday, April 30, 2017, and interest accruing on Part B commencing on Monday, May 1, 2017.

Section 2.17 Interest on Fifth Refinancing Note

Notwithstanding Section 1.5 herein, iInterest on the Fifth Refinancing Note at the rate specified in Section 2.16 shall accrue daily and shall be payable in equal semi-annual instalments on June 30 and December 31(each an "Interest Payment Date"), provided however that the calculation of the amount of the first such interest payment for Part A the Fifth Refinancing Note shall be calculated in respect only of the period from and including May 1April 30, 2017 to but excluding June 30, 2017, and for Part B in respect only of the period from May 1, 2017 to but excluding June 30, 2017..

For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under the Fifth Refinancing Note for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.**"**

3. **Reference to and Effect on the Agreement.**

On and after this date, each reference in the Agreement to "this Agreement" and each reference to the Agreement in any and all other agreements, documents and instruments delivered by IESO and OEFC shall mean and be a reference to the Agreement as amended by this Amending Agreement. On and after this date, each reference in the Agreement to either "the Note" or "the New Note" and each reference to either "the Note" or "the New Note" in any and all other agreements, documents and instruments delivered by IESO and OEFC shall mean and be a reference to the Fifth Refinancing Note.

4. **Governing Law**

This Aamending Aagreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

5. **Counterparts**

This Aamending Aagreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.

6. **Enurement**

This Aamending Aagreement shall be binding upon and shall enure to the benefit of the parties and their respective successors and permitted assigns.

IN ALL OTHER RESPECTS, the Agreement is confirmed by the parties.

IN WITNESS WHEREOF the parties have executed and delivered this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

SCHEDULE 1
FORM OF FIFTH REFINANCING NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

NOTE

Aggregate Principal Amount: ~~—~~ $120 million ~~———————————~~, consisting of: a Part A amount of $90 million ("Part A"), whereon interest accrues commencing on April 30, 2017, and a Part B amount of $30 million ("Part B"), whereon interest accrues commencing on May 1, 2017. ~~———~~

Date: April 30, 2017

Interest Rate: (Province of Ontario's cost of borrowing for the period from ~~May 1~~April 30, 2017 to June 30, 2020 + 50 basis points)

Due: ~~———————~~June 30, 2020

FOR VALUE RECEIVED, the INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO") existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, PROMISES TO PAY to or to the order of ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC") at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of $120 million in lawful money of Canada, with interest on such amount at the rate, calculated in the manner and payable at the times specified in this Note.

The principal amount of this Note together with all interest accrued thereon shall become due and payable on June 30, 2020.

The principal amount of this Note remaining from time to time unpaid and outstanding shall bear interest from the date of this Note both before and after maturity and both before and after default at the rate per annum equal to the Province of Ontario's cost of borrowing for the period from ~~May 1~~April 30, 2017 to June 30, 2020, as determined by the Chief Executive Officer of OEFC or the Chief Operating Officer of OEFC, or by a person designated by either of them, plus fifty basis points (0.50%). Interest at such rate shall accrue daily and shall be payable in arrears in equal semi-annual instalments on June 30 and December 31 (each an "Interest Payment Date") commencing June 30, 2017, provided however that the calculation of the amount of the first such interest payment for Part A ~~the Fifth Refinancing Note~~ shall ~~be calculated~~ in respect only of the period from and including April 30, 2017 to but excluding June 30, 2017, and for Part B in respect

only of the period from and including May 1, 2017 to but excluding June 30, 2017 .

For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Note for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of an agreement providing for the issuance of a note dated April 1, 1999 between the IESO and OEFC and amended by an amending agreement dated March 23, 2000, an amending agreement dated April 23, 2009, an amending agreement dated May 1, 2011, an amending agreement dated May 1, 2013, an amending agreement dated April 30, 2014, and an amending agreement dated April 30, 2017 (as so amended, the "Agreement"), which Agreement provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

From:	Sarah Harris
To:	William Tan
Subject:	FW: IESO Amendments
Date:	Tuesday, August 28, 2018 3:48:13 PM
Attachments:	IESO Revolving Credit Facility Amending Agreement No 6 OFA Legal Comment....doc $120MMNoteIESOBlacklineApr27IESOLegal-rev.docx

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From: Kelly Listoe
Sent: Friday, April 28, 2017 9:06 AM
To: 'Victor Buza' <Victor.Buza@ieso.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO Amendments

Hi Victor

I am resending these. They are ok on my screen.

Regards,

Kelly Listoe
Documentation & Compliance Coordinator
Capital Markets
Ontario Financing Authority
1 Dundas Street West, Ste. 1400
Toronto, ON. M7A 1Y7
(416) 325 - 8129

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Friday, April 28, 2017 8:11 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: Kelly Listoe <Kelly.Listoe@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: Re: IESO Amendments

Hi Sarah - could you resend the attachments you sent in your 4:58 email yesterday (shows up as 5:07 too). For some reason the Note Agreement is on a magenta background, and I want to make sure I am looking at the right documents. It's a long story but the problem may be on this end and it's best if you could just resend.
Thanks
Victor

From: Sarah Harris <Sarah.Harris@ofina.on.ca>

Sent: Thursday, April 27, 2017 4:58 PM
To: Victor Buza
Cc: Kelly Listoe; Lisa Stein
Subject: RE: IESO Amendments

Hi Victor,

Thanks for the revised drafts. Please note the following:

1. Re the Note Agreement For clarity, we've amended Section 2.17 to better show the breakdown of the calculation of the accrual of interest for the two calculations separate periods used for Part A (from April 30) and Part B (from May 1). Similar changes were also made to the form of Note.
2. Re the Revolving Facility – We agree with your changes
3. Certified Board Resolution – Looks good.

The Note and Revolving Facility have been tidied up for a few typos.

I think we are in good shape. Fingers crossed.

Regarding your question, yes, you should sign and deliver the actual two notes (i.e.as separate them from the forms of notes in each respective schedule). Given the rate is set on Monday for the $120M note, I am thinking that we leave the 'descriptor' the interest rate at the top of the note as the effective rate on the note (vs. the discrete interest rate) , but am going to verify tomorrow. It seems there's precedent for both in the past.

Thanks,

Sarah Harris
Manager, Operations
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M7A 1Y7
416-325-8193
sarah.harris@ofina.on.ca

From: Kelly Listoe
Sent: Thursday, April 27, 2017 3:31 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: IESO Amendments
Importance: High

Kelly Listoe
Documentation & Compliance Coordinator
Capital Markets
Ontario Financing Authority
1 Dundas Street West, Ste. 1400
Toronto, ON. M7A 1Y7
(416) 325 - 8129

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Thursday, April 27, 2017 3:25 PM
To: Kelly Listoe <Kelly.Listoe@ofina.on.ca>
Subject: RE: IESO Amendments
Importance: High

Hi Kelly – per our call earlier this afternoon, I have amended both agreements to what I hope are now final versions.

1. Re the Note Agreement – as discussed, we agree with the latest changes you made to introduce the Part A and Part B Amounts – this resolves the interest issues very cleanly. Also, as mentioned, I added the stub period language that was inserted previously into the main body of the agreement into the Note itself, for consistency. And I fixed a couple of small typos which you'll see in the mark-up.

2. Re the Revolving Facility – I understand the Fair Hydro language I provided last night is acceptable to you, so I just accepted it. I also added the Counterparts language to the Revolving Facility that was in the Note Agreement in case we have trouble circulating the same documents to everyone in time tomorrow. Finally, I deleted the reference to the "market renewals program" in the Use of Proceeds section since we intended to remove reference to that from the agreement, but apparently missed one of the three references.

3. Certified Board Resolution – Per your email of a few moments ago, I correct the typo in the name of OEFC – see attached.

Important Question – in addition to signing the two agreements and the Certified Director's Resolution and Incumbency Certificate, do we not also have to sign the two actual Notes themselves? Ie. The $120million Note for the Note Agreement; and the $160 million Note for the Revolver? If so, can you provide those in execution form asap so I can include them in the final package for execution ?

Thanks,
Victor

Victor Buza | Senior Counsel

Independent Electricity System Operator (IESO) | T: 416-969-6079
1600-120 Adelaide Street West, Toronto, ON M5H 1T1
Web: www.ieso.ca[ieso.ca][na01.safelinks.protection.outlook.com] | Twitter: IESO_Tweets[twitter.com][na01.safelinks.protection.outlook.com] | LinkedIn: IESO[linkedin.com][na01.safelinks.protection.outlook.com]

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From: Kelly Listoe [mailto:Kelly.Listoe@ofina.on.ca]
Sent: April 27, 2017 1:09 PM
To: Victor Buza
Subject: RE: IESO Amendments

Yes, they look fine. Thanks.

Kelly Listoe
Documentation & Compliance Coordinator
Capital Markets
Ontario Financing Authority
1 Dundas Street West, Ste. 1400
Toronto, ON. M7A 1Y7
(416) 325 - 8053

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Thursday, April 27, 2017 1:07 PM
To: Kelly Listoe <Kelly.Listoe@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: RE: IESO Amendments

Hi Kelly – can you please confirm that the form of the attached documents (Incumbency Certificate and Certified Board Resolution) is acceptable to IESO, and that, other than the amending agreements themselves, there are no other documents that will need to be signed tomorrow in connection with closing the amendment agreements.
Thanks,
Victor
416-969-6079

From: Kelly Listoe [mailto:Kelly.Listoe@ofina.on.ca]
Sent: April 27, 2017 12:05 PM
To: Victor Buza
Cc: Sarah Harris
Subject: FW: IESO Amendments

Hi Victor:

Should I send everything to you, or Kim Marshall, or someone else once they are ready for execution? We are working on language to cover off the 2 components of the "new" $120MM note, consisting of the $90MM roll and the $30MM new money. We should have something fairly soon and hope to execute everything tomorrow.

Regards,

Kelly Listoe
Documentation & Compliance Coordinator
Capital Markets
Ontario Financing Authority
1 Dundas Street West, Ste. 1400
Toronto, ON. M7A 1Y7
(416) 325 - 8053

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Thursday, April 27, 2017 9:41 AM
To: Victor Buza <Victor.Buza@ieso.ca>; Kelly Listoe <Kelly.Listoe@ofina.on.ca>
Subject: FW: IESO Amendments

Kelly – Victor will advise. Regards.

From: Kelly Listoe [mailto:Kelly.Listoe@ofina.on.ca]
Sent: April 27, 2017 9:26 AM
To: Anthony Martinello
Subject: IESO Amendments

Hi Anthony

I think we are close to getting the agreements signed. Could you ensure that the board resolution is provided to me as soon as possible? Also, to whom should the docs be couriered and what is the address to ensure the least amount of wasted time?

Regards,

Kelly Listoe
Documentation & Compliance Coordinator
Capital Markets
Ontario Financing Authority
1 Dundas Street West, Ste. 1400
Toronto, ON. M7A 1Y7

(416) 325 - 8053

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AMENDING AGREEMENT NO. 6

This Amending Agreement is effective as of the 30 day of April, 2017.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011, Amending Agreement No. 3 dated April 30, 2013, Amending Agreement No. 4 dated April 30, 2014 and Amending Agreement No. 5 dated December 19, 2014 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $95 million.

AND WHEREAS IESO and OEFC wish to amend the Agreement to increase the revolving line of credit from a principal amount of CDN $95 million to a principal amount of up to CDN $160 million to provide funding for IESO Corporate Requirements (as defined herein);

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for an extension of the mandatory repayment date established in the Agreement to June 30, 2020;

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for the ability for Advances to be made on any business day up to a maximum of 12 times per year;

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. Section 1.1 Definitions of the Agreement is amended as follows:

   i) The definition of "Amalgamation" is deleted.

   ii) The definition of "Commitment" is deleted and replaced with:

   "Commitment" means, at any time, an amount equal to the principal amount of One Hundred and Sixty Million Dollars.

   iii) A definition of "IESO Corporate Requirements" is added as follows:

   "IESO Corporate Requirements" means any borrowing purposes authorized by O. Reg. 280/14 made under the *Electricity Act, 1998* (as such regulation may be amended

or replaced from time to time), other than for funding liquidity requirements relating to the settlement of the Ontario wholesale electricity markets.

iv) A definition of "Ontario's Fair Hydro Plan" is added as follows:

"Ontario's Fair Hydro Plan" means the plan announced March 2, 2017 by the Government of Ontario to affect the Ontario Energy Board's setting of electricity prices for certain Ontario consumers of electricity, which plan is referred to in the Ontario Energy Board's report dated April 20, 2017 and titled "Regulated Price Plan Price Report – May 1, 2017 to April 30, 2018", and including all relevant developments in or changes to such plan from time to time.

v) The definition of "New IESO" is deleted.

vi) The definition of "Note" is deleted and replaced with:

"Note" means the $160 Million Note issued pursuant to Section 2 of Amending Agreement No. 6 dated as of the 30th day of April, 2017.

vii) The definition of "OPA" is deleted.

viii) The definition of "Pre-Amalgamation IESO" is deleted.

2. IESO shall execute and deliver to OEFC a grid promissory note in the form attached as Schedule I hereto which shall be in an aggregate principal amount of up to One Hundred and Sixty Million Dollars (the "$160 Million Note") dated April 30, 2017 and on which shall be recorded the Advances Outstanding under the grid promissory note delivered pursuant to Amending Agreement No. 4. Upon receipt by OEFC of the $160 Million Note dated April 30, 2017, the $95 Million Note dated April 30, 2014 shall be of no further force and effect and shall be returned to the IESO marked "cancelled".

3. Section 2.3 of the Agreement is deleted and replaced by the following:

Section 2.3 Use of Proceeds

IESO shall use the proceeds of Advances for the funding of IESO Corporate Requirements. ~~and costs related to the market renewals program.~~

4. Section 2.4 of the Agreement is deleted and replaced by the following:

Section 2.4 Mandatory Repayment.

Subject to Sections 3.5 and 5.2 of this Agreement, IESO shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, in full on or before June 30, 2020.

5. Section 3.1 of the Agreement is deleted and replaced by the following:

Section 3.1 Advances.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO under the Credit Facility on any Business Day in a month up to twelve (12) times per annum from and including May 1, 2017 to and including May 29, 2020

6. Paragraph 3.6(c) of the Agreement is deleted and replaced by the following:
   (c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO, provided however that any adverse change in IESO's financial condition related to or resulting from the discharge by IESO of its responsibilities under Ontario's Fair Hydro Plan shall be deemed not to be a material adverse change for the purposes of this Section; and

7. The Form of Borrowing Notice is deleted and replaced with the Form of Borrowing Notice attached hereto as Schedule 1.

8. This Aamending Aagreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.

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IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by:_____
Name: Michael D. Manning
Title: Chief Operating Officer

SCHEDULE 1

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $160,000,000 Date: 30 April, 2017

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("**IESO**"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid **("Grid")** attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No. 1 dated July 21, 2010, by Amending Agreement No. 2 dated October 14, 2011, by Amending Agreement No. 3 dated April 30, 2013, by Amending Agreement No. 4 dated April 30, 2014, by Amending Agreement No. 5 dated December 19, 2014, and by Amending Agreement No. 6 dated April 30, 2017 (collectively the "Agreement").

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before June 30, 2020.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance or part of an Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be p*rima facie* evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Agreement. All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment, demand, protest, notice of dishonour and notice

of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

(Revolving Credit Facility April 30, 2017)

DATE	PRINCIPAL ADVANCED	RATE	REPAYMENT DATE	INTEREST AMOUNT	AMOUNT OF PAYMENT		UNPAID BALANCE			NOTATION MADE BY
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	REFINANCED (AMOUNT & DATE)	

AMENDING AGREEMENT NO. 6

This Amending Agreement is made as of the 30th day of April, 2017

between:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR
("IESO")

- and -

ONTARIO ELECTRICITY FINANCIAL CORPORATION
("OEFC")

WHEREAS IESO and OEFC have entered into an agreement Providing for the Issuance of a Note dated April 1, 1999 (the "Original Agreement");

AND WHEREAS pursuant to amending agreements dated March 23, 2000, April 23, 2009, May 1, 2011, May 1, 2013, and April 30, 2014 the parties amended the Original Agreement (as so amended, the "Agreement");

AND WHEREAS the parties wish to further amend the Agreement to increase the loan advanced to IESO from a principal amount of C$90 million to a principal amount of up to C$120 million and to extend the maturity date of the loan to June 30, 2020, all of which is to be evidenced through the the issuance of a Fifth Refinancing Note.

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and sufficiency of which are hereby acknowledged by each party), the parties agree as follows:

1. **Defined Terms**

Capitalized terms used in this Amending Agreement and not otherwise defined herein have the meanings specified in the Agreement.

2. **Amendments to Agreement**

(a) Definition of "Loan" in the Agreement is deleted.

(b) Article 1a (The Loan) of the Agreement is deleted in its entirety and replaced with the following:

Article 1a $30 Million Advance

Section 1a.1

Effective April 30, 2017, OEFC will make an advance to IESO in the amount of $30 million (the "$30 Million Advance"). IESO directs OEFC to apply, and OEFC agrees to apply, the $30 Million Advance, first to repay Advances Outstanding (as such term is defined in the Revolving Credit Facility Agreement), if any, under the Revolving Credit Facility Agreement, with any amount remaining out of the $30 Million Advance after repaying all Advances Outstanding to be used by IESO for the purpose of funding new IESO capital expenditures~~, provided IESO is authorized to borrow funds for such purpose.~~. The following sections are added to the Agreement following Section 2.15:

Section 2.16 Fifth Refinancing Note

On April 30, 2017, IESO shall execute and deliver to OEFC a promissory note in the form attached as Schedule 1 (the "Fifth Refinancing Note") which shall be in an aggregate principal amount equal to $120 million, dated as of ~~May 1~~April 30, 2017 and maturing on June 30, 2020 and bearing interest at a per annum rate equal to the Province of Ontario's cost of borrowing for the period from ~~May 1~~April 30, 2017 to June 30, 2020, as determined by the Chief Executive Officer of OEFC or the Chief Operating Officer of OEFC, or by a person designated by either of them, plus fifty basis points (0.50%) (after as well as before default or judgment, with interest on the amounts in default at the same rate). Upon receipt of the Fifth Refinancing Note by OEFC, the Fourth Refinancing Note dated April 30, 2014 shall be of no further force or effect and shall be returned by OEFC to IESO marked "cancelled".

For greater clarity, the Fifth Refinancing Note shall evidence the indebtedness of IESO to OEFC in respect of the principal amount of $90 million under the Fourth Refinancing Note ("Part A") and the additional ~~$30 million advanced to IESO pursuant to section 1a.1 of this Agreement,~~ $30 Million Advance ("Part B"), for a total aggregate principal amount of $120 million.

Notwithstanding Section 1.5 herein, the interest rate on the Fifth~~Fifrth~~ Refinancing Note shall be set on Monday, May 1, 2017, with interest accruing on Part A commencing on Sunday, April 30, 2017, and interest accruing on Part B commencing on Monday, May 1, 2017.

Section 2.17 Interest on Fifth Refinancing Note

Notwithstanding Section 1.5 herein, iInterest on the Fifth Refinancing Note at the rate specified in Section 2.16 shall accrue daily and shall be payable in equal semi-annual instalments on June 30 and December 31(each an "Interest Payment Date"), provided however that the calculation of the amount of the first such interest payment for Part A the Fifth Refinancing Note shall be calculated in respect only of the period from and including May 1April 30, 2017 to but excluding June 30, 2017, and for Part B in respect only of the period from May 1, 2017 to but excluding June 30, 2017..

For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under the Fifth Refinancing Note for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.**"**

3. **Reference to and Effect on the Agreement.**

On and after this date, each reference in the Agreement to "this Agreement" and each reference to the Agreement in any and all other agreements, documents and instruments delivered by IESO and OEFC shall mean and be a reference to the Agreement as amended by this Amending Agreement. On and after this date, each reference in the Agreement to either "the Note" or "the New Note" and each reference to either "the Note" or "the New Note" in any and all other agreements, documents and instruments delivered by IESO and OEFC shall mean and be a reference to the Fifth Refinancing Note.

4. **Governing Law**

This Aamending Aagreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

5. **Counterparts**

This Aamending Aagreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.

6. **Enurement**

This Aamending Aagreement shall be binding upon and shall enure to the benefit of the parties and their respective successors and permitted assigns.

IN ALL OTHER RESPECTS, the Agreement is confirmed by the parties.

IN WITNESS WHEREOF the parties have executed and delivered this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

SCHEDULE 1
FORM OF FIFTH REFINANCING NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

NOTE

Aggregate Principal Amount: ~~—~~ $120 million ~~———————————~~, consisting of: a Part A amount of $90 million ("Part A"), whereon interest accrues commencing on April 30, 2017, and a Part B amount of $30 million ("Part B"), whereon interest accrues commencing on May 1, 2017. ~~———~~

Date: April 30, 2017

Interest Rate: (Province of Ontario's cost of borrowing for the period from ~~May 1~~April 30, 2017 to June 30, 2020 + 50 basis points)

Due: ~~———————~~June 30, 2020

FOR VALUE RECEIVED, the INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO") existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, PROMISES TO PAY to or to the order of ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC") at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of $120 million in lawful money of Canada, with interest on such amount at the rate, calculated in the manner and payable at the times specified in this Note.

The principal amount of this Note together with all interest accrued thereon shall become due and payable on June 30, 2020.

The principal amount of this Note remaining from time to time unpaid and outstanding shall bear interest from the date of this Note both before and after maturity and both before and after default at the rate per annum equal to the Province of Ontario's cost of borrowing for the period from ~~May 1~~April 30, 2017 to June 30, 2020, as determined by the Chief Executive Officer of OEFC or the Chief Operating Officer of OEFC, or by a person designated by either of them, plus fifty basis points (0.50%). Interest at such rate shall accrue daily and shall be payable in arrears in equal semi-annual instalments on June 30 and December 31 (each an "Interest Payment Date") commencing June 30, 2017, provided however that the calculation of the amount of the first such interest payment for Part A ~~the Fifth Refinancing Note~~ shall ~~be calculated~~ in respect only of the period from and including April 30, 2017 to but excluding June 30, 2017, and for Part B in respect

only of the period from and including May 1, 2017 to but excluding June 30, 2017 .

For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Note for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of an agreement providing for the issuance of a note dated April 1, 1999 between the IESO and OEFC and amended by an amending agreement dated March 23, 2000, an amending agreement dated April 23, 2009, an amending agreement dated May 1, 2011, an amending agreement dated May 1, 2013, an amending agreement dated April 30, 2014, and an amending agreement dated April 30, 2017 (as so amended, the "Agreement"), which Agreement provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

From: William Tan
To: Lisa Stein
Cc: Sarah Harris
Subject: FW: IESO CFO
Date: Thursday, July 05, 2018 1:11:25 PM
Attachments: Incumbency Certificate June 19 2018 - EXECUTED.PDF
RE IESOOFA - Signing Authority Documents.msg

Hello Lisa,

IESO's CFO Barbara Anderson has been appointed as their permanent CFO. However, section 1 of the June 19, 2018 COI indicates her title as interim. Do we require a revised COI to reflect this change? The other attachment is a June 2017 Board Resolution appointing the CFO to have signing authority.

Thanks

Will

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]
Sent: Thursday, July 05, 2018 12:49 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: Anthony Martinello <Anthony.Martinello@ieso.ca>; Victor Buza <Victor.Buza@ieso.ca>; William Tan <William.Tan@ofina.on.ca>
Subject: IESO CFO

Hi Sarah,
As of July 9 Barbara Anderson has been appointed as our CFO (no longer interim). Do you require a revised incumbency certificate? Attached is the one recently executed.
Please let me know.
Regards.

Olga Whiteley | Treasury and Pension Operations
Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
Station A, Box 4474, Toronto, ON M5W 4E5
Web: www.ieso.ca[ieso.ca] | Email: olga.whiteley@ieso.ca

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INCUMBENCY CERTIFICATE

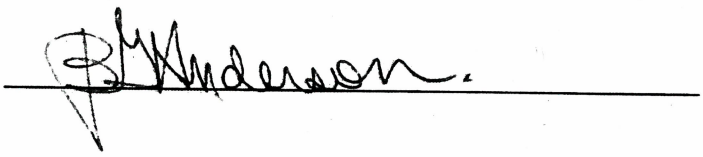
To: Ontario Financing Authority ("**OFA**")

I, the undersigned, Secretary to the Independent Electricity System Operator (the "**IESO**"), in my capacity as an officer of the IESO, and not in my personal capacity, do hereby certify that:

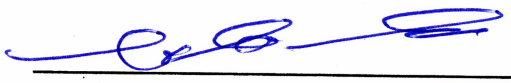
1. Barbara Anderson has been duly appointed as, and as of the date hereof holds the offices of, Chief Financial Officer and Vice-President, Corporate Services (Interim) of the IESO and, for further certainty, has been vested with all of the duties and powers otherwise prescribed to such offices in a permanent capacity.

2. Pursuant to a resolution of the board of directors of IESO dated June 14, 2017, the Chief Financial Officer has the authority from time to time to draw upon (i) the Credit Agreement between OFA and IESO (as successor by amalgamation to Ontario Power Authority) made as of January 1, 2005, as amended, and (ii) the Revolving Credit Facility Agreement between IESO and the Ontario Financing Authority made as of the 6th day of November, 2017 in relation to the Fair Hydro Plan.

3. The following is the genuine signature of the following individual:

Barbara Anderson 

DATED this 19th day of June, 2018.



Michael Lyle
Vice-President, Legal Resources and Corporate Governance, General Counsel, Secretary, and Chief Reliability Compliance Officer

From: Victor Buza [Victor.Buza@ieso.ca]
To: Sarah Harris [Sarah.Harris@ofina.on.ca]
CC: Anthony Martinello [Anthony.Martinello@ieso.ca]; Olga Whiteley [Olga.Whiteley@ieso.ca]; William Tan [William.Tan@ofina.on.ca]
Subject: RE: IESO/OFA - Signing Authority Documents
Date: Tuesday, June 19, 2018 12:28:00
Attachment 1: Certified IESO Brd Resol'n June 14_17 re Credit Facilities - Nov 6 2017 per J Rattray.pdf
Attachment 2: Incumbency Certificate - revised - re OFA FHP and 2005 Facilities - June 19 2018.doc

---

Hi Sarah. Following our call earlier and per item #1 of Will's email below, attached please find the updated form of Incumbency Certificate. Please confirm that this updated form is acceptable and we will proceed to have it executed.

In addition, for your convenience, I also attach the original certified Board Resolution authorizing, among other things, the "Chief Financial Officer or her delegate" with respect to making draws under the Fair Hydro Plan Credit Agreement and for the Existing Credit Facility.

Please call me if you have any questions.

Regards,
Victor

Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079

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From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: June 18, 2018 5:22 PM
To: Olga Whiteley; Anthony Martinello
Cc: Sarah Harris
Subject: RE: IESO - Signing Authority Documents

Hello Olga,

My legal department replied back to me and unfortunately a redacted board resolution and certificate of incumbency is required.

Thanks,

Will

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: June 18, 2018 3:45 PM
To: Anthony Martinello; Olga Whiteley

Cc: Sarah Harris; Carlos Yep; James Devine; Ricky Lai
Subject: RE: IESO - Signing Authority Documents

Hello Anthony and Olga,

I am following-up to get an indication of the solution you wish to pursue. Also, when will you be providing the documents. As a heads-up I will be out-of-the-office on Tuesday. For signatory related documents please coordinate with Sarah Harris.

Thanks,

Will

From: William Tan
Sent: Monday, June 18, 2018 11:38 AM
To: 'Anthony Martinello' <Anthony.Martinello@ieso.ca>; Olga Whiteley <Olga.Whiteley@ieso.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>; Ricky Lai <Ricky.Lai@ofina.on.ca>
Subject: IESO - Signing Authority Documents

Hello Anthony,

As per conversation regarding the required signing authority documents for Barb Anderson VP, & CFO on the election notices for June 20. Please provide completed documents for one of the following options below before June 20.

While option 6 is a suitable solution, it should be viewed as a temporary solution. Therefore, I recommend option 1, as a comprehensive long-term solution.

Options provided in May, 2018:

1. Certified resolution of the board of directors for IESO authorizing both the Fair Hydro Plan Credit Agreement and for the Existing Credit Facility authorizing the signatory and Updated Incumbency Certificate.
2. ~~A delegation of authority from the (former) IESO CFO to the IESO CEO (or other authorized signatories).~~
3. A general signing authority resolution of the IESO Board of Directors.
4. By-law or other document in place providing authorization to the IESO ~~CEO~~ CFO.
5. A certificate from the IESO Corporate Secretary stating that the IESO ~~CEO~~ CFO has signing authority.
6. A signature under seal of the corporation.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA

Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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This e-mail message and any files transmitted with it are intended only for the named recipient(s) above and may contain information that is privileged, confidential and/or exempt from disclosure under applicable law. If you are not the intended recipient(s), any dissemination, distribution or copying of this e-mail message or any files transmitted with it is strictly prohibited. If you have received this message in error, or are not the named recipient(s), please notify the sender immediately and delete this e-mail message.

" Resolution of the Board of Directors
Independent Electricity System Operator

June 14, 2017

In Respect of the establishment of a new credit facility and revision of existing credit facilities in relation to the Fair Hydro Plan

---

WHEREAS, as further described in the memorandum to the Audit Committee entitled "Fair Hydro Plan Credit Facility" dated June 13, 2017 (the "**Memorandum**"), the Corporation has determined that in order to support the IESO's role in the Fair Hydro Plan it requires greater credit liquidity;

AND WHEREAS the Corporation proposes to enter into a new credit facility with the Ontario Financing Authority or Ontario Electricity Financial Corporation to support the Corporation's role in the Fair Hydro Plan in an amount yet to be determined of between $1,800 million and $2,500 million (the "**New Facility**");

AND WHEREAS, due to the structure of the Fair Hydro Plan, once the New Facility is established, the Corporation's existing credit facility with the Ontario Financing Authority in the amount of $975 million (the "**OFA Facility**") will include unnecessary and duplicative credit liquidity such that the OFA Facility may be reduced to an amount yet to be determined between $400 million and $500 million;

AND WHEREAS ...[Recital redacted]...

NOW THEREFORE BE IT RESOLVED THAT:

1. The Board of Directors hereby authorizes and approves the establishment of the New Facility and the amendment of the OFA Facility ...**[Redacted]**... on such terms and conditions as are generally outlined in the Memorandum (collectively, all facilities being the "**Credit Facilities**").

2. The Chief Financial Officer or her delegate is hereby authorized for and on behalf of the Corporation to:

(a) finalize, execute and deliver

(i) all relevant agreements, instruments and other documents required for the establishment or amendment, as applicable, of the Credit Facilities, and

(ii) all ancillary documents, deeds and instruments determined to be necessary or desirable in connection therewith (the execution of any such document, deed or instrument being conclusive evidence of such determination),

and to perform the Corporation's obligations thereunder, and to obtain the benefits thereof;

(b) draw upon or continue to draw upon, as applicable, the Credit Facilities from time to time in accordance with their terms; and

(c) do any and all such further acts as may be determined to be necessary or desirable to give effect to the foregoing transactions including, for further certainty, amending any other agreements as may be required as a consequence of such transactions. "

I certify that the above is a true, redacted copy of a resolution approved by the Board of Directors of the Independent Electricity System Operator on June 14, 2017.

John Rattray

General Counsel, Secretary and Chief Reliability Compliance Officer
Independent Electricity System Operator
November 6, 2017

INCUMBENCY CERTIFICATE

To: Ontario Financing Authority ("**OFA**")

I, the undersigned, Secretary to the Independent Electricity System Operator (the "**IESO**"), in my capacity as an officer of the IESO, and not in my personal capacity, do hereby certify that:

1. Barb Anderson has been duly appointed as, and as of the date hereof holds the offices of, Chief Financial Officer and Vice-President, Corporate Services (Interim) of the IESO and, for further certainty, has been vested with all of the duties and powers otherwise prescribed to such offices in a permanent capacity.

2. Pursuant to a resolution of the board of directors of IESO dated June 14, 2017, the Chief Financial Officer has the authority from time to time to draw upon (i) the Credit Agreement between OFA and IESO (as successor by amalgamation to Ontario Power Authority) made as of January 1, 2005, as amended, and (ii) the Revolving Credit Facility Agreement between IESO and the Ontario Financing Authority made as of the 6th day of November, 2017 in relation to the Fair Hydro Plan.

3. The following is the genuine signature of the following individual:

Barb Anderson _____

DATED this ____ day of _____, 2018.

_____
Michael Lyle
Vice-President, Legal Resources and Corporate Governance, General Counsel, Secretary, and Chief Reliability Compliance Officer

I, the undersigned, do hereby certify for and on behalf of the IESO in my capacity as an officer of the IESO, and not in my personal capacity, that: (i) Michael Lyle has been duly appointed to the offices of Vice-President, Legal Resources and Corporate Governance, General Counsel, Secretary, and Chief Reliability Compliance Officer and (ii) Michael Lyle holds, as at the date hereof, such offices.

DATED this ____ day of _____, 2018.

_____
Barb Anderson
Chief Financial Officer and Vice-President, Corporate Services (Interim)

From:	William Tan
To:	Lisa Stein
Cc:	Sarah Harris
Subject:	FW: IESO CFO
Date:	Thursday, July 05, 2018 1:11:25 PM
Attachments:	Incumbency Certificate June 19 2018 - EXECUTED.PDF RE IESOOFA - Signing Authority Documents.msg

Hello Lisa,

IESO's CFO Barbara Anderson has been appointed as their permanent CFO. However, section 1 of the June 19, 2018 COI indicates her title as interim. Do we require a revised COI to reflect this change? The other attachment is a June 2017 Board Resolution appointing the CFO to have signing authority.

Thanks

Will

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]

Sent: Thursday, July 05, 2018 12:49 PM

To: Sarah Harris

Cc: Anthony Martinello ; Victor Buza ; William Tan

Subject: IESO CFO

Hi Sarah,

As of July 9 Barbara Anderson has been appointed as our CFO (no longer interim). Do you require a revised incumbency certificate? Attached is the one recently executed.

Please let me know.

Regards.

Olga Whiteley | Treasury and Pension Operations

Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
Station A, Box 4474, Toronto, ON M5W 4E5
Web: www.ieso.ca[ieso.ca] | Email: olga.whiteley@ieso.ca

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INCUMBENCY CERTIFICATE

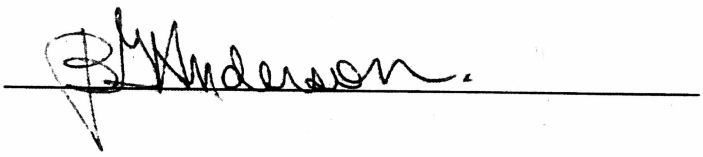
To: Ontario Financing Authority ("**OFA**")

I, the undersigned, Secretary to the Independent Electricity System Operator (the "**IESO**"), in my capacity as an officer of the IESO, and not in my personal capacity, do hereby certify that:

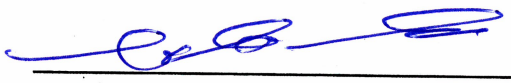
1. Barbara Anderson has been duly appointed as, and as of the date hereof holds the offices of, Chief Financial Officer and Vice-President, Corporate Services (Interim) of the IESO and, for further certainty, has been vested with all of the duties and powers otherwise prescribed to such offices in a permanent capacity.

2. Pursuant to a resolution of the board of directors of IESO dated June 14, 2017, the Chief Financial Officer has the authority from time to time to draw upon (i) the Credit Agreement between OFA and IESO (as successor by amalgamation to Ontario Power Authority) made as of January 1, 2005, as amended, and (ii) the Revolving Credit Facility Agreement between IESO and the Ontario Financing Authority made as of the 6th day of November, 2017 in relation to the Fair Hydro Plan.

3. The following is the genuine signature of the following individual:

Barbara Anderson 

DATED this 19th day of June, 2018.



Michael Lyle
Vice-President, Legal Resources and Corporate Governance, General Counsel, Secretary, and Chief Reliability Compliance Officer

From: Victor Buza [Victor.Buza@ieso.ca]
To: Sarah Harris [Sarah.Harris@ofina.on.ca]
CC: Anthony Martinello [Anthony.Martinello@ieso.ca]; Olga Whiteley [Olga.Whiteley@ieso.ca]; William Tan [William.Tan@ofina.on.ca]
Subject: RE: IESO/OFA - Signing Authority Documents
Date: Tuesday, June 19, 2018 12:28:00
Attachment 1: Certified IESO Brd Resol'n June 14_17 re Credit Facilities - Nov 6 2017 per J Rattray.pdf
Attachment 2: Incumbency Certificate - revised - re OFA FHP and 2005 Facilities - June 19 2018.doc

---

Hi Sarah. Following our call earlier and per item #1 of Will's email below, attached please find the updated form of Incumbency Certificate. Please confirm that this updated form is acceptable and we will proceed to have it executed.

In addition, for your convenience, I also attach the original certified Board Resolution authorizing, among other things, the "Chief Financial Officer or her delegate" with respect to making draws under the Fair Hydro Plan Credit Agreement and for the Existing Credit Facility.

Please call me if you have any questions.

Regards,
Victor

Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079

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From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: June 18, 2018 5:22 PM
To: Olga Whiteley; Anthony Martinello
Cc: Sarah Harris
Subject: RE: IESO - Signing Authority Documents

Hello Olga,

My legal department replied back to me and unfortunately a redacted board resolution and certificate of incumbency is required.

Thanks,

Will

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: June 18, 2018 3:45 PM
To: Anthony Martinello; Olga Whiteley

Cc: Sarah Harris; Carlos Yep; James Devine; Ricky Lai
Subject: RE: IESO - Signing Authority Documents

Hello Anthony and Olga,

I am following-up to get an indication of the solution you wish to pursue. Also, when will you be providing the documents. As a heads-up I will be out-of-the-office on Tuesday. For signatory related documents please coordinate with Sarah Harris.

Thanks,

Will

From: William Tan
Sent: Monday, June 18, 2018 11:38 AM
To: 'Anthony Martinello' <Anthony.Martinello@ieso.ca>; Olga Whiteley <Olga.Whiteley@ieso.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>; Ricky Lai <Ricky.Lai@ofina.on.ca>
Subject: IESO - Signing Authority Documents

Hello Anthony,

As per conversation regarding the required signing authority documents for Barb Anderson VP, & CFO on the election notices for June 20. Please provide completed documents for one of the following options below before June 20.

While option 6 is a suitable solution, it should be viewed as a temporary solution. Therefore, I recommend option 1, as a comprehensive long-term solution.

Options provided in May, 2018:

1. Certified resolution of the board of directors for IESO authorizing both the Fair Hydro Plan Credit Agreement and for the Existing Credit Facility authorizing the signatory and Updated Incumbency Certificate.
2. ~~A delegation of authority from the (former) IESO CFO to the IESO CEO (or other authorized signatories).~~
3. A general signing authority resolution of the IESO Board of Directors.
4. By-law or other document in place providing authorization to the IESO ~~CEO~~ CFO.
5. A certificate from the IESO Corporate Secretary stating that the IESO ~~CEO~~ CFO has signing authority.
6. A signature under seal of the corporation.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA

Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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" Resolution of the Board of Directors
Independent Electricity System Operator

June 14, 2017

In Respect of the establishment of a new credit facility and revision of existing credit facilities in relation to the Fair Hydro Plan

---

WHEREAS, as further described in the memorandum to the Audit Committee entitled "Fair Hydro Plan Credit Facility" dated June 13, 2017 (the "**Memorandum**"), the Corporation has determined that in order to support the IESO's role in the Fair Hydro Plan it requires greater credit liquidity;

AND WHEREAS the Corporation proposes to enter into a new credit facility with the Ontario Financing Authority or Ontario Electricity Financial Corporation to support the Corporation's role in the Fair Hydro Plan in an amount yet to be determined of between $1,800 million and $2,500 million (the "**New Facility**");

AND WHEREAS, due to the structure of the Fair Hydro Plan, once the New Facility is established, the Corporation's existing credit facility with the Ontario Financing Authority in the amount of $975 million (the "**OFA Facility**") will include unnecessary and duplicative credit liquidity such that the OFA Facility may be reduced to an amount yet to be determined between $400 million and $500 million;

AND WHEREAS ...[Recital redacted]...

NOW THEREFORE BE IT RESOLVED THAT:

1. The Board of Directors hereby authorizes and approves the establishment of the New Facility and the amendment of the OFA Facility ...**[Redacted]**... on such terms and conditions as are generally outlined in the Memorandum (collectively, all facilities being the "**Credit Facilities**").

2. The Chief Financial Officer or her delegate is hereby authorized for and on behalf of the Corporation to:

(a) finalize, execute and deliver

(i) all relevant agreements, instruments and other documents required for the establishment or amendment, as applicable, of the Credit Facilities, and

(ii) all ancillary documents, deeds and instruments determined to be necessary or desirable in connection therewith (the execution of any such document, deed or instrument being conclusive evidence of such determination),

and to perform the Corporation's obligations thereunder, and to obtain the benefits thereof;

(b) draw upon or continue to draw upon, as applicable, the Credit Facilities from time to time in accordance with their terms; and

(c) do any and all such further acts as may be determined to be necessary or desirable to give effect to the foregoing transactions including, for further certainty, amending any other agreements as may be required as a consequence of such transactions. "

I certify that the above is a true, redacted copy of a resolution approved by the Board of Directors of the Independent Electricity System Operator on June 14, 2017.

John Rattray

General Counsel, Secretary and Chief Reliability Compliance Officer
Independent Electricity System Operator
November 6, 2017

INCUMBENCY CERTIFICATE

To: Ontario Financing Authority ("**OFA**")

I, the undersigned, Secretary to the Independent Electricity System Operator (the "**IESO**"), in my capacity as an officer of the IESO, and not in my personal capacity, do hereby certify that:

1. Barb Anderson has been duly appointed as, and as of the date hereof holds the offices of, Chief Financial Officer and Vice-President, Corporate Services (Interim) of the IESO and, for further certainty, has been vested with all of the duties and powers otherwise prescribed to such offices in a permanent capacity.

2. Pursuant to a resolution of the board of directors of IESO dated June 14, 2017, the Chief Financial Officer has the authority from time to time to draw upon (i) the Credit Agreement between OFA and IESO (as successor by amalgamation to Ontario Power Authority) made as of January 1, 2005, as amended, and (ii) the Revolving Credit Facility Agreement between IESO and the Ontario Financing Authority made as of the 6th day of November, 2017 in relation to the Fair Hydro Plan.

3. The following is the genuine signature of the following individual:

Barb Anderson _____

DATED this ____ day of _____, 2018.

_____
Michael Lyle
Vice-President, Legal Resources and Corporate Governance, General Counsel, Secretary, and Chief Reliability Compliance Officer

I, the undersigned, do hereby certify for and on behalf of the IESO in my capacity as an officer of the IESO, and not in my personal capacity, that: (i) Michael Lyle has been duly appointed to the offices of Vice-President, Legal Resources and Corporate Governance, General Counsel, Secretary, and Chief Reliability Compliance Officer and (ii) Michael Lyle holds, as at the date hereof, such offices.

DATED this ____ day of _____, 2018.

_____
Barb Anderson
Chief Financial Officer and Vice-President, Corporate Services (Interim)

From: William Tan
To: "Olga Whiteley"
Cc: Sarah Harris; "Anthony Martinello"; "Victor Buza"
Subject: FW: IESO CFO
Date: Thursday, July 05, 2018 3:50:19 PM

Good afternoon Olga,

I have reviewed the matter with our legal counsel and unfortunately we would require an updated COI to reflect a change in her title.

Thanks,

Will

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]
Sent: Thursday, July 05, 2018 12:49 PM
To: Sarah Harris
Cc: Anthony Martinello ; Victor Buza ; William Tan
Subject: IESO CFO

Hi Sarah,

As of July 9 Barbara Anderson has been appointed as our CFO (no longer interim). Do you require a revised incumbency certificate? Attached is the one recently executed.

Please let me know.

Regards.

Olga Whiteley | Treasury and Pension Operations

Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
Station A, Box 4474, Toronto, ON M5W 4E5
Web: www.ieso.ca[ieso.ca] | Email: olga.whiteley@ieso.ca

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From:	William Tan
To:	Mike Manning
Cc:	Opal Kandelas; Sarah Harris
Subject:	FW: IESO Notice for Nov 21/17
Date:	Friday, December 01, 2017 2:42:59 PM
Attachments:	Borrowing Notice.pdf FHP Revolving Credit Facility Agreement 2017-2022 Execution Version.docx

Hello Mike,

As discussed details of IESO's query is below. The relevant section with regards to the FHP Revolving Credit Facility Agreement is Section - 2.5 Prepayments

Section 2.5 Prepayments.

The IESO is not entitled to prepay any part of the Advances Outstanding or the interest accrued thereon without the prior written consent of the OFA.

Thanks,

Will

From: Risa Thau

Sent: Friday, December 01, 2017 1:43 PM

To: William Tan

Cc: CASHP ; SETTLEMENT ; Carlos Yep ; James Devine

Subject: FW: IESO Notice for Nov 21/17

Hi Will,

Is IESO allowed to change the maturity date of their advance according to the agreement?

Thanks,

Risa Thau

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]

Sent: Friday, December 01, 2017 12:59 PM

To: CASHP <CASHP@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; Serena Ly <Serena.Ly@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>

Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>

Subject: RE: IESO Notice for Nov 21/17

Just a question – will appreciate your reply.

I am discussing the first fair hydro purchase and resulting cash-flow timing with OPG.

Currently, the IESO's Repayment Date (see attached) is set for Dec 20th.

What are OFA comments if I were to ask OFA for this repayment date of Dec 20th 2017 to be changed to Dec 18th 2017?

Regards.

From: Olga Whiteley
Sent: November 16, 2017 5:53 PM
To: CASHP; SETTLEMENT; Carlos.Yep@ofina.on.ca; Serena.Ly@ofina.on.ca; James.Devine@ofina.on.ca
Cc: Anthony Martinello
Subject: IESO Notice for Nov 21/17

Please see attached two notices for November 21, 2017:

- Full repayment of RPP amount under IESO's $975 million facility;
- New borrowing of Fair Hydro amount under IESO's new $2 billion facility.

Please send us the net amount of **$179,900,804.31** (OFA to IESO $1,005,539,906.31 minus IESO to

OFA $825,639,102.00).

Beneficiary: Independent Electricity System Operator

Bank: TD Bank

Bank ID: 0004

Transit Number: 10202

Account Number: 5509622

Thanks.

Olga Whiteley | Treasury and Pension Operations

Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
Station A, Box 4474, Toronto, ON M5W 4E5
Web: www.ieso.ca[ieso.ca] | Email: olga.whiteley@ieso.ca

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SCHEDULE 1

FORM OF BORROWING NOTICE

November 17, 2017

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Attention: Cash Management
Delivered Via Email: CASHP@ofina.on.ca

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated November 6, 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is November 21, 2017;
(b) The principal amount of the Proposed Advance is $1,005,539,906.31;
(c) The Repayment Date of the Proposed Advance is December 20, 2017.
[Not earlier than 5 days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s):
This transaction relates to the Fair Hydro Program.

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: K Marshall

Kimberly Marshall
VP Corporate Services, CFO and Treasurer

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

as Borrower

and

ONTARIO FINANCING AUTHORITY

as Lender

REVOLVING CREDIT FACILITY AGREEMENT

Date: November ___, 2017

REVOLVING CREDIT FACILITY AGREEMENT

THIS AGREEMENT is made as of the ____ day of November 2017,

BETWEEN:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, a statutory corporation without share capital existing under Part II of the *Electricity Act, 1998* (the "**IESO**") (as Borrower)

AND

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* (the "**OFA**" and together with the IESO, the "**Parties**") (as Lender)

RECITALS:

WHEREAS the IESO has requested a revolving credit facility for up to a maximum principal amount of $2 billion from the OFA for the purpose of supporting the IESO's role in the implementation and administration of the *Ontario Fair Hydro Plan Act, 2017*.

THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the Parties agree as follows:

ARTICLE 1

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"Advances" means advances made by the OFA to the IESO under Article 3 and "Advance" means any one of such advances, and in the case of an election by the IESO under Section 3.3, includes a "Continued Advance", as defined in Section 3.3(1), as applicable.

"Advances Outstanding" means, at any time, an amount equal to the aggregate principal amount of all Advances outstanding at such time.

"Agreement", "herein", "hereby", "hereor', "hereunder" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression "Article" or "Section" followed by a number means the specified Article or Section of this Agreement.

"Borrowing Notice" has the meaning specified in Section 3.2(1).

"Business Day" means any day that is not a day on which banks are generally authorized or required by law or executive order to be closed in the City of Toronto.

"**Clean Energy Adjustment"** has the same meaning as that term is defined in the OFHP.

"Commitment" means, at any time, an amount equal to $2 billion.

"Consolidated Assets" means, at any time, the book value of the assets of the IESO and the Subsidiaries, determined as of such time on a consolidated basis in accordance with GAAP.

"**Continued Advance"** has the meaning specified in Section 3.3(1).

"Credit Facility" means the revolving credit facility to be made available to the IESO by the OFA under this Agreement for the purposes specified in Section 2.2.

"**Current Repayment Date**" has the meaning specified in Section 3.3(2).

"Default" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"Dollars" or **"$**" means lawful currency of Canada.

"Election Notice" has the meaning specified in Section 3.3(2).

"Event of Default" has the meaning specified in Section 5.1.

"**First Advance**" has the meaning specified in Section 3.2(3).

"GAAP" means accounting policies and standards as established by the Chartered Professional Accountants of Canada, at the relevant time and applied on a consistent basis.

"Grid Note" has the meaning specified in Section 3.2(2).

"Indebtedness" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) every obligation of such Person for borrowed money;

(b) every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments;

(c) every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) every capital lease obligation of such Person;

(f) the Swap Termination Value of each Swap Contract of such Person; and

(g) every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"Lien" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"Material Subsidiary" means, at any time, a Subsidiary which has consolidated assets with a book value of more than $25 million determined in accordance with GAAP.

"**New Repayment Date**" has the meaning specified in Section 3.3(2).

"**OFHP**" means the *Ontario Fair Hydro Plan Act, 2017*,S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

"Permitted Liens" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) any obligations or duties, affecting the property of the IESO to any municipality or governmental, statutory or public authority, with respect to any franchise, grant, license

or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by the IESO or such Material Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by the IESO or such Material Subsidiary;

(d) any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) the right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) any undetermined or inchoate Liens and charges incidental to the current operations of the IESO or a Material Subsidiary that have not at the time been filed against the IESO or such Material Subsidiary; provided, however, that if any such Lien or charge shall have been filed, the IESO or such Material Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) any Lien the validity of which is being contested at the time by the IESO or a Material Subsidiary in good faith and the enforcement of which has been stayed;

(h) any easements, rights-of-way and servitudes that in the opinion of the IESO will not in the aggregate materially and adversely impair the use or value of the land for the purpose for which it is held or occupied by the IESO or a Material Subsidiary;

(i) any Liens and privileges arising out of judgments or awards with respect to which the IESO or a Material Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall have secured a stay of execution pending such appeal or proceedings for review;

(j) any other Liens of a nature similar to the foregoing which do not in the opinion of the IESO, acting reasonably, materially impair the use of the property subject thereto or the operation of the business of the IESO or any Material Subsidiary or the value of such property for the purpose of any such business; and

(k) any Lien arising from the IESO’s role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other

lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

"Person" means any individual, corporation, partnership joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"Purchase Money Mortgage" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or part of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"Repayment Date" means, in respect of the repayment of Advances, the repayment date contained in the most recent Borrowing Notice or Election Notice.

"Stated Maturity" when used with respect to any Indebtedness or any installment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such installment of interest is due and payable.

"Subsidiary" means:

(a) a corporation more than 50% of the voting power or the outstanding Voting Shares of which is owned, directly or indirectly, by the IESO or by one or more other Subsidiaries or by the IESO and one or more other Subsidiaries; or

(b) any Person (other than a corporation) in which the IESO, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

"Swap Contract" means any agreement whether or not in writing, relating to any transaction or derivative transaction including a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction currency swap, cross-currency rate swap, swaption, currency option or other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.

“Swap Termination Value” means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap contracts:

(a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and

(b) for any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.

“Voting Shares” of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings.

The division of this Agreement into Articles and Sections and the insertion of headings are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and vice versa and words importing gender may include any gender. In this Agreement, (a) the words "including" and "includes" mean "including (or includes) without limitation", and (b) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" each mean “to but excluding".

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with GAAP.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the next succeeding Business Day.

ARTICLE 2
REVOLVING CREDIT FACILITY

Section 2.1 Availability.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO. The OFA shall make each Advance in Dollars.

Section 2.2 Use of Proceeds.

The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the *Electricity Act, 1998*, as such regulation may be amended or replaced from time to time, subject to the condition that proceeds of Advances may be used only for IESO's financing needs and requirements of any kind arising in connection with the IESO's role with respect to and obligations under the OFHP.

Section 2.3 Credit Facility Limit.

The Advances Outstanding shall not at any time exceed the Commitment. The Credit Facility shall revolve and no payment under the Credit Facility shall reduce the Commitment.

Section 2.4 Mandatory Repayment.

Subject to Sections 2.5 and 5.2, the IESO shall repay each Advance together with the interest accrued thereon on the applicable Repayment Date, and, in any event, shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder on September 30, 2022.

Section 2.5 Prepayments.

The IESO is not entitled to prepay any part of the Advances Outstanding or the interest accrued thereon without the prior written consent of the OFA.

Section 2.6 Payments under this Agreement.

(1) The OFA shall make Advances to the IESO under this Agreement to or to the order of the IESO by wire transfer of immediately available funds in accordance with wire transfer instructions given by the IESO to the OFA from time to time, or in such other manner as the IESO may specify to the OFA from time to time.

(2) The IESO shall make any payment required hereunder to be made by it to the OFA, to or to the order of the OFA, by wire transfer of immediately available funds in accordance with wire transfer instruction given by the OFA to the IESO from time to time, or in such other manner as the OFA may specify to the IESO from time to time. The IESO shall make each such payment in Canadian Dollars.

Section 2.7 Computations of Interest.

(1) All computations of interest shall be made by the OFA taking into account the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest is payable on the basis of a year of 365 days or 366 days, as the case may be.

(2) For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Agreement for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

Section 2.8 Limit on Rate of Interest.

(1) Notwithstanding any provision contained in this Agreement, the IESO shall not be obliged to make any payments of interest or other amounts payable to the OFA hereunder in excess of the amount or rate which would be prohibited by applicable law or would result in the receipt by the OFA of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada)).

(2) In the event that any such payments are limited or prohibited as provided in Section 2.8(1), the OFA shall have no further obligation to make any Advances available hereunder and the Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, shall become immediately due and payable.

Section 2.9 Application of Payments.

All payments made by the IESO under this Agreement shall be applied firstly to the payment of interest payable to the OFA on late payments of principal or interest hereunder, secondly, to the payment of accrued and unpaid interest payable to the OFA hereunder and thirdly, to the payment of the outstanding principal amount of any Advances payable to the OFA.

ARTICLE 3
ADVANCES

Section 3.1 Advances.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO under the Credit Facility from time to time on any Business Day prior to September 23, 2022.

Section 3.2 Procedure for Advances.

(1) Subject to Section 3.3(5), each Advance shall be made subject to two Business Days' prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each notice of an Advance (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1, other than a Borrowing Notice that is included in an Election Notice as permitted by Section 3.3(3). Each Borrowing Notice shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance; (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall not be earlier than 5 days and not later than 95 days after the date of the requested Advance. Each Borrowing Notice shall also certify the use of proceeds of the Advance which shall in any case be in accordance with Section 2.2. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, the IESO shall execute and deliver to the OFA a grid promissory note in respect of Advances substantially in the form of Schedule 3 (the "**Grid Note**"). The IESO authorizes the OFA to record on the Grid Note (a) the date and amount of each Advance or Continued Advance; (b) the applicable rate of interest for each Advance or Continued Advance; (c) the Repayment Date of each Advance or Continued Advance; (d) the date and amount of each payment of interest and each payment of principal or portion thereof in respect of each Advance or Continued Advance; and (e) Advances Outstanding. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such Advances and repayments; provided that the failure of the OFA to record any amount, rate or date shall not affect the obligation of the IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement.

(3) Respecting the first Advance to be made under this Agreement (the "**First Advance**"), a specified portion thereof (the "**Repayment Amount**") shall be used to repay a portion of the IESO's outstanding indebtedness to the OFA under the credit agreement between the Parties dated January 1, 2005, as amended (the "**Existing Credit Facility**"). The amount of the Repayment Amount shall be detailed in the Borrowing Notice issued in respect of the First Advance. Concurrently with the First Advance, OFA shall provide to IESO an updated grid in respect of the grid note issued under the Existing Credit Facility evidencing the repayment of the Repayment Amount thereunder.

Section 3.3 Elections Regarding Advances.

(1) The IESO may elect to continue all or a portion of the principal amount of any Advance and any amount of interest on such Advance (together, the "**Continued Advance**") for a further period of at least 5 days and up to a maximum of 95 days beginning on the then current Repayment Date in accordance with Section 3.3(2).

(2) Each notice to continue an Advance for a further period (an "**Election Notice**") shall be provided by the IESO to the OFA at least two Business Days prior to the Repayment Date of the Advance (the "**Current Repayment Date**"), and in each case, not later than

10:00 a.m. (Toronto time). Each such Election Notice shall be given substantially in the form of Schedule 2 and shall be irrevocable and binding upon the IESO and shall specify: (a) the Current Repayment Date; (b) the new aggregate total amount of the proposed Continued Advance; (c) the amount of interest or principal, if any, to be paid or re-paid by the IESO with respect to such Advance on the Current Repayment Date; and (d) the new Repayment Date of the proposed Continued Advance, which shall be no earlier than 5 days and not later than 95 days after the current Repayment Date (the "**New Repayment Date"**). If the IESO fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date.

(3) An Election Notice with respect to a proposed Continued Advance may include a Borrowing Notice for a further Advance proposed to be made on the Current Repayment Date. The Repayment Date of such further Advance shall be the New Repayment Date of the Continued Advance that is specified in the Election Notice. Such Borrowing Notice shall be given substantially in the form of Schedule 2.

(4) The calculation of interest on a Continued Advance shall be determined in the same manner as an Advance under Section 3.4 and shall be recorded on the Grid Note in accordance with Section 3.2(2).

(5) Any portion of an Advance not continued for a further period in accordance with Section 3.3(2) shall be repayable on the applicable Repayment Date.

(6) The Credit Facility shall at all times rank *pari passu* with all other unsubordinated and unsecured Indebtedness of the IESO, subject to the existence of any Liens that secure Indebtedness, as permitted by subections 4.6 (a) through (e) hereof.

(7) All amounts owing in respect of the Advances shall be paid without exercising any right of set off or counterclaim by the IESO.

Section 3.4 Interest on Advances.

(1) The IESO shall pay interest on the unpaid principal amount of each Advance in accordance with this Section 3.4 from and including the date of such Advance until the principal amount of such Advance is repaid in full.

(2) Interest shall accrue on the principal amount of each Advance from and including the date of the Advance to but excluding the Repayment Date of such Advance, at an annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum, before as well as after the date such principal amount or interest thereon becomes due hereunder and both before and after Default and shall be payable on the Repayment Date for such Advance. Any amount of interest arising hereunder which is not paid when due shall bear interest at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment. The amount of interest payable on an Advance will be calculated by the

OFA by dividing the interest rate applicable to the Advance by 365 or 366, as the case may be, and multiplying the result by the principal amount of the Advance and further multiplying the result by the number of days in the period from the date of the Advance to the Repayment Date of the Advance.

(3) If the IESO elects to continue an Advance in accordance with Section 3.3(2), the OFA shall determine the interest rate applicable after the original Repayment Date of the Advance and endorse the said rate on the grid forming part of the Grid Note in respect of Advances held by it.

Section 3.5 Conditions Precedent

The obligation of the OFA to make the Advances to the IESO pursuant to Section 2.1 is subject to the following conditions being satisfied to the OFA's satisfaction at the time of making each Advance:

(a) that the representations and warranties of the IESO contained in this Agreement are true and correct as at the date of making the Advance;

(b) that no Event of Default has occurred and is continuing;

(c) that there shall, in the reasonable opinion of the OFA, have been no material adverse change in the financial condition of the IESO or a Material Subsidiary; and

(d) that the OFA has received such other documentation which it has reasonably requested to ensure that the IESO is in compliance with the terms and conditions of this Agreement, including certified true copies of any necessary resolutions, a written legal opinion from counsel to the IESO confirming that the borrowing is within the legal powers of the IESO and that the Agreement is a direct, unsecured obligation of the IESO enforceable against the IESO in form satisfactory to the OFA.

ARTICLE 4
COVENANTS OF THE IESO

Section 4.1 Repayment of Advances.

The IESO will duly and punctually pay all amounts owing under this Agreement in accordance with the terms and subject to the conditions of this Agreement.

Section 4.2 IESO will Maintain its Corporate Existence.

The IESO will at all times maintain its corporate existence.

Section 4.3 Maintenance of Properties.

The IESO will cause all property owned by the IESO or any Material Subsidiary to be maintained and kept in good condition, repair and working order, all as in the judgment of the IESO or any Material Subsidiary may be necessary for the proper operation of such property, except as and to the extent that the IESO or any Material Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 4.3 shall prevent the IESO or any Material Subsidiary from discontinuing the maintenance of any such property or decommissioning any such property if such discontinuance or decommissioning is, in the judgment of the IESO or any such Material Subsidiary, desirable in the conduct of its business or the business of any such Material Subsidiary, or has been directly or indirectly requested or required by the Province of Ontario.

Section 4.4 Insurance.

The IESO will cause all property owned by the IESO or any Material Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the mature and to the extent that such property is usually insured by companies operating similar businesses.

Section 4.5 Conduct of Business.

The IESO will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in accordance with good business practice.

Section 4.6 Negative Pledge.

The IESO will not, and will not permit any Material Subsidiary to, create, incur or assume any Lien, charging the interest of the IESO or any Material Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, all amounts owing under this Agreement are secured equally and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) the creation, incurrence or assumption of any Purchase Money Mortgage;

(b) the grant of any Lien in the normal course of business to any banks or financial institutions for present or future Indebtedness of the IESO or any Material Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) any extension, renewal or replacement of any of the Liens referred to in Sections 4.6(a), (b) or (c), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased; and

(e) any Lien charging the interest of the IESO or any Material Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 4.6(a), (b) or (c), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 4.6(e) which is outstanding at such time does not exceed 10% of Consolidated Assets at such time.

Section 4.7 Payment of OFA Expenses

In addition to any liability of the IESO to the OFA under any other provision of this Agreement, the IESO will, on demand, reimburse and indemnify OFA for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OFA in connection with the Agreement (including those services incurred in the preservation of rights under or enforcement of this Agreement at any time during the continuance of a Default or Event of Default and for any reasonable loss or expense incurred by OFA as a result of any failure by the IESO to fulfill any of its obligations under this Agreement). All such costs, charges and expenses shall bear interest at the Province of Ontario's cost of funds plus 0.25 percent per annum (as determined by the OFA) calculated and payable monthly not in advance from in each case from the date on which the OFA incurs the cost, charge or expense until the date on which the IESO reimbursement the OFA therefor. The OFA agrees, acting reasonably, to invoice the IESO for any such costs, charges and expense as they are incurred, together with interest at the aforesaid rate (with interest on overdue interest).

Section 4.8 Reporting.

The IESO will promptly provide to the OFA any reports or supporting documents that the OFA may request from time to time.

Section 4.9 Late Repayment of Advance.

In the event that the IESO fails to repay the principal amount of any Advance and all interest accrued thereon when due, the IESO shall pay interest on the unpaid amount of such Advance at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment.

ARTICLE 5
EVENTS OF DEFAULT AND REMEDIES

Section 5.1 Event of Default.

Wherever used in this Agreement, the term "Event of Default" means any of the following:

(a) the IESO's failure to pay any interest upon any Advance when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) failure to pay the principal amount of any Advance on the applicable Repayment Date or the Advances Outstanding, all interest accrued thereon and all other amounts owing under this Agreement on September 30, 2022;

(c) failure on the part of the IESO to observe or perform its obligations set forth in Section 4.1;

(d) failure on the part of the IESO to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 20 days after the date on which written notice of such failure shall have been given to the IESO by the OFA;

(e) any representation or warranty made by the IESO in this Agreement or in any certificate or other document at any time delivered hereunder to the OFA was incorrect or misleading in any material respect;

(f) one or more breaches by the IESO of its covenants under one or more evidences of Indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $5 million, which breaches:

(i) constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist, or

(ii) have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived or rescinded);

(g) the IESO or any Material Subsidiary:

(i) becomes unable to meet its obligations as they generally become due or has ceased paying its current obligations in the ordinary course of business as they generally become due;

(ii) admits in writing its inability to pay its debts generally or makes a general assignment for the benefit its creditors or files a proposal or other scheme

of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) institutes or has instituted against it any proceeding seeking:

(A) to adjudicate it as bankrupt or insolvent,

(B) liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors, or

(C) the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets,

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismissed or unstayed for a period of 30 days, or any remedy sought in any such proceeding (including the entry of order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

(iv) takes any corporate action to authorize any of the actions in Sections 5.l (g)(i) to (iii); or

(h) if there shall be rendered against the IESO or any Material Subsidiary a final judgment or judgments for the payment of money in an aggregate amount in excess of $5 million by a court or courts of competent jurisdiction, and the IESO or any Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 5.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case the OFA may at its option, in addition to any other remedy available to the OFA at law, by written notice to the IESO, take any or all of the following actions:

(a) suspend the right of the IESO to request any further Advance until the Event of Default has been cured to the OFA's satisfaction or, if the Event of Default is not

cured within three (3) Business Days after the date on which written notice of such Event of Default shall have been given to the IESO by the OFA, declare all amounts owing hereunder including all interest accrued to be due and payable immediately, by a notice in writing to the IESO, and upon any such declaration all such amounts shall become immediately due and payable.

(b) invoke the Intercept pursuant to section 5.7 of this Agreement to require payment of any amount due and payable under this Agreement.

Section 5.3 Suits for Enforcement by the OFA.

If an Event of Default occurs and is continuing, the OFA may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in the OFA by this Agreement or by law.

Section 5.4 OFA May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of the IESO under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property of the IESO, or if any other judicial proceedings relative to the IESO, its creditors or its property are pending, the OFA shall be entitled and empowered, by intention in such proceeding or otherwise:

(a) to file and prove a claim for all amounts owing under this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of the OFA (including any claim for fees and disbursements of the OFA, its agents and counsel) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claim.

Section 5.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to the OFA is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.6 Delay or Omission not Waiver.

No delay or omission of the OFA to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right or remedy given by this Article 5 or by law to OFA may be exercised from time to time, and as often as may be deemed expedient, by the OFA.

Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of even date herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the *Capital Investment Plan Act, 1993* (the "**Intercept Letter**"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("**Appropriated Funds**"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("**Intercept**").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

(e) The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or

inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail.

ARTICLE 6
REPRESENTATIONS AND WARRANTIES OF IESO

Section 6.1 Representations and Warranties of IESO

The IESO represents and warrants to the OFA that:

(a) the borrowing of money (including principal and accrued interest) by the IESO and the execution, delivery and performance of this Agreement are within the powers and capacities of the IESO and have been duly authorized by all necessary legal action and proper proceedings;

(b) the execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the compliance with the terms and conditions of this Agreement will not conflict with or result in a breach of any of the terms or provisions of the constituting documents or by-laws of the IESO, laws of Ontario, including laws of Canada applicable therein, applicable to the IESO or any contractual or other obligation binding on the IESO;

(c) this Agreement will, when executed and delivered, constitute the legal, valid and binding obligation of the IESO enforceable against it in accordance with its terms; and

(d) the monies advanced under this Agreement shall be used only by the IESO for the purposes set out in Section 2.2.

Section 6.2 Continuation of Representation and Warranties

The representations and warranties set out in Section 6.1 herein shall survive the execution and delivery of this Agreement, the making of each Advance by the OFA, notwithstanding any investigations or examinations which may be made by counsel for the OFA.

ARTICLE 7
GENERAL

Section 7.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy or other means of electronic communication addressed:

If to the IESO, to it at:

Independent Electricity System Operator
120 Adelaide Street West, Suite 1600
Toronto, ON M5H 1T1

Attention: Chief Financial Officer
Telephone: (416)969-6232
Facsimile: (905)403-6913

If to the OFA, to it at:

Ontario Financing Authority 1 Dundas Street West
Suite 1400 Toronto, Ontario M7A 1Y7

Attention: Executive Director & Chief Investment Officer – Capital Markets Division
Telephone: (416)325-8930
Facsimile: (416)860-8346

provided that any Borrowing Notice or Election Notice shall be addressed as indicated on Schedule 1 or Schedule 2 respectively.

Any communication hereunder shall be deemed to have been validly and effectively given if (a) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p.m. (Toronto time), otherwise on the next Business Day, (b) transmitted by facsimile or other means of electronic communication, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice give in accordance with this Section 7.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 7.1.

Section 7.2 Successors and Assigns.

This Agreement shall be binding on and enure to the benefit of the OFA and the IESO and their respective successors and permitted assigns, except that the IESO shall not, without the

prior written consent of the OFA assign, pledge or hypothecate any rights or obligations with respect to this Agreement.

Section 7.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of the Parties.

Section 7.4 Waiver.

(1) No waiver of any provisions of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) of this Agreement nor shall such waiver be binding unless executed in writing by the party to be bound by the waiver.

(2) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude another or further exercise of such right or the exercise of any other right.

Section 7.5 Further Assurances.

Each of the IESO and the OFA shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement

Section 7.6 Severability.

In case any provision in this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement shall not in any way be affected or impaired thereby.

Section 7.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 7.8 Entire Agreement.

This Agreement, including the schedules hereto and any other agreements expressly referred to herein, constitutes the whole agreement between the Parties with respect to the matters dealt with in it, and it supersedes any prior agreement, undertakings, discussions and the like respecting the matters dealt with in this Agreement and entered into by the Parties before the date the OFA signs this Agreement.

Section 7.9 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Agreement.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first written above.

ONTARIO FINANCING AUTHORITY

Per: _____

Name: Gadi Mayman
Title: Chief Executive Officer

I have authority to bind the corporation.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; Treasurer

I have authority to bind the corporation.

SCHEDULE 1

FORM OF BORROWING NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The principal amount of the Proposed Advance is $_____;
(c) The Repayment Date of the Proposed Advance is _____. [Not earlier than 5 days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:

Authorized Signatory

SCHEDULE 2

FORM OF ELECTION NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is _____.

(b) The aggregate amount of the proposed Continued Advance is $_____, which is comprised of:

i. principal amount (or portion thereof) of Advance which is to be continued $_____; and
ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date $_____;

(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): $ _____

(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _____. [Insert date not earlier than 5 days and not later than 95 days after the current Repayment Date for the Advance.]

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: $_____
The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Name:

Authorized Signatory

SCHEDULE 3 – FORM OF GRID NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $2,000,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR (the "**IESO**"), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY** ("**OFA**") at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement (as defined below).

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the Revolving Credit Facility Agreement dated **[INSERT DATE]** as amended, supplemented or restated from time to time, between the Borrower and the OFA (the "Agreement"). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:
Authorized Signatory

Revolving Credit Facility Grid Note

Ontario Financing Authority
Line of Credit Grid Note

Entity : **Independent Electricity System Operator**
Loan Limit:

Project:
Schedule of loan transactions to:
Loan Advanced to:

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days

From: William Tan
To: Opal Kandelas
Cc: Sarah Harris
Subject: FW: IESO Notice for Nov 21/17
Date: Friday, December 01, 2017 2:10:39 PM
Attachments: Borrowing Notice.pdf
FHP Revolving Credit Facility Agreement 2017-2022 Execution Version.docx

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Hello Opal,
IESO is inquiring if they may prepay early (December 18), instead of their agreed upon date of December 20, for their most recent advancement. Anthony Martinello may be asking from a planning perspective regarding FHP asset sale to OPG. Section 2.5, does not allow for prepayment. Any exceptions maybe best suited for Trading (to calculate the make whole), Cash and Accounting to decide and conclude.
Your thoughts Opal?
FHP Revolving Credit Facility Agreement:

Section 2.5 Prepayments.

The IESO is not entitled to prepay any part of the Advances Outstanding or the interest accrued thereon without the prior written consent of the OFA."

Thanks,
Will

From: Risa Thau
Sent: Friday, December 01, 2017 1:43 PM
To: William Tan
Cc: CASHP ; SETTLEMENT ; Carlos Yep ; James Devine
Subject: FW: IESO Notice for Nov 21/17
Hi Will,
Is IESO allowed to change the maturity date of their advance according to the agreement?
Thanks,
Risa Thau

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Friday, December 01, 2017 12:59 PM
To: CASHP <CASHP@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; Serena Ly <Serena.Ly@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>
Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>
Subject: RE: IESO Notice for Nov 21/17
Just a question – will appreciate your reply.
I am discussing the first fair hydro purchase and resulting cash-flow timing with OPG.
Currently, the IESO's Repayment Date (see attached) is set for Dec 20th.
What are OFA comments if I were to ask OFA for this repayment date of Dec 20th 2017 to be changed to Dec 18th 2017?
Regards.

From: Olga Whiteley
Sent: November 16, 2017 5:53 PM
To: CASHP; SETTLEMENT; Carlos.Yep@ofina.on.ca; Serena.Ly@ofina.on.ca; James.Devine@ofina.on.ca
Cc: Anthony Martinello

Subject: IESO Notice for Nov 21/17

Please see attached two notices for November 21, 2017:

- Full repayment of RPP amount under IESO's $975 million facility;
- New borrowing of Fair Hydro amount under IESO's new $2 billion facility.

Please send us the net amount of **$179,900,804.31** (OFA to IESO $1,005,539,906.31 minus IESO to OFA $825,639,102.00).

Beneficiary: Independent Electricity System Operator

Bank: TD Bank

Bank ID: 0004

Transit Number: 10202

Account Number: 5509622

Thanks.

Olga Whiteley | Treasury and Pension Operations

Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
Station A, Box 4474, Toronto, ON M5W 4E5
Web: www.ieso.ca[ieso.ca] | Email: olga.whiteley@ieso.ca

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SCHEDULE 1

FORM OF BORROWING NOTICE

November 17, 2017

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Attention: Cash Management
Delivered Via Email: CASHP@ofina.on.ca

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated November 6, 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is November 21, 2017;
(b) The principal amount of the Proposed Advance is $1,005,539,906.31;
(c) The Repayment Date of the Proposed Advance is December 20, 2017.
[Not earlier than 5 days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s):
This transaction relates to the Fair Hydro Program.

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: K Marshall

Kimberly Marshall
VP Corporate Services, CFO and Treasurer

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

as Borrower

and

ONTARIO FINANCING AUTHORITY

as Lender

REVOLVING CREDIT FACILITY AGREEMENT

Date: November ___, 2017

REVOLVING CREDIT FACILITY AGREEMENT

THIS AGREEMENT is made as of the ____ day of November 2017,

BETWEEN:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, a statutory corporation without share capital existing under Part II of the *Electricity Act, 1998* (the "**IESO**") (as Borrower)

AND

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* (the "**OFA**" and together with the IESO, the "**Parties**") (as Lender)

RECITALS:

WHEREAS the IESO has requested a revolving credit facility for up to a maximum principal amount of $2 billion from the OFA for the purpose of supporting the IESO's role in the implementation and administration of the *Ontario Fair Hydro Plan Act, 2017*.

THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the Parties agree as follows:

ARTICLE 1

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"Advances" means advances made by the OFA to the IESO under Article 3 and "Advance" means any one of such advances, and in the case of an election by the IESO under Section 3.3, includes a "Continued Advance", as defined in Section 3.3(1), as applicable.

"Advances Outstanding" means, at any time, an amount equal to the aggregate principal amount of all Advances outstanding at such time.

"Agreement", "herein", "hereby", "hereor', "hereunder" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression "Article" or "Section" followed by a number means the specified Article or Section of this Agreement.

"Borrowing Notice" has the meaning specified in Section 3.2(1).

"Business Day" means any day that is not a day on which banks are generally authorized or required by law or executive order to be closed in the City of Toronto.

"**Clean Energy Adjustment"** has the same meaning as that term is defined in the OFHP.

"Commitment" means, at any time, an amount equal to $2 billion.

"Consolidated Assets" means, at any time, the book value of the assets of the IESO and the Subsidiaries, determined as of such time on a consolidated basis in accordance with GAAP.

"**Continued Advance"** has the meaning specified in Section 3.3(1).

"Credit Facility" means the revolving credit facility to be made available to the IESO by the OFA under this Agreement for the purposes specified in Section 2.2.

"**Current Repayment Date**" has the meaning specified in Section 3.3(2).

"Default" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"Dollars" or **"$**" means lawful currency of Canada.

"Election Notice" has the meaning specified in Section 3.3(2).

"Event of Default" has the meaning specified in Section 5.1.

"**First Advance**" has the meaning specified in Section 3.2(3).

"GAAP" means accounting policies and standards as established by the Chartered Professional Accountants of Canada, at the relevant time and applied on a consistent basis.

"Grid Note" has the meaning specified in Section 3.2(2).

"Indebtedness" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) every obligation of such Person for borrowed money;

(b) every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments;

(c) every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) every capital lease obligation of such Person;

(f) the Swap Termination Value of each Swap Contract of such Person; and

(g) every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"Lien" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"Material Subsidiary" means, at any time, a Subsidiary which has consolidated assets with a book value of more than $25 million determined in accordance with GAAP.

"**New Repayment Date**" has the meaning specified in Section 3.3(2).

"**OFHP**" means the *Ontario Fair Hydro Plan Act, 2017*,S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

"Permitted Liens" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) any obligations or duties, affecting the property of the IESO to any municipality or governmental, statutory or public authority, with respect to any franchise, grant, license

or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by the IESO or such Material Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by the IESO or such Material Subsidiary;

(d) any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) the right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) any undetermined or inchoate Liens and charges incidental to the current operations of the IESO or a Material Subsidiary that have not at the time been filed against the IESO or such Material Subsidiary; provided, however, that if any such Lien or charge shall have been filed, the IESO or such Material Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) any Lien the validity of which is being contested at the time by the IESO or a Material Subsidiary in good faith and the enforcement of which has been stayed;

(h) any easements, rights-of-way and servitudes that in the opinion of the IESO will not in the aggregate materially and adversely impair the use or value of the land for the purpose for which it is held or occupied by the IESO or a Material Subsidiary;

(i) any Liens and privileges arising out of judgments or awards with respect to which the IESO or a Material Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall have secured a stay of execution pending such appeal or proceedings for review;

(j) any other Liens of a nature similar to the foregoing which do not in the opinion of the IESO, acting reasonably, materially impair the use of the property subject thereto or the operation of the business of the IESO or any Material Subsidiary or the value of such property for the purpose of any such business; and

(k) any Lien arising from the IESO’s role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other

lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

"Person" means any individual, corporation, partnership joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"Purchase Money Mortgage" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or part of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"Repayment Date" means, in respect of the repayment of Advances, the repayment date contained in the most recent Borrowing Notice or Election Notice.

"Stated Maturity" when used with respect to any Indebtedness or any installment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such installment of interest is due and payable.

"Subsidiary" means:

(a) a corporation more than 50% of the voting power or the outstanding Voting Shares of which is owned, directly or indirectly, by the IESO or by one or more other Subsidiaries or by the IESO and one or more other Subsidiaries; or

(b) any Person (other than a corporation) in which the IESO, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

"Swap Contract" means any agreement whether or not in writing, relating to any transaction or derivative transaction including a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction currency swap, cross-currency rate swap, swaption, currency option or other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.

“Swap Termination Value” means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap contracts:

(a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and

(b) for any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.

“Voting Shares” of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings.

The division of this Agreement into Articles and Sections and the insertion of headings are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and vice versa and words importing gender may include any gender. In this Agreement, (a) the words "including" and "includes" mean "including (or includes) without limitation", and (b) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" each mean “to but excluding".

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with GAAP.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the next succeeding Business Day.

ARTICLE 2
REVOLVING CREDIT FACILITY

Section 2.1 Availability.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO. The OFA shall make each Advance in Dollars.

Section 2.2 Use of Proceeds.

The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the *Electricity Act, 1998*, as such regulation may be amended or replaced from time to time, subject to the condition that proceeds of Advances may be used only for IESO's financing needs and requirements of any kind arising in connection with the IESO's role with respect to and obligations under the OFHP.

Section 2.3 Credit Facility Limit.

The Advances Outstanding shall not at any time exceed the Commitment. The Credit Facility shall revolve and no payment under the Credit Facility shall reduce the Commitment.

Section 2.4 Mandatory Repayment.

Subject to Sections 2.5 and 5.2, the IESO shall repay each Advance together with the interest accrued thereon on the applicable Repayment Date, and, in any event, shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder on September 30, 2022.

Section 2.5 Prepayments.

The IESO is not entitled to prepay any part of the Advances Outstanding or the interest accrued thereon without the prior written consent of the OFA.

Section 2.6 Payments under this Agreement.

(1) The OFA shall make Advances to the IESO under this Agreement to or to the order of the IESO by wire transfer of immediately available funds in accordance with wire transfer instructions given by the IESO to the OFA from time to time, or in such other manner as the IESO may specify to the OFA from time to time.

(2) The IESO shall make any payment required hereunder to be made by it to the OFA, to or to the order of the OFA, by wire transfer of immediately available funds in accordance with wire transfer instruction given by the OFA to the IESO from time to time, or in such other manner as the OFA may specify to the IESO from time to time. The IESO shall make each such payment in Canadian Dollars.

Section 2.7 Computations of Interest.

(1) All computations of interest shall be made by the OFA taking into account the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest is payable on the basis of a year of 365 days or 366 days, as the case may be.

(2) For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Agreement for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

Section 2.8 Limit on Rate of Interest.

(1) Notwithstanding any provision contained in this Agreement, the IESO shall not be obliged to make any payments of interest or other amounts payable to the OFA hereunder in excess of the amount or rate which would be prohibited by applicable law or would result in the receipt by the OFA of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada)).

(2) In the event that any such payments are limited or prohibited as provided in Section 2.8(1), the OFA shall have no further obligation to make any Advances available hereunder and the Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, shall become immediately due and payable.

Section 2.9 Application of Payments.

All payments made by the IESO under this Agreement shall be applied firstly to the payment of interest payable to the OFA on late payments of principal or interest hereunder, secondly, to the payment of accrued and unpaid interest payable to the OFA hereunder and thirdly, to the payment of the outstanding principal amount of any Advances payable to the OFA.

ARTICLE 3
ADVANCES

Section 3.1 Advances.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO under the Credit Facility from time to time on any Business Day prior to September 23, 2022.

Section 3.2 Procedure for Advances.

(1) Subject to Section 3.3(5), each Advance shall be made subject to two Business Days' prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each notice of an Advance (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1, other than a Borrowing Notice that is included in an Election Notice as permitted by Section 3.3(3). Each Borrowing Notice shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance; (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall not be earlier than 5 days and not later than 95 days after the date of the requested Advance. Each Borrowing Notice shall also certify the use of proceeds of the Advance which shall in any case be in accordance with Section 2.2. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, the IESO shall execute and deliver to the OFA a grid promissory note in respect of Advances substantially in the form of Schedule 3 (the "**Grid Note**"). The IESO authorizes the OFA to record on the Grid Note (a) the date and amount of each Advance or Continued Advance; (b) the applicable rate of interest for each Advance or Continued Advance; (c) the Repayment Date of each Advance or Continued Advance; (d) the date and amount of each payment of interest and each payment of principal or portion thereof in respect of each Advance or Continued Advance; and (e) Advances Outstanding. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such Advances and repayments; provided that the failure of the OFA to record any amount, rate or date shall not affect the obligation of the IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement.

(3) Respecting the first Advance to be made under this Agreement (the "**First Advance**"), a specified portion thereof (the "**Repayment Amount**") shall be used to repay a portion of the IESO's outstanding indebtedness to the OFA under the credit agreement between the Parties dated January 1, 2005, as amended (the "**Existing Credit Facility**"). The amount of the Repayment Amount shall be detailed in the Borrowing Notice issued in respect of the First Advance. Concurrently with the First Advance, OFA shall provide to IESO an updated grid in respect of the grid note issued under the Existing Credit Facility evidencing the repayment of the Repayment Amount thereunder.

Section 3.3 Elections Regarding Advances.

(1) The IESO may elect to continue all or a portion of the principal amount of any Advance and any amount of interest on such Advance (together, the "**Continued Advance**") for a further period of at least 5 days and up to a maximum of 95 days beginning on the then current Repayment Date in accordance with Section 3.3(2).

(2) Each notice to continue an Advance for a further period (an "**Election Notice**") shall be provided by the IESO to the OFA at least two Business Days prior to the Repayment Date of the Advance (the "**Current Repayment Date**"), and in each case, not later than

10:00 a.m. (Toronto time). Each such Election Notice shall be given substantially in the form of Schedule 2 and shall be irrevocable and binding upon the IESO and shall specify: (a) the Current Repayment Date; (b) the new aggregate total amount of the proposed Continued Advance; (c) the amount of interest or principal, if any, to be paid or re-paid by the IESO with respect to such Advance on the Current Repayment Date; and (d) the new Repayment Date of the proposed Continued Advance, which shall be no earlier than 5 days and not later than 95 days after the current Repayment Date (the "**New Repayment Date"**). If the IESO fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date.

(3) An Election Notice with respect to a proposed Continued Advance may include a Borrowing Notice for a further Advance proposed to be made on the Current Repayment Date. The Repayment Date of such further Advance shall be the New Repayment Date of the Continued Advance that is specified in the Election Notice. Such Borrowing Notice shall be given substantially in the form of Schedule 2.

(4) The calculation of interest on a Continued Advance shall be determined in the same manner as an Advance under Section 3.4 and shall be recorded on the Grid Note in accordance with Section 3.2(2).

(5) Any portion of an Advance not continued for a further period in accordance with Section 3.3(2) shall be repayable on the applicable Repayment Date.

(6) The Credit Facility shall at all times rank *pari passu* with all other unsubordinated and unsecured Indebtedness of the IESO, subject to the existence of any Liens that secure Indebtedness, as permitted by subections 4.6 (a) through (e) hereof.

(7) All amounts owing in respect of the Advances shall be paid without exercising any right of set off or counterclaim by the IESO.

Section 3.4 Interest on Advances.

(1) The IESO shall pay interest on the unpaid principal amount of each Advance in accordance with this Section 3.4 from and including the date of such Advance until the principal amount of such Advance is repaid in full.

(2) Interest shall accrue on the principal amount of each Advance from and including the date of the Advance to but excluding the Repayment Date of such Advance, at an annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum, before as well as after the date such principal amount or interest thereon becomes due hereunder and both before and after Default and shall be payable on the Repayment Date for such Advance. Any amount of interest arising hereunder which is not paid when due shall bear interest at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment. The amount of interest payable on an Advance will be calculated by the

OFA by dividing the interest rate applicable to the Advance by 365 or 366, as the case may be, and multiplying the result by the principal amount of the Advance and further multiplying the result by the number of days in the period from the date of the Advance to the Repayment Date of the Advance.

(3) If the IESO elects to continue an Advance in accordance with Section 3.3(2), the OFA shall determine the interest rate applicable after the original Repayment Date of the Advance and endorse the said rate on the grid forming part of the Grid Note in respect of Advances held by it.

Section 3.5 Conditions Precedent

The obligation of the OFA to make the Advances to the IESO pursuant to Section 2.1 is subject to the following conditions being satisfied to the OFA's satisfaction at the time of making each Advance:

(a) that the representations and warranties of the IESO contained in this Agreement are true and correct as at the date of making the Advance;

(b) that no Event of Default has occurred and is continuing;

(c) that there shall, in the reasonable opinion of the OFA, have been no material adverse change in the financial condition of the IESO or a Material Subsidiary; and

(d) that the OFA has received such other documentation which it has reasonably requested to ensure that the IESO is in compliance with the terms and conditions of this Agreement, including certified true copies of any necessary resolutions, a written legal opinion from counsel to the IESO confirming that the borrowing is within the legal powers of the IESO and that the Agreement is a direct, unsecured obligation of the IESO enforceable against the IESO in form satisfactory to the OFA.

ARTICLE 4
COVENANTS OF THE IESO

Section 4.1 Repayment of Advances.

The IESO will duly and punctually pay all amounts owing under this Agreement in accordance with the terms and subject to the conditions of this Agreement.

Section 4.2 IESO will Maintain its Corporate Existence.

The IESO will at all times maintain its corporate existence.

Section 4.3 Maintenance of Properties.

The IESO will cause all property owned by the IESO or any Material Subsidiary to be maintained and kept in good condition, repair and working order, all as in the judgment of the IESO or any Material Subsidiary may be necessary for the proper operation of such property, except as and to the extent that the IESO or any Material Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 4.3 shall prevent the IESO or any Material Subsidiary from discontinuing the maintenance of any such property or decommissioning any such property if such discontinuance or decommissioning is, in the judgment of the IESO or any such Material Subsidiary, desirable in the conduct of its business or the business of any such Material Subsidiary, or has been directly or indirectly requested or required by the Province of Ontario.

Section 4.4 Insurance.

The IESO will cause all property owned by the IESO or any Material Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the mature and to the extent that such property is usually insured by companies operating similar businesses.

Section 4.5 Conduct of Business.

The IESO will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in accordance with good business practice.

Section 4.6 Negative Pledge.

The IESO will not, and will not permit any Material Subsidiary to, create, incur or assume any Lien, charging the interest of the IESO or any Material Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, all amounts owing under this Agreement are secured equally and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) the creation, incurrence or assumption of any Purchase Money Mortgage;

(b) the grant of any Lien in the normal course of business to any banks or financial institutions for present or future Indebtedness of the IESO or any Material Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) any extension, renewal or replacement of any of the Liens referred to in Sections 4.6(a), (b) or (c), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased; and

(e) any Lien charging the interest of the IESO or any Material Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 4.6(a), (b) or (c), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 4.6(e) which is outstanding at such time does not exceed 10% of Consolidated Assets at such time.

Section 4.7 Payment of OFA Expenses

In addition to any liability of the IESO to the OFA under any other provision of this Agreement, the IESO will, on demand, reimburse and indemnify OFA for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OFA in connection with the Agreement (including those services incurred in the preservation of rights under or enforcement of this Agreement at any time during the continuance of a Default or Event of Default and for any reasonable loss or expense incurred by OFA as a result of any failure by the IESO to fulfill any of its obligations under this Agreement). All such costs, charges and expenses shall bear interest at the Province of Ontario's cost of funds plus 0.25 percent per annum (as determined by the OFA) calculated and payable monthly not in advance from in each case from the date on which the OFA incurs the cost, charge or expense until the date on which the IESO reimbursement the OFA therefor. The OFA agrees, acting reasonably, to invoice the IESO for any such costs, charges and expense as they are incurred, together with interest at the aforesaid rate (with interest on overdue interest).

Section 4.8 Reporting.

The IESO will promptly provide to the OFA any reports or supporting documents that the OFA may request from time to time.

Section 4.9 Late Repayment of Advance.

In the event that the IESO fails to repay the principal amount of any Advance and all interest accrued thereon when due, the IESO shall pay interest on the unpaid amount of such Advance at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment.

ARTICLE 5
EVENTS OF DEFAULT AND REMEDIES

Section 5.1 Event of Default.

Wherever used in this Agreement, the term "Event of Default" means any of the following:

(a) the IESO's failure to pay any interest upon any Advance when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) failure to pay the principal amount of any Advance on the applicable Repayment Date or the Advances Outstanding, all interest accrued thereon and all other amounts owing under this Agreement on September 30, 2022;

(c) failure on the part of the IESO to observe or perform its obligations set forth in Section 4.1;

(d) failure on the part of the IESO to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 20 days after the date on which written notice of such failure shall have been given to the IESO by the OFA;

(e) any representation or warranty made by the IESO in this Agreement or in any certificate or other document at any time delivered hereunder to the OFA was incorrect or misleading in any material respect;

(f) one or more breaches by the IESO of its covenants under one or more evidences of Indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $5 million, which breaches:

(i) constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist, or

(ii) have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived or rescinded);

(g) the IESO or any Material Subsidiary:

(i) becomes unable to meet its obligations as they generally become due or has ceased paying its current obligations in the ordinary course of business as they generally become due;

(ii) admits in writing its inability to pay its debts generally or makes a general assignment for the benefit its creditors or files a proposal or other scheme

of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) institutes or has instituted against it any proceeding seeking:

(A) to adjudicate it as bankrupt or insolvent,

(B) liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors, or

(C) the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets,

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismissed or unstayed for a period of 30 days, or any remedy sought in any such proceeding (including the entry of order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

(iv) takes any corporate action to authorize any of the actions in Sections 5.l (g)(i) to (iii); or

(h) if there shall be rendered against the IESO or any Material Subsidiary a final judgment or judgments for the payment of money in an aggregate amount in excess of $5 million by a court or courts of competent jurisdiction, and the IESO or any Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 5.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case the OFA may at its option, in addition to any other remedy available to the OFA at law, by written notice to the IESO, take any or all of the following actions:

(a) suspend the right of the IESO to request any further Advance until the Event of Default has been cured to the OFA's satisfaction or, if the Event of Default is not

cured within three (3) Business Days after the date on which written notice of such Event of Default shall have been given to the IESO by the OFA, declare all amounts owing hereunder including all interest accrued to be due and payable immediately, by a notice in writing to the IESO, and upon any such declaration all such amounts shall become immediately due and payable.

(b) invoke the Intercept pursuant to section 5.7 of this Agreement to require payment of any amount due and payable under this Agreement.

Section 5.3 Suits for Enforcement by the OFA.

If an Event of Default occurs and is continuing, the OFA may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in the OFA by this Agreement or by law.

Section 5.4 OFA May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of the IESO under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property of the IESO, or if any other judicial proceedings relative to the IESO, its creditors or its property are pending, the OFA shall be entitled and empowered, by intention in such proceeding or otherwise:

(a) to file and prove a claim for all amounts owing under this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of the OFA (including any claim for fees and disbursements of the OFA, its agents and counsel) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claim.

Section 5.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to the OFA is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.6 Delay or Omission not Waiver.

No delay or omission of the OFA to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right or remedy given by this Article 5 or by law to OFA may be exercised from time to time, and as often as may be deemed expedient, by the OFA.

Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of even date herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the *Capital Investment Plan Act, 1993* (the "**Intercept Letter**"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("**Appropriated Funds**"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("**Intercept**").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

(e) The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or

inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail.

ARTICLE 6
REPRESENTATIONS AND WARRANTIES OF IESO

Section 6.1 Representations and Warranties of IESO

The IESO represents and warrants to the OFA that:

(a) the borrowing of money (including principal and accrued interest) by the IESO and the execution, delivery and performance of this Agreement are within the powers and capacities of the IESO and have been duly authorized by all necessary legal action and proper proceedings;

(b) the execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the compliance with the terms and conditions of this Agreement will not conflict with or result in a breach of any of the terms or provisions of the constituting documents or by-laws of the IESO, laws of Ontario, including laws of Canada applicable therein, applicable to the IESO or any contractual or other obligation binding on the IESO;

(c) this Agreement will, when executed and delivered, constitute the legal, valid and binding obligation of the IESO enforceable against it in accordance with its terms; and

(d) the monies advanced under this Agreement shall be used only by the IESO for the purposes set out in Section 2.2.

Section 6.2 Continuation of Representation and Warranties

The representations and warranties set out in Section 6.1 herein shall survive the execution and delivery of this Agreement, the making of each Advance by the OFA, notwithstanding any investigations or examinations which may be made by counsel for the OFA.

ARTICLE 7
GENERAL

Section 7.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy or other means of electronic communication addressed:

If to the IESO, to it at:

Independent Electricity System Operator
120 Adelaide Street West, Suite 1600
Toronto, ON M5H 1T1

Attention: Chief Financial Officer
Telephone: (416)969-6232
Facsimile: (905)403-6913

If to the OFA, to it at:

Ontario Financing Authority 1 Dundas Street West
Suite 1400 Toronto, Ontario M7A 1Y7

Attention: Executive Director & Chief Investment Officer – Capital Markets Division
Telephone: (416)325-8930
Facsimile: (416)860-8346

provided that any Borrowing Notice or Election Notice shall be addressed as indicated on Schedule 1 or Schedule 2 respectively.

Any communication hereunder shall be deemed to have been validly and effectively given if (a) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p.m. (Toronto time), otherwise on the next Business Day, (b) transmitted by facsimile or other means of electronic communication, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice give in accordance with this Section 7.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 7.1.

Section 7.2 Successors and Assigns.

This Agreement shall be binding on and enure to the benefit of the OFA and the IESO and their respective successors and permitted assigns, except that the IESO shall not, without the

prior written consent of the OFA assign, pledge or hypothecate any rights or obligations with respect to this Agreement.

Section 7.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of the Parties.

Section 7.4 Waiver.

(1) No waiver of any provisions of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) of this Agreement nor shall such waiver be binding unless executed in writing by the party to be bound by the waiver.

(2) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude another or further exercise of such right or the exercise of any other right.

Section 7.5 Further Assurances.

Each of the IESO and the OFA shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement

Section 7.6 Severability.

In case any provision in this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement shall not in any way be affected or impaired thereby.

Section 7.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 7.8 Entire Agreement.

This Agreement, including the schedules hereto and any other agreements expressly referred to herein, constitutes the whole agreement between the Parties with respect to the matters dealt with in it, and it supersedes any prior agreement, undertakings, discussions and the like respecting the matters dealt with in this Agreement and entered into by the Parties before the date the OFA signs this Agreement.

Section 7.9 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Agreement.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first written above.

ONTARIO FINANCING AUTHORITY

Per: _____

Name: Gadi Mayman
Title: Chief Executive Officer

I have authority to bind the corporation.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; Treasurer

I have authority to bind the corporation.

SCHEDULE 1

FORM OF BORROWING NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The principal amount of the Proposed Advance is $_____;
(c) The Repayment Date of the Proposed Advance is _____. [Not earlier than 5 days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:

Authorized Signatory

SCHEDULE 2

FORM OF ELECTION NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is _____.

(b) The aggregate amount of the proposed Continued Advance is $_____, which is comprised of:

i. principal amount (or portion thereof) of Advance which is to be continued $_____; and
ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date $_____;

(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): $ _____

(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _____. [Insert date not earlier than 5 days and not later than 95 days after the current Repayment Date for the Advance.]

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: $_____
The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Name:

Authorized Signatory

SCHEDULE 3 – FORM OF GRID NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $2,000,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR (the "**IESO**"), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY** ("**OFA**") at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement (as defined below).

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the Revolving Credit Facility Agreement dated **[INSERT DATE]** as amended, supplemented or restated from time to time, between the Borrower and the OFA (the "Agreement"). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:
Authorized Signatory

Revolving Credit Facility Grid Note

Ontario Financing Authority
Line of Credit Grid Note

Entity : **Independent Electricity System Operator**
Loan Limit:

Project:
Schedule of loan transactions to:
Loan Advanced to:

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days

From: William Tan
To: Opal Kandelas
Cc: Sarah Harris
Subject: FW: IESO Notice for Nov 21/17
Date: Friday, December 01, 2017 2:10:39 PM
Attachments: Borrowing Notice.pdf
FHP Revolving Credit Facility Agreement 2017-2022 Execution Version.docx

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Hello Opal,
IESO is inquiring if they may prepay early (December 18), instead of their agreed upon date of December 20, for their most recent advancement. Anthony Martinello may be asking from a planning perspective regarding FHP asset sale to OPG. Section 2.5, does not allow for prepayment. Any exceptions maybe best suited for Trading (to calculate the make whole), Cash and Accounting to decide and conclude.
Your thoughts Opal?
FHP Revolving Credit Facility Agreement:

Section 2.5 Prepayments.

The IESO is not entitled to prepay any part of the Advances Outstanding or the interest accrued thereon without the prior written consent of the OFA."

Thanks,
Will

From: Risa Thau
Sent: Friday, December 01, 2017 1:43 PM
To: William Tan
Cc: CASHP ; SETTLEMENT ; Carlos Yep ; James Devine
Subject: FW: IESO Notice for Nov 21/17
Hi Will,
Is IESO allowed to change the maturity date of their advance according to the agreement?
Thanks,
Risa Thau

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Friday, December 01, 2017 12:59 PM
To: CASHP <CASHP@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; Serena Ly <Serena.Ly@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>
Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>
Subject: RE: IESO Notice for Nov 21/17
Just a question – will appreciate your reply.
I am discussing the first fair hydro purchase and resulting cash-flow timing with OPG.
Currently, the IESO's Repayment Date (see attached) is set for Dec 20th.
What are OFA comments if I were to ask OFA for this repayment date of Dec 20th 2017 to be changed to Dec 18th 2017?
Regards.

From: Olga Whiteley
Sent: November 16, 2017 5:53 PM
To: CASHP; SETTLEMENT; Carlos.Yep@ofina.on.ca; Serena.Ly@ofina.on.ca; James.Devine@ofina.on.ca
Cc: Anthony Martinello

Subject: IESO Notice for Nov 21/17

Please see attached two notices for November 21, 2017:

- Full repayment of RPP amount under IESO's $975 million facility;
- New borrowing of Fair Hydro amount under IESO's new $2 billion facility.

Please send us the net amount of **$179,900,804.31** (OFA to IESO $1,005,539,906.31 minus IESO to OFA $825,639,102.00).

Beneficiary: Independent Electricity System Operator

Bank: TD Bank

Bank ID: 0004

Transit Number: 10202

Account Number: 5509622

Thanks.

Olga Whiteley | Treasury and Pension Operations

Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
Station A, Box 4474, Toronto, ON M5W 4E5
Web: www.ieso.ca[ieso.ca] | Email: olga.whiteley@ieso.ca

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SCHEDULE 1

FORM OF BORROWING NOTICE

November 17, 2017

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Attention: Cash Management
Delivered Via Email: CASHP@ofina.on.ca

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated November 6, 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is November 21, 2017;
(b) The principal amount of the Proposed Advance is $1,005,539,906.31;
(c) The Repayment Date of the Proposed Advance is December 20, 2017.
[Not earlier than 5 days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s):
This transaction relates to the Fair Hydro Program.

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: K Marshall

Kimberly Marshall
VP Corporate Services, CFO and Treasurer

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

as Borrower

and

ONTARIO FINANCING AUTHORITY

as Lender

REVOLVING CREDIT FACILITY AGREEMENT

Date: November ___, 2017

REVOLVING CREDIT FACILITY AGREEMENT

THIS AGREEMENT is made as of the ____ day of November 2017,

BETWEEN:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, a statutory corporation without share capital existing under Part II of the *Electricity Act, 1998* (the "**IESO**") (as Borrower)

AND

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* (the "**OFA**" and together with the IESO, the "**Parties**") (as Lender)

RECITALS:

WHEREAS the IESO has requested a revolving credit facility for up to a maximum principal amount of $2 billion from the OFA for the purpose of supporting the IESO's role in the implementation and administration of the *Ontario Fair Hydro Plan Act, 2017*.

THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the Parties agree as follows:

ARTICLE 1

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"Advances" means advances made by the OFA to the IESO under Article 3 and "Advance" means any one of such advances, and in the case of an election by the IESO under Section 3.3, includes a "Continued Advance", as defined in Section 3.3(1), as applicable.

"Advances Outstanding" means, at any time, an amount equal to the aggregate principal amount of all Advances outstanding at such time.

"Agreement", "herein", "hereby", "hereor', "hereunder" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression "Article" or "Section" followed by a number means the specified Article or Section of this Agreement.

"Borrowing Notice" has the meaning specified in Section 3.2(1).

"Business Day" means any day that is not a day on which banks are generally authorized or required by law or executive order to be closed in the City of Toronto.

"**Clean Energy Adjustment"** has the same meaning as that term is defined in the OFHP.

"Commitment" means, at any time, an amount equal to $2 billion.

"Consolidated Assets" means, at any time, the book value of the assets of the IESO and the Subsidiaries, determined as of such time on a consolidated basis in accordance with GAAP.

"**Continued Advance"** has the meaning specified in Section 3.3(1).

"Credit Facility" means the revolving credit facility to be made available to the IESO by the OFA under this Agreement for the purposes specified in Section 2.2.

"**Current Repayment Date**" has the meaning specified in Section 3.3(2).

"Default" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"Dollars" or **"$**" means lawful currency of Canada.

"Election Notice" has the meaning specified in Section 3.3(2).

"Event of Default" has the meaning specified in Section 5.1.

"**First Advance**" has the meaning specified in Section 3.2(3).

"GAAP" means accounting policies and standards as established by the Chartered Professional Accountants of Canada, at the relevant time and applied on a consistent basis.

"Grid Note" has the meaning specified in Section 3.2(2).

"Indebtedness" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) every obligation of such Person for borrowed money;

(b) every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments;

(c) every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) every capital lease obligation of such Person;

(f) the Swap Termination Value of each Swap Contract of such Person; and

(g) every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"Lien" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"Material Subsidiary" means, at any time, a Subsidiary which has consolidated assets with a book value of more than $25 million determined in accordance with GAAP.

"**New Repayment Date**" has the meaning specified in Section 3.3(2).

"**OFHP**" means the *Ontario Fair Hydro Plan Act, 2017*,S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

"Permitted Liens" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) any obligations or duties, affecting the property of the IESO to any municipality or governmental, statutory or public authority, with respect to any franchise, grant, license

or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by the IESO or such Material Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by the IESO or such Material Subsidiary;

(d) any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) the right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) any undetermined or inchoate Liens and charges incidental to the current operations of the IESO or a Material Subsidiary that have not at the time been filed against the IESO or such Material Subsidiary; provided, however, that if any such Lien or charge shall have been filed, the IESO or such Material Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) any Lien the validity of which is being contested at the time by the IESO or a Material Subsidiary in good faith and the enforcement of which has been stayed;

(h) any easements, rights-of-way and servitudes that in the opinion of the IESO will not in the aggregate materially and adversely impair the use or value of the land for the purpose for which it is held or occupied by the IESO or a Material Subsidiary;

(i) any Liens and privileges arising out of judgments or awards with respect to which the IESO or a Material Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall have secured a stay of execution pending such appeal or proceedings for review;

(j) any other Liens of a nature similar to the foregoing which do not in the opinion of the IESO, acting reasonably, materially impair the use of the property subject thereto or the operation of the business of the IESO or any Material Subsidiary or the value of such property for the purpose of any such business; and

(k) any Lien arising from the IESO’s role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other

lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

"Person" means any individual, corporation, partnership joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"Purchase Money Mortgage" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or part of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"Repayment Date" means, in respect of the repayment of Advances, the repayment date contained in the most recent Borrowing Notice or Election Notice.

"Stated Maturity" when used with respect to any Indebtedness or any installment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such installment of interest is due and payable.

"Subsidiary" means:

(a) a corporation more than 50% of the voting power or the outstanding Voting Shares of which is owned, directly or indirectly, by the IESO or by one or more other Subsidiaries or by the IESO and one or more other Subsidiaries; or

(b) any Person (other than a corporation) in which the IESO, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

"Swap Contract" means any agreement whether or not in writing, relating to any transaction or derivative transaction including a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction currency swap, cross-currency rate swap, swaption, currency option or other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.

“Swap Termination Value” means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap contracts:

(a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and

(b) for any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.

“Voting Shares” of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings.

The division of this Agreement into Articles and Sections and the insertion of headings are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and vice versa and words importing gender may include any gender. In this Agreement, (a) the words "including" and "includes" mean "including (or includes) without limitation", and (b) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" each mean “to but excluding".

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with GAAP.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the next succeeding Business Day.

ARTICLE 2
REVOLVING CREDIT FACILITY

Section 2.1 Availability.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO. The OFA shall make each Advance in Dollars.

Section 2.2 Use of Proceeds.

The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the *Electricity Act, 1998*, as such regulation may be amended or replaced from time to time, subject to the condition that proceeds of Advances may be used only for IESO's financing needs and requirements of any kind arising in connection with the IESO's role with respect to and obligations under the OFHP.

Section 2.3 Credit Facility Limit.

The Advances Outstanding shall not at any time exceed the Commitment. The Credit Facility shall revolve and no payment under the Credit Facility shall reduce the Commitment.

Section 2.4 Mandatory Repayment.

Subject to Sections 2.5 and 5.2, the IESO shall repay each Advance together with the interest accrued thereon on the applicable Repayment Date, and, in any event, shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder on September 30, 2022.

Section 2.5 Prepayments.

The IESO is not entitled to prepay any part of the Advances Outstanding or the interest accrued thereon without the prior written consent of the OFA.

Section 2.6 Payments under this Agreement.

(1) The OFA shall make Advances to the IESO under this Agreement to or to the order of the IESO by wire transfer of immediately available funds in accordance with wire transfer instructions given by the IESO to the OFA from time to time, or in such other manner as the IESO may specify to the OFA from time to time.

(2) The IESO shall make any payment required hereunder to be made by it to the OFA, to or to the order of the OFA, by wire transfer of immediately available funds in accordance with wire transfer instruction given by the OFA to the IESO from time to time, or in such other manner as the OFA may specify to the IESO from time to time. The IESO shall make each such payment in Canadian Dollars.

Section 2.7 Computations of Interest.

(1) All computations of interest shall be made by the OFA taking into account the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest is payable on the basis of a year of 365 days or 366 days, as the case may be.

(2) For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Agreement for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

Section 2.8 Limit on Rate of Interest.

(1) Notwithstanding any provision contained in this Agreement, the IESO shall not be obliged to make any payments of interest or other amounts payable to the OFA hereunder in excess of the amount or rate which would be prohibited by applicable law or would result in the receipt by the OFA of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada)).

(2) In the event that any such payments are limited or prohibited as provided in Section 2.8(1), the OFA shall have no further obligation to make any Advances available hereunder and the Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, shall become immediately due and payable.

Section 2.9 Application of Payments.

All payments made by the IESO under this Agreement shall be applied firstly to the payment of interest payable to the OFA on late payments of principal or interest hereunder, secondly, to the payment of accrued and unpaid interest payable to the OFA hereunder and thirdly, to the payment of the outstanding principal amount of any Advances payable to the OFA.

ARTICLE 3
ADVANCES

Section 3.1 Advances.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO under the Credit Facility from time to time on any Business Day prior to September 23, 2022.

Section 3.2 Procedure for Advances.

(1) Subject to Section 3.3(5), each Advance shall be made subject to two Business Days' prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each notice of an Advance (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1, other than a Borrowing Notice that is included in an Election Notice as permitted by Section 3.3(3). Each Borrowing Notice shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance; (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall not be earlier than 5 days and not later than 95 days after the date of the requested Advance. Each Borrowing Notice shall also certify the use of proceeds of the Advance which shall in any case be in accordance with Section 2.2. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, the IESO shall execute and deliver to the OFA a grid promissory note in respect of Advances substantially in the form of Schedule 3 (the "**Grid Note**"). The IESO authorizes the OFA to record on the Grid Note (a) the date and amount of each Advance or Continued Advance; (b) the applicable rate of interest for each Advance or Continued Advance; (c) the Repayment Date of each Advance or Continued Advance; (d) the date and amount of each payment of interest and each payment of principal or portion thereof in respect of each Advance or Continued Advance; and (e) Advances Outstanding. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such Advances and repayments; provided that the failure of the OFA to record any amount, rate or date shall not affect the obligation of the IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement.

(3) Respecting the first Advance to be made under this Agreement (the "**First Advance**"), a specified portion thereof (the "**Repayment Amount**") shall be used to repay a portion of the IESO's outstanding indebtedness to the OFA under the credit agreement between the Parties dated January 1, 2005, as amended (the "**Existing Credit Facility**"). The amount of the Repayment Amount shall be detailed in the Borrowing Notice issued in respect of the First Advance. Concurrently with the First Advance, OFA shall provide to IESO an updated grid in respect of the grid note issued under the Existing Credit Facility evidencing the repayment of the Repayment Amount thereunder.

Section 3.3 Elections Regarding Advances.

(1) The IESO may elect to continue all or a portion of the principal amount of any Advance and any amount of interest on such Advance (together, the "**Continued Advance**") for a further period of at least 5 days and up to a maximum of 95 days beginning on the then current Repayment Date in accordance with Section 3.3(2).

(2) Each notice to continue an Advance for a further period (an "**Election Notice**") shall be provided by the IESO to the OFA at least two Business Days prior to the Repayment Date of the Advance (the "**Current Repayment Date**"), and in each case, not later than

10:00 a.m. (Toronto time). Each such Election Notice shall be given substantially in the form of Schedule 2 and shall be irrevocable and binding upon the IESO and shall specify: (a) the Current Repayment Date; (b) the new aggregate total amount of the proposed Continued Advance; (c) the amount of interest or principal, if any, to be paid or re-paid by the IESO with respect to such Advance on the Current Repayment Date; and (d) the new Repayment Date of the proposed Continued Advance, which shall be no earlier than 5 days and not later than 95 days after the current Repayment Date (the "**New Repayment Date"**). If the IESO fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date.

(3) An Election Notice with respect to a proposed Continued Advance may include a Borrowing Notice for a further Advance proposed to be made on the Current Repayment Date. The Repayment Date of such further Advance shall be the New Repayment Date of the Continued Advance that is specified in the Election Notice. Such Borrowing Notice shall be given substantially in the form of Schedule 2.

(4) The calculation of interest on a Continued Advance shall be determined in the same manner as an Advance under Section 3.4 and shall be recorded on the Grid Note in accordance with Section 3.2(2).

(5) Any portion of an Advance not continued for a further period in accordance with Section 3.3(2) shall be repayable on the applicable Repayment Date.

(6) The Credit Facility shall at all times rank *pari passu* with all other unsubordinated and unsecured Indebtedness of the IESO, subject to the existence of any Liens that secure Indebtedness, as permitted by subections 4.6 (a) through (e) hereof.

(7) All amounts owing in respect of the Advances shall be paid without exercising any right of set off or counterclaim by the IESO.

Section 3.4 Interest on Advances.

(1) The IESO shall pay interest on the unpaid principal amount of each Advance in accordance with this Section 3.4 from and including the date of such Advance until the principal amount of such Advance is repaid in full.

(2) Interest shall accrue on the principal amount of each Advance from and including the date of the Advance to but excluding the Repayment Date of such Advance, at an annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum, before as well as after the date such principal amount or interest thereon becomes due hereunder and both before and after Default and shall be payable on the Repayment Date for such Advance. Any amount of interest arising hereunder which is not paid when due shall bear interest at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment. The amount of interest payable on an Advance will be calculated by the

OFA by dividing the interest rate applicable to the Advance by 365 or 366, as the case may be, and multiplying the result by the principal amount of the Advance and further multiplying the result by the number of days in the period from the date of the Advance to the Repayment Date of the Advance.

(3) If the IESO elects to continue an Advance in accordance with Section 3.3(2), the OFA shall determine the interest rate applicable after the original Repayment Date of the Advance and endorse the said rate on the grid forming part of the Grid Note in respect of Advances held by it.

Section 3.5 Conditions Precedent

The obligation of the OFA to make the Advances to the IESO pursuant to Section 2.1 is subject to the following conditions being satisfied to the OFA's satisfaction at the time of making each Advance:

(a) that the representations and warranties of the IESO contained in this Agreement are true and correct as at the date of making the Advance;

(b) that no Event of Default has occurred and is continuing;

(c) that there shall, in the reasonable opinion of the OFA, have been no material adverse change in the financial condition of the IESO or a Material Subsidiary; and

(d) that the OFA has received such other documentation which it has reasonably requested to ensure that the IESO is in compliance with the terms and conditions of this Agreement, including certified true copies of any necessary resolutions, a written legal opinion from counsel to the IESO confirming that the borrowing is within the legal powers of the IESO and that the Agreement is a direct, unsecured obligation of the IESO enforceable against the IESO in form satisfactory to the OFA.

ARTICLE 4
COVENANTS OF THE IESO

Section 4.1 Repayment of Advances.

The IESO will duly and punctually pay all amounts owing under this Agreement in accordance with the terms and subject to the conditions of this Agreement.

Section 4.2 IESO will Maintain its Corporate Existence.

The IESO will at all times maintain its corporate existence.

Section 4.3 Maintenance of Properties.

The IESO will cause all property owned by the IESO or any Material Subsidiary to be maintained and kept in good condition, repair and working order, all as in the judgment of the IESO or any Material Subsidiary may be necessary for the proper operation of such property, except as and to the extent that the IESO or any Material Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 4.3 shall prevent the IESO or any Material Subsidiary from discontinuing the maintenance of any such property or decommissioning any such property if such discontinuance or decommissioning is, in the judgment of the IESO or any such Material Subsidiary, desirable in the conduct of its business or the business of any such Material Subsidiary, or has been directly or indirectly requested or required by the Province of Ontario.

Section 4.4 Insurance.

The IESO will cause all property owned by the IESO or any Material Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the mature and to the extent that such property is usually insured by companies operating similar businesses.

Section 4.5 Conduct of Business.

The IESO will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in accordance with good business practice.

Section 4.6 Negative Pledge.

The IESO will not, and will not permit any Material Subsidiary to, create, incur or assume any Lien, charging the interest of the IESO or any Material Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, all amounts owing under this Agreement are secured equally and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) the creation, incurrence or assumption of any Purchase Money Mortgage;

(b) the grant of any Lien in the normal course of business to any banks or financial institutions for present or future Indebtedness of the IESO or any Material Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) any extension, renewal or replacement of any of the Liens referred to in Sections 4.6(a), (b) or (c), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased; and

(e) any Lien charging the interest of the IESO or any Material Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 4.6(a), (b) or (c), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 4.6(e) which is outstanding at such time does not exceed 10% of Consolidated Assets at such time.

Section 4.7 Payment of OFA Expenses

In addition to any liability of the IESO to the OFA under any other provision of this Agreement, the IESO will, on demand, reimburse and indemnify OFA for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OFA in connection with the Agreement (including those services incurred in the preservation of rights under or enforcement of this Agreement at any time during the continuance of a Default or Event of Default and for any reasonable loss or expense incurred by OFA as a result of any failure by the IESO to fulfill any of its obligations under this Agreement). All such costs, charges and expenses shall bear interest at the Province of Ontario's cost of funds plus 0.25 percent per annum (as determined by the OFA) calculated and payable monthly not in advance from in each case from the date on which the OFA incurs the cost, charge or expense until the date on which the IESO reimbursement the OFA therefor. The OFA agrees, acting reasonably, to invoice the IESO for any such costs, charges and expense as they are incurred, together with interest at the aforesaid rate (with interest on overdue interest).

Section 4.8 Reporting.

The IESO will promptly provide to the OFA any reports or supporting documents that the OFA may request from time to time.

Section 4.9 Late Repayment of Advance.

In the event that the IESO fails to repay the principal amount of any Advance and all interest accrued thereon when due, the IESO shall pay interest on the unpaid amount of such Advance at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment.

ARTICLE 5
EVENTS OF DEFAULT AND REMEDIES

Section 5.1 Event of Default.

Wherever used in this Agreement, the term "Event of Default" means any of the following:

(a) the IESO's failure to pay any interest upon any Advance when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) failure to pay the principal amount of any Advance on the applicable Repayment Date or the Advances Outstanding, all interest accrued thereon and all other amounts owing under this Agreement on September 30, 2022;

(c) failure on the part of the IESO to observe or perform its obligations set forth in Section 4.1;

(d) failure on the part of the IESO to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 20 days after the date on which written notice of such failure shall have been given to the IESO by the OFA;

(e) any representation or warranty made by the IESO in this Agreement or in any certificate or other document at any time delivered hereunder to the OFA was incorrect or misleading in any material respect;

(f) one or more breaches by the IESO of its covenants under one or more evidences of Indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $5 million, which breaches:

(i) constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist, or

(ii) have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived or rescinded);

(g) the IESO or any Material Subsidiary:

(i) becomes unable to meet its obligations as they generally become due or has ceased paying its current obligations in the ordinary course of business as they generally become due;

(ii) admits in writing its inability to pay its debts generally or makes a general assignment for the benefit its creditors or files a proposal or other scheme

of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) institutes or has instituted against it any proceeding seeking:

(A) to adjudicate it as bankrupt or insolvent,

(B) liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors, or

(C) the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets,

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismissed or unstayed for a period of 30 days, or any remedy sought in any such proceeding (including the entry of order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

(iv) takes any corporate action to authorize any of the actions in Sections 5.l (g)(i) to (iii); or

(h) if there shall be rendered against the IESO or any Material Subsidiary a final judgment or judgments for the payment of money in an aggregate amount in excess of $5 million by a court or courts of competent jurisdiction, and the IESO or any Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 5.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case the OFA may at its option, in addition to any other remedy available to the OFA at law, by written notice to the IESO, take any or all of the following actions:

(a) suspend the right of the IESO to request any further Advance until the Event of Default has been cured to the OFA's satisfaction or, if the Event of Default is not

cured within three (3) Business Days after the date on which written notice of such Event of Default shall have been given to the IESO by the OFA, declare all amounts owing hereunder including all interest accrued to be due and payable immediately, by a notice in writing to the IESO, and upon any such declaration all such amounts shall become immediately due and payable.

(b) invoke the Intercept pursuant to section 5.7 of this Agreement to require payment of any amount due and payable under this Agreement.

Section 5.3 Suits for Enforcement by the OFA.

If an Event of Default occurs and is continuing, the OFA may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in the OFA by this Agreement or by law.

Section 5.4 OFA May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of the IESO under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property of the IESO, or if any other judicial proceedings relative to the IESO, its creditors or its property are pending, the OFA shall be entitled and empowered, by intention in such proceeding or otherwise:

(a) to file and prove a claim for all amounts owing under this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of the OFA (including any claim for fees and disbursements of the OFA, its agents and counsel) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claim.

Section 5.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to the OFA is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.6 Delay or Omission not Waiver.

No delay or omission of the OFA to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right or remedy given by this Article 5 or by law to OFA may be exercised from time to time, and as often as may be deemed expedient, by the OFA.

Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of even date herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the *Capital Investment Plan Act, 1993* (the "**Intercept Letter**"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("**Appropriated Funds**"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("**Intercept**").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

(e) The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or

inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail.

ARTICLE 6
REPRESENTATIONS AND WARRANTIES OF IESO

Section 6.1 Representations and Warranties of IESO

The IESO represents and warrants to the OFA that:

(a) the borrowing of money (including principal and accrued interest) by the IESO and the execution, delivery and performance of this Agreement are within the powers and capacities of the IESO and have been duly authorized by all necessary legal action and proper proceedings;

(b) the execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the compliance with the terms and conditions of this Agreement will not conflict with or result in a breach of any of the terms or provisions of the constituting documents or by-laws of the IESO, laws of Ontario, including laws of Canada applicable therein, applicable to the IESO or any contractual or other obligation binding on the IESO;

(c) this Agreement will, when executed and delivered, constitute the legal, valid and binding obligation of the IESO enforceable against it in accordance with its terms; and

(d) the monies advanced under this Agreement shall be used only by the IESO for the purposes set out in Section 2.2.

Section 6.2 Continuation of Representation and Warranties

The representations and warranties set out in Section 6.1 herein shall survive the execution and delivery of this Agreement, the making of each Advance by the OFA, notwithstanding any investigations or examinations which may be made by counsel for the OFA.

ARTICLE 7
GENERAL

Section 7.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy or other means of electronic communication addressed:

If to the IESO, to it at:

Independent Electricity System Operator
120 Adelaide Street West, Suite 1600
Toronto, ON M5H 1T1

Attention: Chief Financial Officer
Telephone: (416)969-6232
Facsimile: (905)403-6913

If to the OFA, to it at:

Ontario Financing Authority 1 Dundas Street West
Suite 1400 Toronto, Ontario M7A 1Y7

Attention: Executive Director & Chief Investment Officer – Capital Markets Division
Telephone: (416)325-8930
Facsimile: (416)860-8346

provided that any Borrowing Notice or Election Notice shall be addressed as indicated on Schedule 1 or Schedule 2 respectively.

Any communication hereunder shall be deemed to have been validly and effectively given if (a) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p.m. (Toronto time), otherwise on the next Business Day, (b) transmitted by facsimile or other means of electronic communication, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice give in accordance with this Section 7.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 7.1.

Section 7.2 Successors and Assigns.

This Agreement shall be binding on and enure to the benefit of the OFA and the IESO and their respective successors and permitted assigns, except that the IESO shall not, without the

prior written consent of the OFA assign, pledge or hypothecate any rights or obligations with respect to this Agreement.

Section 7.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of the Parties.

Section 7.4 Waiver.

(1) No waiver of any provisions of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) of this Agreement nor shall such waiver be binding unless executed in writing by the party to be bound by the waiver.

(2) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude another or further exercise of such right or the exercise of any other right.

Section 7.5 Further Assurances.

Each of the IESO and the OFA shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement

Section 7.6 Severability.

In case any provision in this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement shall not in any way be affected or impaired thereby.

Section 7.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 7.8 Entire Agreement.

This Agreement, including the schedules hereto and any other agreements expressly referred to herein, constitutes the whole agreement between the Parties with respect to the matters dealt with in it, and it supersedes any prior agreement, undertakings, discussions and the like respecting the matters dealt with in this Agreement and entered into by the Parties before the date the OFA signs this Agreement.

Section 7.9 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Agreement.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first written above.

ONTARIO FINANCING AUTHORITY

Per: _____

Name: Gadi Mayman
Title: Chief Executive Officer

I have authority to bind the corporation.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; Treasurer

I have authority to bind the corporation.

SCHEDULE 1

FORM OF BORROWING NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The principal amount of the Proposed Advance is $_____;
(c) The Repayment Date of the Proposed Advance is _____. [Not earlier than 5 days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:

Authorized Signatory

SCHEDULE 2

FORM OF ELECTION NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is _____.

(b) The aggregate amount of the proposed Continued Advance is $_____, which is comprised of:

i. principal amount (or portion thereof) of Advance which is to be continued $_____; and
ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date $_____;

(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): $ _____

(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _____. [Insert date not earlier than 5 days and not later than 95 days after the current Repayment Date for the Advance.]

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: $_____
The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Name:

Authorized Signatory

SCHEDULE 3 – FORM OF GRID NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $2,000,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR (the "**IESO**"), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY** ("**OFA**") at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement (as defined below).

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the Revolving Credit Facility Agreement dated **[INSERT DATE]** as amended, supplemented or restated from time to time, between the Borrower and the OFA (the "Agreement"). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:
Authorized Signatory

Revolving Credit Facility Grid Note

Ontario Financing Authority
Line of Credit Grid Note

Entity : **Independent Electricity System Operator**
Loan Limit:

Project:
Schedule of loan transactions to:
Loan Advanced to:

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days

From:	Carlos Yep
To:	William Tan; Sarah Harris
Subject:	FW: IESO Notice for Nov 21/17
Date:	Friday, November 17, 2017 8:20:31 AM
Attachments:	Rollover Notice with repayment.pdf Borrowing Notice.pdf

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From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]
Sent: Thursday, November 16, 2017 5:53 PM
To: CASHP ; SETTLEMENT ; Carlos Yep ; Serena Ly ; James Devine
Cc: Anthony Martinello
Subject: IESO Notice for Nov 21/17

Please see attached two notices for November 21, 2017:

- Full repayment of RPP amount under IESO's $975 million facility;
- New borrowing of Fair Hydro amount under IESO's new $2 billion facility.

Please send us the net amount of **$179,900,804.31** (OFA to IESO $1,005,539,906.31 minus IESO to OFA $825,639,102.00).

Beneficiary: Independent Electricity System Operator
Bank: TD Bank
Bank ID: 0004
Transit Number: 10202
Account Number: 5509622

Thanks.

Olga Whiteley | Treasury and Pension Operations
Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
Station A, Box 4474, Toronto, ON M5W 4E5
Web: www.ieso.ca[ieso.ca] | Email: olga.whiteley@ieso.ca

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ieso
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Powering Tomorrow.

Independent Electricity System Operator
Station A, Box 4474
Toronto, ON M5W 4E5
t 905.403.6900
www.ieso.ca

SCHEDULE 2
FORM OF ELECTION NOTICE***

Date: November 17, 2017

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7AIY7

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("**IESO**"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the" **Agreement**", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue all or a portion of an Advance for an additional term, and in that connection with such election, sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day is November 21, 2017
(b) The aggregate amount of the new loan is $0.00
    i. previous principal amount: $825,639,102.00
    ii. repayment: $825,639,102.00
(c) The new Repayment Date applicable to such Advance is None

IESO confirms it will also be paying interest in the amount of $882,189.73.
This transaction relates to the settlement of the Regulated Price Plan (RPP) variance.

Such election shall be confirmed by the IESO by a telephone call to OFA Cash· Management (416) 325-8108.

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement, and are not being used for any other purpose.

Yours truly,
INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: K Marshall

Kimberly Marshall
VP Corporate Services, CFO and Treasurer

SCHEDULE 1

FORM OF BORROWING NOTICE

November 17, 2017

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Attention: Cash Management
Delivered Via Email: CASHP@ofina.on.ca

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated November 6, 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is November 21, 2017;
(b) The principal amount of the Proposed Advance is $1,005,539,906.31;
(c) The Repayment Date of the Proposed Advance is December 20, 2017.
[Not earlier than 5 days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s):
This transaction relates to the Fair Hydro Program.

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

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Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: K Marshall

Kimberly Marshall
VP Corporate Services, CFO and Treasurer

From:	Carlos Yep
To:	William Tan; Sarah Harris
Subject:	FW: IESO Notice for Nov 21/17
Date:	Friday, November 17, 2017 8:20:31 AM
Attachments:	Rollover Notice with repayment.pdf Borrowing Notice.pdf

---

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]
Sent: Thursday, November 16, 2017 5:53 PM
To: CASHP ; SETTLEMENT ; Carlos Yep ; Serena Ly ; James Devine
Cc: Anthony Martinello
Subject: IESO Notice for Nov 21/17

Please see attached two notices for November 21, 2017:

- Full repayment of RPP amount under IESO's $975 million facility;
- New borrowing of Fair Hydro amount under IESO's new $2 billion facility.

Please send us the net amount of **$179,900,804.31** (OFA to IESO $1,005,539,906.31 minus IESO to OFA $825,639,102.00).

Beneficiary: Independent Electricity System Operator
Bank: TD Bank
Bank ID: 0004
Transit Number: 10202
Account Number: 5509622

Thanks.

Olga Whiteley | Treasury and Pension Operations
Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
Station A, Box 4474, Toronto, ON M5W 4E5
Web: www.ieso.ca[ieso.ca] | Email: olga.whiteley@ieso.ca

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SCHEDULE 2
FORM OF ELECTION NOTICE*

Date: November 17, 2017

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7AIY7

Attention: Cash Management

Dear Sirs:

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Yours truly,
INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: K Marshall

Kimberly Marshall
VP Corporate Services, CFO and Treasurer

SCHEDULE 1

FORM OF BORROWING NOTICE

November 17, 2017

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Attention: Cash Management
Delivered Via Email: CASHP@ofina.on.ca

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated November 6, 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"), as required by Section 3.2(1) of the Agreement:

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Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: K Marshall

Kimberly Marshall
VP Corporate Services, CFO and Treasurer

From:	William Tan
To:	Mike Manning
Cc:	Opal Kandelas; Sarah Harris
Subject:	FW: IESO Notice for Nov 21/17
Date:	Friday, December 01, 2017 2:42:59 PM
Attachments:	Borrowing Notice.pdf FHP Revolving Credit Facility Agreement 2017-2022 Execution Version.docx

Hello Mike,

As discussed details of IESO's query is below. The relevant section with regards to the FHP Revolving Credit Facility Agreement is Section - 2.5 Prepayments

Section 2.5 Prepayments.

The IESO is not entitled to prepay any part of the Advances Outstanding or the interest accrued thereon without the prior written consent of the OFA.

Thanks,

Will

From: Risa Thau

Sent: Friday, December 01, 2017 1:43 PM

To: William Tan

Cc: CASHP ; SETTLEMENT ; Carlos Yep ; James Devine

Subject: FW: IESO Notice for Nov 21/17

Hi Will,

Is IESO allowed to change the maturity date of their advance according to the agreement?

Thanks,

Risa Thau

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]

Sent: Friday, December 01, 2017 12:59 PM

To: CASHP <CASHP@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; Serena Ly <Serena.Ly@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>

Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>

Subject: RE: IESO Notice for Nov 21/17

Just a question – will appreciate your reply.

I am discussing the first fair hydro purchase and resulting cash-flow timing with OPG.

Currently, the IESO's Repayment Date (see attached) is set for Dec 20th.

What are OFA comments if I were to ask OFA for this repayment date of Dec 20th 2017 to be changed to Dec 18th 2017?

Regards.

From: Olga Whiteley
Sent: November 16, 2017 5:53 PM
To: CASHP; SETTLEMENT; Carlos.Yep@ofina.on.ca; Serena.Ly@ofina.on.ca; James.Devine@ofina.on.ca
Cc: Anthony Martinello
Subject: IESO Notice for Nov 21/17

Please see attached two notices for November 21, 2017:

- Full repayment of RPP amount under IESO's $975 million facility;
- New borrowing of Fair Hydro amount under IESO's new $2 billion facility.

Please send us the net amount of **$179,900,804.31** (OFA to IESO $1,005,539,906.31 minus IESO to

OFA $825,639,102.00).

Beneficiary: Independent Electricity System Operator

Bank: TD Bank

Bank ID: 0004

Transit Number: 10202

Account Number: 5509622

Thanks.

Olga Whiteley | Treasury and Pension Operations

Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
Station A, Box 4474, Toronto, ON M5W 4E5
Web: www.ieso.ca[ieso.ca] | Email: olga.whiteley@ieso.ca

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SCHEDULE 1

FORM OF BORROWING NOTICE

November 17, 2017

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Attention: Cash Management
Delivered Via Email: CASHP@ofina.on.ca

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated November 6, 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"), as required by Section 3.2(1) of the Agreement:

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[Not earlier than 5 days and not later than 95 days after the date of the Proposed Advance.]

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Use of Funds

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This transaction relates to the Fair Hydro Program.

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: K Marshall

Kimberly Marshall
VP Corporate Services, CFO and Treasurer

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

as Borrower

and

ONTARIO FINANCING AUTHORITY

as Lender

REVOLVING CREDIT FACILITY AGREEMENT

Date: November ___, 2017

REVOLVING CREDIT FACILITY AGREEMENT

THIS AGREEMENT is made as of the ____ day of November 2017,

BETWEEN:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, a statutory corporation without share capital existing under Part II of the *Electricity Act, 1998* (the "**IESO**") (as Borrower)

AND

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* (the "**OFA**" and together with the IESO, the "**Parties**") (as Lender)

RECITALS:

WHEREAS the IESO has requested a revolving credit facility for up to a maximum principal amount of $2 billion from the OFA for the purpose of supporting the IESO's role in the implementation and administration of the *Ontario Fair Hydro Plan Act, 2017*.

THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the Parties agree as follows:

ARTICLE 1

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"Advances" means advances made by the OFA to the IESO under Article 3 and "Advance" means any one of such advances, and in the case of an election by the IESO under Section 3.3, includes a "Continued Advance", as defined in Section 3.3(1), as applicable.

"Advances Outstanding" means, at any time, an amount equal to the aggregate principal amount of all Advances outstanding at such time.

"Agreement", "herein", "hereby", "hereor', "hereunder" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression "Article" or "Section" followed by a number means the specified Article or Section of this Agreement.

"Borrowing Notice" has the meaning specified in Section 3.2(1).

"Business Day" means any day that is not a day on which banks are generally authorized or required by law or executive order to be closed in the City of Toronto.

"**Clean Energy Adjustment"** has the same meaning as that term is defined in the OFHP.

"Commitment" means, at any time, an amount equal to $2 billion.

"Consolidated Assets" means, at any time, the book value of the assets of the IESO and the Subsidiaries, determined as of such time on a consolidated basis in accordance with GAAP.

"**Continued Advance"** has the meaning specified in Section 3.3(1).

"Credit Facility" means the revolving credit facility to be made available to the IESO by the OFA under this Agreement for the purposes specified in Section 2.2.

"**Current Repayment Date**" has the meaning specified in Section 3.3(2).

"Default" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"Dollars" or **"$**" means lawful currency of Canada.

"Election Notice" has the meaning specified in Section 3.3(2).

"Event of Default" has the meaning specified in Section 5.1.

"**First Advance**" has the meaning specified in Section 3.2(3).

"GAAP" means accounting policies and standards as established by the Chartered Professional Accountants of Canada, at the relevant time and applied on a consistent basis.

"Grid Note" has the meaning specified in Section 3.2(2).

"Indebtedness" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) every obligation of such Person for borrowed money;

(b) every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments;

(c) every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) every capital lease obligation of such Person;

(f) the Swap Termination Value of each Swap Contract of such Person; and

(g) every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"Lien" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"Material Subsidiary" means, at any time, a Subsidiary which has consolidated assets with a book value of more than $25 million determined in accordance with GAAP.

"**New Repayment Date**" has the meaning specified in Section 3.3(2).

"**OFHP**" means the *Ontario Fair Hydro Plan Act, 2017*,S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

"Permitted Liens" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) any obligations or duties, affecting the property of the IESO to any municipality or governmental, statutory or public authority, with respect to any franchise, grant, license

or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by the IESO or such Material Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by the IESO or such Material Subsidiary;

(d) any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) the right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) any undetermined or inchoate Liens and charges incidental to the current operations of the IESO or a Material Subsidiary that have not at the time been filed against the IESO or such Material Subsidiary; provided, however, that if any such Lien or charge shall have been filed, the IESO or such Material Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) any Lien the validity of which is being contested at the time by the IESO or a Material Subsidiary in good faith and the enforcement of which has been stayed;

(h) any easements, rights-of-way and servitudes that in the opinion of the IESO will not in the aggregate materially and adversely impair the use or value of the land for the purpose for which it is held or occupied by the IESO or a Material Subsidiary;

(i) any Liens and privileges arising out of judgments or awards with respect to which the IESO or a Material Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall have secured a stay of execution pending such appeal or proceedings for review;

(j) any other Liens of a nature similar to the foregoing which do not in the opinion of the IESO, acting reasonably, materially impair the use of the property subject thereto or the operation of the business of the IESO or any Material Subsidiary or the value of such property for the purpose of any such business; and

(k) any Lien arising from the IESO’s role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other

lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

"Person" means any individual, corporation, partnership joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"Purchase Money Mortgage" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or part of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"Repayment Date" means, in respect of the repayment of Advances, the repayment date contained in the most recent Borrowing Notice or Election Notice.

"Stated Maturity" when used with respect to any Indebtedness or any installment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such installment of interest is due and payable.

"Subsidiary" means:

(a) a corporation more than 50% of the voting power or the outstanding Voting Shares of which is owned, directly or indirectly, by the IESO or by one or more other Subsidiaries or by the IESO and one or more other Subsidiaries; or

(b) any Person (other than a corporation) in which the IESO, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

"Swap Contract" means any agreement whether or not in writing, relating to any transaction or derivative transaction including a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction currency swap, cross-currency rate swap, swaption, currency option or other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.

“Swap Termination Value” means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap contracts:

(a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and

(b) for any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.

“Voting Shares” of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings.

The division of this Agreement into Articles and Sections and the insertion of headings are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and vice versa and words importing gender may include any gender. In this Agreement, (a) the words "including" and "includes" mean "including (or includes) without limitation", and (b) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" each mean “to but excluding".

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with GAAP.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the next succeeding Business Day.

ARTICLE 2
REVOLVING CREDIT FACILITY

Section 2.1 Availability.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO. The OFA shall make each Advance in Dollars.

Section 2.2 Use of Proceeds.

The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the *Electricity Act, 1998*, as such regulation may be amended or replaced from time to time, subject to the condition that proceeds of Advances may be used only for IESO's financing needs and requirements of any kind arising in connection with the IESO's role with respect to and obligations under the OFHP.

Section 2.3 Credit Facility Limit.

The Advances Outstanding shall not at any time exceed the Commitment. The Credit Facility shall revolve and no payment under the Credit Facility shall reduce the Commitment.

Section 2.4 Mandatory Repayment.

Subject to Sections 2.5 and 5.2, the IESO shall repay each Advance together with the interest accrued thereon on the applicable Repayment Date, and, in any event, shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder on September 30, 2022.

Section 2.5 Prepayments.

The IESO is not entitled to prepay any part of the Advances Outstanding or the interest accrued thereon without the prior written consent of the OFA.

Section 2.6 Payments under this Agreement.

(1) The OFA shall make Advances to the IESO under this Agreement to or to the order of the IESO by wire transfer of immediately available funds in accordance with wire transfer instructions given by the IESO to the OFA from time to time, or in such other manner as the IESO may specify to the OFA from time to time.

(2) The IESO shall make any payment required hereunder to be made by it to the OFA, to or to the order of the OFA, by wire transfer of immediately available funds in accordance with wire transfer instruction given by the OFA to the IESO from time to time, or in such other manner as the OFA may specify to the IESO from time to time. The IESO shall make each such payment in Canadian Dollars.

Section 2.7 Computations of Interest.

(1) All computations of interest shall be made by the OFA taking into account the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest is payable on the basis of a year of 365 days or 366 days, as the case may be.

(2) For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Agreement for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

Section 2.8 Limit on Rate of Interest.

(1) Notwithstanding any provision contained in this Agreement, the IESO shall not be obliged to make any payments of interest or other amounts payable to the OFA hereunder in excess of the amount or rate which would be prohibited by applicable law or would result in the receipt by the OFA of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada)).

(2) In the event that any such payments are limited or prohibited as provided in Section 2.8(1), the OFA shall have no further obligation to make any Advances available hereunder and the Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, shall become immediately due and payable.

Section 2.9 Application of Payments.

All payments made by the IESO under this Agreement shall be applied firstly to the payment of interest payable to the OFA on late payments of principal or interest hereunder, secondly, to the payment of accrued and unpaid interest payable to the OFA hereunder and thirdly, to the payment of the outstanding principal amount of any Advances payable to the OFA.

ARTICLE 3
ADVANCES

Section 3.1 Advances.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO under the Credit Facility from time to time on any Business Day prior to September 23, 2022.

Section 3.2 Procedure for Advances.

(1) Subject to Section 3.3(5), each Advance shall be made subject to two Business Days' prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each notice of an Advance (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1, other than a Borrowing Notice that is included in an Election Notice as permitted by Section 3.3(3). Each Borrowing Notice shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance; (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall not be earlier than 5 days and not later than 95 days after the date of the requested Advance. Each Borrowing Notice shall also certify the use of proceeds of the Advance which shall in any case be in accordance with Section 2.2. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, the IESO shall execute and deliver to the OFA a grid promissory note in respect of Advances substantially in the form of Schedule 3 (the "**Grid Note**"). The IESO authorizes the OFA to record on the Grid Note (a) the date and amount of each Advance or Continued Advance; (b) the applicable rate of interest for each Advance or Continued Advance; (c) the Repayment Date of each Advance or Continued Advance; (d) the date and amount of each payment of interest and each payment of principal or portion thereof in respect of each Advance or Continued Advance; and (e) Advances Outstanding. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such Advances and repayments; provided that the failure of the OFA to record any amount, rate or date shall not affect the obligation of the IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement.

(3) Respecting the first Advance to be made under this Agreement (the "**First Advance**"), a specified portion thereof (the "**Repayment Amount**") shall be used to repay a portion of the IESO's outstanding indebtedness to the OFA under the credit agreement between the Parties dated January 1, 2005, as amended (the "**Existing Credit Facility**"). The amount of the Repayment Amount shall be detailed in the Borrowing Notice issued in respect of the First Advance. Concurrently with the First Advance, OFA shall provide to IESO an updated grid in respect of the grid note issued under the Existing Credit Facility evidencing the repayment of the Repayment Amount thereunder.

Section 3.3 Elections Regarding Advances.

(1) The IESO may elect to continue all or a portion of the principal amount of any Advance and any amount of interest on such Advance (together, the "**Continued Advance**") for a further period of at least 5 days and up to a maximum of 95 days beginning on the then current Repayment Date in accordance with Section 3.3(2).

(2) Each notice to continue an Advance for a further period (an "**Election Notice**") shall be provided by the IESO to the OFA at least two Business Days prior to the Repayment Date of the Advance (the "**Current Repayment Date**"), and in each case, not later than

10:00 a.m. (Toronto time). Each such Election Notice shall be given substantially in the form of Schedule 2 and shall be irrevocable and binding upon the IESO and shall specify: (a) the Current Repayment Date; (b) the new aggregate total amount of the proposed Continued Advance; (c) the amount of interest or principal, if any, to be paid or re-paid by the IESO with respect to such Advance on the Current Repayment Date; and (d) the new Repayment Date of the proposed Continued Advance, which shall be no earlier than 5 days and not later than 95 days after the current Repayment Date (the "**New Repayment Date"**). If the IESO fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date.

(3) An Election Notice with respect to a proposed Continued Advance may include a Borrowing Notice for a further Advance proposed to be made on the Current Repayment Date. The Repayment Date of such further Advance shall be the New Repayment Date of the Continued Advance that is specified in the Election Notice. Such Borrowing Notice shall be given substantially in the form of Schedule 2.

(4) The calculation of interest on a Continued Advance shall be determined in the same manner as an Advance under Section 3.4 and shall be recorded on the Grid Note in accordance with Section 3.2(2).

(5) Any portion of an Advance not continued for a further period in accordance with Section 3.3(2) shall be repayable on the applicable Repayment Date.

(6) The Credit Facility shall at all times rank *pari passu* with all other unsubordinated and unsecured Indebtedness of the IESO, subject to the existence of any Liens that secure Indebtedness, as permitted by subections 4.6 (a) through (e) hereof.

(7) All amounts owing in respect of the Advances shall be paid without exercising any right of set off or counterclaim by the IESO.

Section 3.4 Interest on Advances.

(1) The IESO shall pay interest on the unpaid principal amount of each Advance in accordance with this Section 3.4 from and including the date of such Advance until the principal amount of such Advance is repaid in full.

(2) Interest shall accrue on the principal amount of each Advance from and including the date of the Advance to but excluding the Repayment Date of such Advance, at an annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum, before as well as after the date such principal amount or interest thereon becomes due hereunder and both before and after Default and shall be payable on the Repayment Date for such Advance. Any amount of interest arising hereunder which is not paid when due shall bear interest at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment. The amount of interest payable on an Advance will be calculated by the

OFA by dividing the interest rate applicable to the Advance by 365 or 366, as the case may be, and multiplying the result by the principal amount of the Advance and further multiplying the result by the number of days in the period from the date of the Advance to the Repayment Date of the Advance.

(3) If the IESO elects to continue an Advance in accordance with Section 3.3(2), the OFA shall determine the interest rate applicable after the original Repayment Date of the Advance and endorse the said rate on the grid forming part of the Grid Note in respect of Advances held by it.

Section 3.5 Conditions Precedent

The obligation of the OFA to make the Advances to the IESO pursuant to Section 2.1 is subject to the following conditions being satisfied to the OFA's satisfaction at the time of making each Advance:

(a) that the representations and warranties of the IESO contained in this Agreement are true and correct as at the date of making the Advance;

(b) that no Event of Default has occurred and is continuing;

(c) that there shall, in the reasonable opinion of the OFA, have been no material adverse change in the financial condition of the IESO or a Material Subsidiary; and

(d) that the OFA has received such other documentation which it has reasonably requested to ensure that the IESO is in compliance with the terms and conditions of this Agreement, including certified true copies of any necessary resolutions, a written legal opinion from counsel to the IESO confirming that the borrowing is within the legal powers of the IESO and that the Agreement is a direct, unsecured obligation of the IESO enforceable against the IESO in form satisfactory to the OFA.

ARTICLE 4
COVENANTS OF THE IESO

Section 4.1 Repayment of Advances.

The IESO will duly and punctually pay all amounts owing under this Agreement in accordance with the terms and subject to the conditions of this Agreement.

Section 4.2 IESO will Maintain its Corporate Existence.

The IESO will at all times maintain its corporate existence.

Section 4.3 Maintenance of Properties.

The IESO will cause all property owned by the IESO or any Material Subsidiary to be maintained and kept in good condition, repair and working order, all as in the judgment of the IESO or any Material Subsidiary may be necessary for the proper operation of such property, except as and to the extent that the IESO or any Material Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 4.3 shall prevent the IESO or any Material Subsidiary from discontinuing the maintenance of any such property or decommissioning any such property if such discontinuance or decommissioning is, in the judgment of the IESO or any such Material Subsidiary, desirable in the conduct of its business or the business of any such Material Subsidiary, or has been directly or indirectly requested or required by the Province of Ontario.

Section 4.4 Insurance.

The IESO will cause all property owned by the IESO or any Material Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the mature and to the extent that such property is usually insured by companies operating similar businesses.

Section 4.5 Conduct of Business.

The IESO will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in accordance with good business practice.

Section 4.6 Negative Pledge.

The IESO will not, and will not permit any Material Subsidiary to, create, incur or assume any Lien, charging the interest of the IESO or any Material Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, all amounts owing under this Agreement are secured equally and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) the creation, incurrence or assumption of any Purchase Money Mortgage;

(b) the grant of any Lien in the normal course of business to any banks or financial institutions for present or future Indebtedness of the IESO or any Material Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) any extension, renewal or replacement of any of the Liens referred to in Sections 4.6(a), (b) or (c), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased; and

(e) any Lien charging the interest of the IESO or any Material Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 4.6(a), (b) or (c), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 4.6(e) which is outstanding at such time does not exceed 10% of Consolidated Assets at such time.

Section 4.7 Payment of OFA Expenses

In addition to any liability of the IESO to the OFA under any other provision of this Agreement, the IESO will, on demand, reimburse and indemnify OFA for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OFA in connection with the Agreement (including those services incurred in the preservation of rights under or enforcement of this Agreement at any time during the continuance of a Default or Event of Default and for any reasonable loss or expense incurred by OFA as a result of any failure by the IESO to fulfill any of its obligations under this Agreement). All such costs, charges and expenses shall bear interest at the Province of Ontario's cost of funds plus 0.25 percent per annum (as determined by the OFA) calculated and payable monthly not in advance from in each case from the date on which the OFA incurs the cost, charge or expense until the date on which the IESO reimbursement the OFA therefor. The OFA agrees, acting reasonably, to invoice the IESO for any such costs, charges and expense as they are incurred, together with interest at the aforesaid rate (with interest on overdue interest).

Section 4.8 Reporting.

The IESO will promptly provide to the OFA any reports or supporting documents that the OFA may request from time to time.

Section 4.9 Late Repayment of Advance.

In the event that the IESO fails to repay the principal amount of any Advance and all interest accrued thereon when due, the IESO shall pay interest on the unpaid amount of such Advance at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment.

ARTICLE 5
EVENTS OF DEFAULT AND REMEDIES

Section 5.1 Event of Default.

Wherever used in this Agreement, the term "Event of Default" means any of the following:

(a) the IESO's failure to pay any interest upon any Advance when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) failure to pay the principal amount of any Advance on the applicable Repayment Date or the Advances Outstanding, all interest accrued thereon and all other amounts owing under this Agreement on September 30, 2022;

(c) failure on the part of the IESO to observe or perform its obligations set forth in Section 4.1;

(d) failure on the part of the IESO to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 20 days after the date on which written notice of such failure shall have been given to the IESO by the OFA;

(e) any representation or warranty made by the IESO in this Agreement or in any certificate or other document at any time delivered hereunder to the OFA was incorrect or misleading in any material respect;

(f) one or more breaches by the IESO of its covenants under one or more evidences of Indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $5 million, which breaches:

(i) constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist, or

(ii) have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived or rescinded);

(g) the IESO or any Material Subsidiary:

(i) becomes unable to meet its obligations as they generally become due or has ceased paying its current obligations in the ordinary course of business as they generally become due;

(ii) admits in writing its inability to pay its debts generally or makes a general assignment for the benefit its creditors or files a proposal or other scheme

of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) institutes or has instituted against it any proceeding seeking:

(A) to adjudicate it as bankrupt or insolvent,

(B) liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors, or

(C) the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets,

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismissed or unstayed for a period of 30 days, or any remedy sought in any such proceeding (including the entry of order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

(iv) takes any corporate action to authorize any of the actions in Sections 5.l (g)(i) to (iii); or

(h) if there shall be rendered against the IESO or any Material Subsidiary a final judgment or judgments for the payment of money in an aggregate amount in excess of $5 million by a court or courts of competent jurisdiction, and the IESO or any Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 5.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case the OFA may at its option, in addition to any other remedy available to the OFA at law, by written notice to the IESO, take any or all of the following actions:

(a) suspend the right of the IESO to request any further Advance until the Event of Default has been cured to the OFA's satisfaction or, if the Event of Default is not

cured within three (3) Business Days after the date on which written notice of such Event of Default shall have been given to the IESO by the OFA, declare all amounts owing hereunder including all interest accrued to be due and payable immediately, by a notice in writing to the IESO, and upon any such declaration all such amounts shall become immediately due and payable.

(b) invoke the Intercept pursuant to section 5.7 of this Agreement to require payment of any amount due and payable under this Agreement.

Section 5.3 Suits for Enforcement by the OFA.

If an Event of Default occurs and is continuing, the OFA may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in the OFA by this Agreement or by law.

Section 5.4 OFA May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of the IESO under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property of the IESO, or if any other judicial proceedings relative to the IESO, its creditors or its property are pending, the OFA shall be entitled and empowered, by intention in such proceeding or otherwise:

(a) to file and prove a claim for all amounts owing under this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of the OFA (including any claim for fees and disbursements of the OFA, its agents and counsel) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claim.

Section 5.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to the OFA is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.6 Delay or Omission not Waiver.

No delay or omission of the OFA to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right or remedy given by this Article 5 or by law to OFA may be exercised from time to time, and as often as may be deemed expedient, by the OFA.

Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of even date herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the *Capital Investment Plan Act, 1993* (the "**Intercept Letter**"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("**Appropriated Funds**"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("**Intercept**").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

(e) The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or

inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail.

ARTICLE 6
REPRESENTATIONS AND WARRANTIES OF IESO

Section 6.1 Representations and Warranties of IESO

The IESO represents and warrants to the OFA that:

(a) the borrowing of money (including principal and accrued interest) by the IESO and the execution, delivery and performance of this Agreement are within the powers and capacities of the IESO and have been duly authorized by all necessary legal action and proper proceedings;

(b) the execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the compliance with the terms and conditions of this Agreement will not conflict with or result in a breach of any of the terms or provisions of the constituting documents or by-laws of the IESO, laws of Ontario, including laws of Canada applicable therein, applicable to the IESO or any contractual or other obligation binding on the IESO;

(c) this Agreement will, when executed and delivered, constitute the legal, valid and binding obligation of the IESO enforceable against it in accordance with its terms; and

(d) the monies advanced under this Agreement shall be used only by the IESO for the purposes set out in Section 2.2.

Section 6.2 Continuation of Representation and Warranties

The representations and warranties set out in Section 6.1 herein shall survive the execution and delivery of this Agreement, the making of each Advance by the OFA, notwithstanding any investigations or examinations which may be made by counsel for the OFA.

ARTICLE 7
GENERAL

Section 7.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy or other means of electronic communication addressed:

If to the IESO, to it at:

Independent Electricity System Operator
120 Adelaide Street West, Suite 1600
Toronto, ON M5H 1T1

Attention: Chief Financial Officer
Telephone: (416)969-6232
Facsimile: (905)403-6913

If to the OFA, to it at:

Ontario Financing Authority 1 Dundas Street West
Suite 1400 Toronto, Ontario M7A 1Y7

Attention: Executive Director & Chief Investment Officer – Capital Markets Division
Telephone: (416)325-8930
Facsimile: (416)860-8346

provided that any Borrowing Notice or Election Notice shall be addressed as indicated on Schedule 1 or Schedule 2 respectively.

Any communication hereunder shall be deemed to have been validly and effectively given if (a) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p.m. (Toronto time), otherwise on the next Business Day, (b) transmitted by facsimile or other means of electronic communication, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice give in accordance with this Section 7.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 7.1.

Section 7.2 Successors and Assigns.

This Agreement shall be binding on and enure to the benefit of the OFA and the IESO and their respective successors and permitted assigns, except that the IESO shall not, without the

prior written consent of the OFA assign, pledge or hypothecate any rights or obligations with respect to this Agreement.

Section 7.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of the Parties.

Section 7.4 Waiver.

(1) No waiver of any provisions of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) of this Agreement nor shall such waiver be binding unless executed in writing by the party to be bound by the waiver.

(2) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude another or further exercise of such right or the exercise of any other right.

Section 7.5 Further Assurances.

Each of the IESO and the OFA shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement

Section 7.6 Severability.

In case any provision in this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement shall not in any way be affected or impaired thereby.

Section 7.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 7.8 Entire Agreement.

This Agreement, including the schedules hereto and any other agreements expressly referred to herein, constitutes the whole agreement between the Parties with respect to the matters dealt with in it, and it supersedes any prior agreement, undertakings, discussions and the like respecting the matters dealt with in this Agreement and entered into by the Parties before the date the OFA signs this Agreement.

Section 7.9 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Agreement.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first written above.

ONTARIO FINANCING AUTHORITY

Per: _____

Name: Gadi Mayman
Title: Chief Executive Officer

I have authority to bind the corporation.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; Treasurer

I have authority to bind the corporation.

SCHEDULE 1

FORM OF BORROWING NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The principal amount of the Proposed Advance is $_____;
(c) The Repayment Date of the Proposed Advance is _____. [Not earlier than 5 days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:

Authorized Signatory

SCHEDULE 2

FORM OF ELECTION NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is _____.

(b) The aggregate amount of the proposed Continued Advance is $_____, which is comprised of:

i. principal amount (or portion thereof) of Advance which is to be continued $_____; and
ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date $_____;

(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): $ _____

(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _____. [Insert date not earlier than 5 days and not later than 95 days after the current Repayment Date for the Advance.]

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: $_____
The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Name:

Authorized Signatory

SCHEDULE 3 – FORM OF GRID NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $2,000,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR (the "**IESO**"), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY** ("**OFA**") at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement (as defined below).

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the Revolving Credit Facility Agreement dated **[INSERT DATE]** as amended, supplemented or restated from time to time, between the Borrower and the OFA (the "Agreement"). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:
Authorized Signatory

Revolving Credit Facility Grid Note

Ontario Financing Authority
Line of Credit Grid Note

Entity : **Independent Electricity System Operator**
Loan Limit:

Project:
Schedule of loan transactions to:
Loan Advanced to:

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days

From:	Carlos Yep
To:	Sarah Harris; William Tan; John Kim
Subject:	FW: IESO Notice for Nov 21/17 REVISED
Date:	Friday, November 17, 2017 4:20:01 PM
Attachments:	Rollover Notice with repayment REVISED.pdf Borrowing Notice REVISED.pdf

FYI

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]
Sent: Friday, November 17, 2017 3:30 PM
To: CASHP <CASHP@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; Serena Ly <Serena.Ly@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>
Cc: Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: IESO Notice for Nov 21/17 REVISED

As requested, please see revised notices.
Please send us the revised net amount of **$179,923,424.55** (OFA to IESO $1,005,562,526.55 minus IESO to OFA $825,639,102.00).

From: Olga Whiteley
Sent: November 16, 2017 5:53 PM
To: CASHP; SETTLEMENT; Carlos.Yep@ofina.on.ca; Serena.Ly@ofina.on.ca; James.Devine@ofina.on.ca
Cc: Anthony Martinello
Subject: IESO Notice for Nov 21/17

Please see attached two notices for November 21, 2017:

- Full repayment of RPP amount under IESO's $975 million facility;
- New borrowing of Fair Hydro amount under IESO's new $2 billion facility.

Please send us the net amount of **$179,900,804.31** (OFA to IESO $1,005,539,906.31 minus IESO to OFA $825,639,102.00).

Beneficiary:	Independent Electricity System Operator
Bank:	TD Bank
Bank ID:	0004
Transit Number:	10202
Account Number:	5509622

Thanks.

Olga Whiteley | Treasury and Pension Operations
Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
Station A, Box 4474, Toronto, ON M5W 4E5
Web: www.ieso.ca[ieso.ca] | Email: olga.whiteley@ieso.ca

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ieso
Connecting Today.
Powering Tomorrow.

Independent Electricity System Operator
Station A, Box 4474
Toronto, ON M5W 4E5
t 905.403.6900
www.ieso.ca

SCHEDULE 2
FORM OF ELECTION NOTICE*

Date: November 17, 2017

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7AIY7

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("**IESO**"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the" **Agreement**", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue all or a portion of an Advance for an additional term, and in that connection with such election, sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day is November 21, 2017
(b) The aggregate amount of the new loan is $0.00
    i. previous principal amount: $825,639,102.00
    ii. repayment: $825,639,102.00
(c) The new Repayment Date applicable to such Advance is None

IESO confirms it will also be paying interest in the amount of $904,809.97.
This transaction relates to the settlement of the Regulated Price Plan (RPP) variance.

Such election shall be confirmed by the IESO by a telephone call to OFA Cash· Management (416) 325-8108.

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement, and are not being used for any other purpose.

Yours truly,
INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: K Marshall

Kimberly Marshall
VP Corporate Services, CFO and Treasurer

SCHEDULE 1

FORM OF BORROWING NOTICE

November 17, 2017

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Attention: Cash Management
Delivered Via Email: CASHP@ofina.on.ca

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated November 6, 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is November 21, 2017;
(b) The principal amount of the Proposed Advance is $1,005,562,526.55;
(c) The Repayment Date of the Proposed Advance is December 20, 2017.
[Not earlier than 5 days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s):
This transaction relates to the Fair Hydro Program.

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: K Marshall

Kimberly Marshall
VP Corporate Services, CFO and Treasurer

From:	Carlos Yep
To:	Sarah Harris; William Tan; John Kim
Subject:	FW: IESO Notice for Nov 21/17 REVISED
Date:	Friday, November 17, 2017 4:20:01 PM
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FYI

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]

Sent: Friday, November 17, 2017 3:30 PM

To: CASHP ; SETTLEMENT ; Carlos Yep ; Serena Ly ; James Devine

Cc: Anthony Martinello

Subject: IESO Notice for Nov 21/17 REVISED

As requested, please see revised notices.

Please send us the revised net amount of **$179,923,424.55** (OFA to IESO $1,005,562,526.55 minus IESO to OFA $825,639,102.00).

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Sent: November 16, 2017 5:53 PM
To: CASHP; SETTLEMENT; Carlos.Yep@ofina.on.ca; Serena.Ly@ofina.on.ca; James.Devine@ofina.on.ca
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Subject: IESO Notice for Nov 21/17

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Please send us the net amount of **$179,900,804.31** (OFA to IESO $1,005,539,906.31 minus IESO to OFA $825,639,102.00).

Beneficiary: Independent Electricity System Operator

Bank: TD Bank

Bank ID: 0004

Transit Number: 10202

Account Number: 5509622

Thanks.

Olga Whiteley | Treasury and Pension Operations

Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
Station A, Box 4474, Toronto, ON M5W 4E5
Web: www.ieso.ca[ieso.ca] | Email: olga.whiteley@ieso.ca

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ieso
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Powering Tomorrow.

Independent Electricity System Operator
Station A, Box 4474
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SCHEDULE 2
FORM OF ELECTION NOTICE*

Date: November 17, 2017

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7AIY7

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("**IESO**"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the" **Agreement**", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue all or a portion of an Advance for an additional term, and in that connection with such election, sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day is November 21, 2017
(b) The aggregate amount of the new loan is $0.00
    i. previous principal amount: $825,639,102.00
    ii. repayment: $825,639,102.00
(c) The new Repayment Date applicable to such Advance is None

IESO confirms it will also be paying interest in the amount of $904,809.97.
This transaction relates to the settlement of the Regulated Price Plan (RPP) variance.

Such election shall be confirmed by the IESO by a telephone call to OFA Cash· Management (416) 325-8108.

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement, and are not being used for any other purpose.

Yours truly,
INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: K Marshall

Kimberly Marshall
VP Corporate Services, CFO and Treasurer

SCHEDULE 1

FORM OF BORROWING NOTICE

November 17, 2017

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Attention: Cash Management
Delivered Via Email: CASHP@ofina.on.ca

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated November 6, 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is November 21, 2017;
(b) The principal amount of the Proposed Advance is $1,005,562,526.55;
(c) The Repayment Date of the Proposed Advance is December 20, 2017.
[Not earlier than 5 days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s):
This transaction relates to the Fair Hydro Program.

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: K Marshall

Kimberly Marshall
VP Corporate Services, CFO and Treasurer

From: Sarah Harris
To: Ryan Blackbyrne
Cc: Jean-Francois Beaupre
Subject: FW: IESO OEFC credit facilities
Date: Monday, November 27, 2017 11:46:23 AM

Hi Ryan,
Per Opal's e-mail below, please start preparing draft amending agreements for the two IESO-OEFC agreements. Please also give Lisa a heads-up so she will be ready to review.
Thanks,
Sarah

From: Opal Kandelas
Sent: Monday, November 27, 2017 11:25 AM
To: Sarah Harris
Subject: RE: IESO OEFC credit facilities
Hi Sarah,
He's waiting for final signoff. Please operate under the assumption of an approval for now, and have the agreements ready for that eventuality.
Opal

From: Sarah Harris
Sent: Monday, November 27, 2017 10:16 AM
To: Opal Kandelas <Opal.Kandelas@ofina.on.ca>
Subject: RE: IESO OEFC credit facilities
Hi Opal,
I'm a little confused about John's statement below "that an effort would be made to bring everyone onside." Has John indicated to you who or how this effort was being made? Thought John was going to let us know. If the decision is to be made to amend the OEFC agreements, IESO was looking for completion by this Thursday.
Thanks,
Sarah

From: John Kim
Sent: Friday, November 24, 2017 6:29 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>
Subject: Re: IESO OEFC credit facilities
Hi Lisa,
As you will recall, we circulated earlier version of the note which you had reviewed and Sarah Neville as well. My understanding was the Legal took the position that this was a business decision. I can share the latest version of the note Monday. I am off today so am not sure where things are but understood that an effort would be made to bring everyone onside.
Thanks,
John

Sent from my iPad

On Nov 24, 2017, at 5:17 PM, Lisa Stein <Lisa.Stein@ofina.on.ca> wrote:

Hi John,

Do you have a status update regarding the IESO's request to amend the IESO-OEFC credit facilities? I understand that a briefing note is being circulated – please let me know if you require legal review.

Thank you,

Lisa

Lisa N. Stein
Legal Counsel
Ontario Financing Authority
416-325-2320

****
This message, including any attachments, is intended only for the use of the individual(s) to which it is addressed and contains information that is privileged/confidential. Any other distribution, copying or disclosure is strictly prohibited. If you are not the intended recipient or have received this message in error, please notify the sender immediately by reply e-mail and permanently delete this message, including any attachments, without reading it or making a copy. Thank you.
****

From:	William Tan
To:	Faran Ali
Cc:	Sarah Harris; Siva Nathan; San Rajaratnam
Subject:	FW: IESO OFA FHP and Existing Credit Facility key provisions and Expected Advancements - Agreements
Date:	Wednesday, January 03, 2018 2:59:35 PM
Attachments:	(Signed) Amendment 5.Final.pdf Amendmen #6 (Executed).pdf (Executed) OPA Amending Agreement No 7.pdf OFA-OPA Amending Agreement No. 8 (Executed).PDF OPA IESO Amendment No 9 (Executed).pdf OFA IESO Amending Agreement No. to Jan 1, 2005 Credit Facility Nov 6,2017 - OFA signed.pdf

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Hello Faran,
Agreement for the Existing Credit Facility along with ten amendments.
Amending agreements 5 through 10
2 of 2 emails.
Thanks,
Will

From: Faran Ali
Sent: Wednesday, January 03, 2018 1:46 PM
To: William Tan
Cc: Siva Nathan ; San Rajaratnam
Subject: RE: IESO OFA FHP and Existing Credit Facility key provisions and Expected Advancements - Agreements

Hi William
As discussed, kindly provide both the FHP Credit Facility Agreement and the updated Agreement for the Existing Credit Facility, including any amendments.
Thanks
Faran

From: William Tan
Sent: Wednesday, January 03, 2018 1:42 PM
To: Faran Ali <Faran.Ali@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>; San Rajaratnam <San.Rajaratnam@ofina.on.ca>
Subject: RE: IESO OFA FHP and Existing Credit Facility key provisions and Expected Advancements - Agreements

Hello Faran,
Just to clarify, do you require both the FHP Credit Facility Agreement or the Agreement for the Existing Credit Facility?
Thanks,
Will

From: Faran Ali
Sent: Wednesday, January 03, 2018 11:19 AM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>; San Rajaratnam <San.Rajaratnam@ofina.on.ca>
Subject: FW: IESO OFA FHP and Existing Credit Facility key provisions and Expected Advancements - Agreements

Hi William
We are in process of providing audit confirmation to IESO auditors. In this regard, can you please

send me the loan agreement for IESO for the under mentioned new provisions.
For the purpose of OFA year-end audit (April 1, 2017 to March 31, 2018) we provide loan agreements/borrowing notices to OFA auditors, so if you or any other member of your group happens to have any other agreements/borrowing notices, kindly email it to us, or let me know who should I be contacting to receive loan agreements, for this period.
Thank you
Faran Ali
Financial Reporting Leader

From: Siva Nathan
Sent: Wednesday, November 15, 2017 7:22 PM
To: Robert Bozinoski <Robert.Bozinoski@ofina.on.ca>; San Rajaratnam <San.Rajaratnam@ofina.on.ca>; Faran Ali <Faran.Ali@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: Fw: IESO OFA FHP and Existing Credit Facility key provisions and Expected Advancements
FYI

From: William Tan
Sent: 15 November 2017 16:46
To: Siva Nathan; John Psinas; Alfonso Soriano; Jensen Chong; Risa Thau; Nurudin Kaba; Carlos Yep; George Sakura
Cc: Opal Kandelas; Sarah Harris; Ken Kandeepan; James Devine; Mike Manning
Subject: IESO OFA FHP and Existing Credit Facility key provisions and Expected Advancements
Dear all,
We have executed the following credit facilities:

1) $2B OFA-IESO Credit Facility in relation to the Ontario Fair Hydro Plan (FHP).

The FHP Credit Facility has the following key provisions:

- Revolving Credit Facility with a maximum limit at any time of C$2 billion;
- Term: 5 year term which expires September 30, 2022, with last draw possible on September 22, 2022;
- Draws: to be based on minimum of 5 days to a maximum of 95 days;
- IESO may roll-over some or all of the principal and interest;
- Notice Period: For an advance or a rollover, IESO is required to provide two business day prior notice given not later than 10:00 a.m.;
- Business day convention: Following;
- Use of Proceeds: Proceeds of Advances may be used only for IESO's financing needs and requirements of any kind arising in connection with the IESO's role with respect to and obligations under the FHP;
- Interest Rate on Advances: Annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum.

2) **Amending Agreement to reduce limit on Existing IESO-OFA $975M Revolving Credit Facility to $475M (with an Effective Date of November 21, end of day).**

Once effective, the existing Credit Facility will have the following key provisions:

- Revolving Credit Facility with a maximum limit at any time of $475M;
- Term: Agreement expires December 31, 2019, with last draw possible on November 29, 2019;
- Draws: to be based on minimum of 28 days to a maximum of 95 days;
- IESO may roll-over some or all of the principal and interest;
- Notice Period: For an advance or a rollover, IESO is required to provide two business day prior notice given not later than 10:00 a.m.;
- Business day convention: Following;

- Use of Proceeds: IESO shall use the proceeds of Advances for liquidity purposes;
- Interest Rate on Advances: Annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum.

NEXT DRAW FROM IESO

In relation to the next IESO draw on November 21st, the following transactions will occur:

November 17, 2017 -Three Notices to be received from IESO:

1) **Existing IESO-OFA $975M Revolving Credit Facility for "RRRP Program"**: IESO will send Election Notice instructions to rollover $10,649,081.37 + estimated new advance $2 million (IESO will pay accrued interest of $11,670.23 for Oct 20 to Nov 21 period to OFA).
2) **Existing IESO-OFA $975M Revolving Credit Facility for RPP Program:** IESO to send Election Notice to NOT rollover $825,639,102.00 (IESO will pay accrued interest of $904,809.97 for Oct 20 to Nov 21 period to OFA).
3) **$2B OFA-IESO FHP Credit Facility:** IESO to send a new borrowing notice for a first advance in an amount of approximately $1.05B.

NOTE: In the Borrowing Notice for the $2B OFA-IESO FHP Credit Facility, IESO will specify that instead of repaying (by funds transfer) the maturing $825,639,102.00 under the existing IESO-OFA Revolving $975M Credit Facility, it will instead use the $825,639,102.00 to fund a portion of the 'new' $1.05B advance under the $2B OFA-IESO FHP Credit Facility. As a result, for the Advance under $2B OFA-IESO FHP Credit Facility, the OFA will only transferring net amount of approximately $225 million (that is the difference between $1.05B and $825,639,102.00).

November 21, 2017 – The following transfers are to occur:

1) OFA to transfer to IESO total funds of approximately $227 million for the following:
(i) Existing IESO-OFA $975M Revolving Credit Facility for RRRP Program: amount of new advance proceeds of approximately $2 million;
(ii) $2B OFA-IESO FHP Credit Facility: amount of new advance of approximately $225 million.
2) IESO to transfer to OFA total funds for the following
(i) **Existing IESO-OFA $975M Revolving Credit Facility for RRRP Program**: accrued interest totalling $916,480.20 for (being $11,607.23 for RRRP and $904,809.97 for RPP).

November 21, 2017 - Anticipated end of day balances:

1) **Existing IESO-OFA $475M Revolving Credit Facility for RPP Program**: $12,649,081.37 advanced under the existing credit facility (with a new facility limit of $475M effective end of day);
2) **$2B OFA-IESO FHP Credit Facility**: Approximately $1.05 billion advanced under the FHP Credit Facility.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

This message, including any attachments, is intended only for the use of the individual(s) to which it is addressed and may contain information that is privileged and confidential. Any other distribution, copying or disclosure is strictly prohibited. If you are not the intended recipient or have received this message in error, please notify us immediately by reply e-mail and permanently delete this message including any attachments, without reading it or making a copy. Thank you

AMENDING AGREEMENT NO.5

This Amending Agreement made as of the 13th day of July 2007.

BETWEEN:

ONTARIO POWER AUTHORITY, a corporation established under the *Electricty Act, 1998* ("**OPA**")

-and-

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* ("**OFA**")

WHEREAS:

A. The parties entered into a Credit Agreement dated January 1, 2005 (the "Original Agreement").

B. Pursuant to the amending agreements dated February 14, 2005, October 11, 2005 (titled, "Amending Agreement No.3") and September 27, 2006 (titled, "Amending Agreement No. 4") the parties amended the Original Agreement (as so amended, the "Agreement").

C. The parties wish to further amend the Agreement pursuant to the terms of this Amending Agreement.

NOW THEREFORE IN CONSIDERATION of the mutual agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Section 3.1 of the Agreement is hereby amended by deleting the date "November 30, 2006" substituting therefor the date "November 30, 2010".
2. Section 5.1(b) of the Agreement is hereby amended by deleting the date "December 31, 2006" and substituting therefor the date "December 31, 2010".

IN ALL OTHER RESPECTS, the said Agreement is confirmed by the parties as further amended by the terms of this Amending Agreement.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

ONTARIO FINANCING AUTHORITY

Per: _____
Name: Gadi Mayman
Title: Chief Excecutive Officer

ONTARIO POWER AUTHORITY

Per: _____
Name: Jan Carr
Title: Chief Executive Officer

AMENDING AGREEMENT NO.6

This Amending Agreement made as of the 9th day of November 2010.

BETWEEN:

ONTARIO POWER AUTHORITY, a corporation established under the *Electricty Act, 1998* ("**OPA**")

-and-

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* ("**OFA**")

WHEREAS:

A. The parties entered into a Credit Agreement dated January 1, 2005 (the "Original Agreement").

B. Pursuant to the amending agreements dated February 14, 2005, October 11, 2005 (titled, "Amending Agreement No.3"), September 27, 2006 (titled, "Amending Agreement No. 4") and July 13, 2007 (titled, "Amending Agreement No.5") the parties amended the Original Agreement (as so amended, the "Agreement").

C. The parties wish to further amend the Agreement pursuant to the terms of this Amending Agreement.

NOW THEREFORE IN CONSIDERATION of the mutual agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Section 2.4 of the Agreement is deleted and replaced by the following:

   "Subject to Sections 2.9 and 5.1, the OPA shall repay each Advance on the applicable Repayment Date and, in any event, shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder on December 31, 2013."

2. Section 3.1 of the Agreement is deleted and replaced by the following:

   "The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the OPA under the Operating Facility from time to time on any Business Day prior to November 30, 2013."

3. Section 5.1(b) of the Agreement is deleted and replaced by the following:

   "failure to pay the principal amount of any Advance on the applicable Repayment Date or the Advances Outstanding, all interest accrued thereon and all other amounts owing under this Agreement on December 31, 2013;"

IN ALL OTHER RESPECTS, the said Agreement is confirmed by the parties.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

ONTARIO FINANCING AUTHORITY

Per: _____
Name: Gadi Mayman
Title: Chief Executive Officer

ONTARIO POWER AUTHORITY

Per: _____
Name: Colin Andersen
Title: Chief Executive Officer

AMENDING AGREEMENT NO.7

This Amending Agreement made as of the 20th day of December 2013.

BETWEEN:

ONTARIO POWER AUTHORITY, a corporation established under the *Electricty Act, 1998* (**"OPA"**)

-and-

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* (**"OFA"**)

WHEREAS:

A. The parties entered into a Credit Agreement dated January 1, 2005 (the "Original Agreement").

B. Pursuant to the amending agreements dated February 14, 2005, October 11, 2005 (titled, "Amending Agreement No.3"), September 27, 2006 (titled, "Amending Agreement No. 4"), July 13, 2007 (titled, "Amending Agreement No. 5") and November 9, 2010 (titled, "Amending Agreement No. 6") the parties amended the Original Agreement (as so amended, the "Agreement").

C. The parties wish to further amend the Agreement pursuant to the terms of this Amending Agreement.

NOW THEREFORE IN CONSIDERATION of the mutual agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. The first sentence of the Recital in the Agreement is deleted and replaced by the following:

   "The OPA has requested an operating line of credit from the OFA in the amount of $975 million and the OFA has agreed to provide such a line of credit to the OPA."

2. Section 2.3 of the Agreement is deleted and replaced by the following:

   "The OPA shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 423/04 made under the Electricity Act, 1998, subject to the following conditions:

   (1) effective as of December 31, 2013, the proceeds of Advances may be used only for liquidity purposes and to temporarily fund corporate requirements; and,

   (2) with the exception of funds borrowed solely for the purposes of funding the payment of amounts payable by the OPA under section 25.33 of the Electricity Act, 1998, the OPA is expected to recover or repay such proceeds over a period of no more than 12 months from the date of the Advance."

3. Section 2.4 of the Agreement is deleted and replaced by the following:

   "Subject to Sections 2.9 and 5.1, the OPA shall repay each Advance on the applicable Repayment Date and, in any event, shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder on December 31, 2016."

4. Section 3.1 of the Agreement is deleted and replaced by the following:

   "The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the OPA under the Operating Facility from time to time on any Business Day prior to November 30, 2016."

5. Section 5.1(b) of the Agreement is deleted and replaced by the following:

   "failure to pay the principal amount of any Advance on the applicable Repayment Date or the Advances Outstanding, all interest accrued thereon and all other amounts owing under this Agreement on December 31, 2016;"

6. Schedule 1 of the Agreement, Form of Borrowing Notice, is deleted and replaced by the Form of Borrowing Notice attached hereto as Schedule 1.

7. Schedule 2 of the Agreement, Form of Election Notice, is deleted and replaced by the Form of Election Notice attached hereto as Schedule 2.

8. Schedule 3 of the Agreement, OPA Grid Note, is deleted and replaced by the OPA Grid Note attached hereto as Schedule 3.

IN ALL OTHER RESPECTS, the said Agreement is confirmed by the parties.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

ONTARIO FINANCING AUTHORITY

Per: _____
Name: Michael D. Manning
Title: Executive Director
Capital Markets Division

ONTARIO POWER AUTHORITY

Per: _____
Name: Colin Andersen
Title: Chief Executive Officer

SCHEDULE 1 TO AMENDING AGREEMENT NO.7

SCHEDULE 1

FORM OF BORROWING NOTICE

Via Fax: (416) 204-7920

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7AIY7

Date:

Attention: Cash Management

Dear Sirs:

The undersigned, Ontario Power Authority ("OPA"), refer to the credit agreement dated January 1, 2005 (as amended, supplemented or restated from time to time, the **"Agreement"**, the terms defined therein being used herein as therein defined) between the OPA and the OFA, and gives you notice pursuant to Section 3.2 of the Agreement that the OPA requests an Advance under the Agreement, and, in that connection, sets forth below the information relating to such Advance (the **"Proposed Advance"**) as required by Section 3.2 of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The aggregate amount of the Proposed Advance is $_____;
(c) The Repayment Date of the Proposed Advance is _____. [not more than 3 months after the date of the Proposed Advance.]

The OPA hereby certifies that:

The representations and warranties of the OPA contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The OPA has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

ONTARIO POWER AUTHORITY

Per: _____

Name:

Authorized Signatory

*To be confirmed by telephone call to OFA Cash Management (416) 325-8108.

SCHEDULE 2 TO AMENDING AGREEMENT NO. 7

SCHEDULE 2

FORM OF ELECTION NOTICE

Via Fax: (416) 204-7920

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7AIY7

Date:

Attention: Cash Management

Dear Sirs:

The undersigned, Ontario Power Authority ("OPA"), refer to the credit agreement dated January 1, 2005 (as amended, supplemented or restated from time to time, the" Agreement", the terms defined therein being used herein as therein defined) between the OPA and the OFA, and gives you notice pursuant to Section 3.3 of the Agreement that the OPA elects to continue all or a portion of an Advance for an additional term, and in that connection, sets forth below the information relating to the election as required by Section 3.3(3) of the Agreement:

(a) The date of the proposed election, being a Business Day is _____;
(b) The aggregate amount of the proposed election is $_____;
i. previous principle amount $_____
ii. interest $_____
(c) The new Repayment Date applicable to such Advance is _____. [not more than 3 months after the current Repayment date for the Advance.]

The OPA hereby certifies that:

The representations and warranties of the OPA contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The OPA has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

ONTARIO POWER AUTHORITY

Per:_____

Name:

Authorized Signatory

*To be confirmed by telephone call to OFA Cash Management (416) 325-8108.

SCHEDULE 3 TO AMENDING AGREEMENT NO. 7

SCHEDULE 3

ONTARIO POWER AUTHORITY GRID NOTE

Principal Amount: Up to $975,000,000 Date:

FOR VALUE RECEIVED, ONTARIO POWER AUTHORITY (the **"Company"**), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY** (**"OFA"**) at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the Company, all as recorded by the OFA on the grid (the **"Grid"**) attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Credit Agreement (as defined below).

OFA shall and is unconditionally and absolutely authorized and directed by the Company to record on the Grid (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the grid promissory note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Credit Agreement dated January 1, 2005 as amended, supplemented or restated from time to time, between the Borrower and the OFA (the **"Credit Agreement"**). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Credit Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Credit Agreement.

This Note is not transferable or negotiable without the prior written consent of the Company.

The Company waives presentment for payment and notice of non-payment.

This Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the Company has executed this Note.

ONTARIO POWER AUTHORITY

By: K Marshall
KIMBERLY MARSHALL
VICE-PRESIDENT, BUSINESS STRATEGIES & SOLUTIONS

By:
COLIN ANDERSEN
CHIEF EXECUTIVE OFFICER

AMENDING AGREEMENT NO. 8

This Amending Agreement made as of the 19th day of December 2014.

BETWEEN:

ONTARIO POWER AUTHORITY, a corporation established under the *Electricity Act, 1998* ("**OPA**")
(as Borrower)

-and-

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* ("**OFA**")
(as Lender)

WHEREAS the parties entered into a Credit Agreement dated January 1, 2005 (the "Original Agreement").

AND WHEREAS pursuant to the amending agreements dated February 14, 2005, October 11, 2005 (titled, "Amending Agreement No.3"), September 27, 2006 (titled, "Amending Agreement No. 4"), July 13, 2007 (titled, "Amending Agreement No. 5"), November 9, 2010 (titled, "Amending Agreement No. 6") and December 20, 2013 (titled, "Amending Agreement No. 7") the parties amended the Original Agreement (as so amended, the "Agreement").

AND WHEREAS OPA and OFA now wish to further amend the Agreement in anticipation of the amalgamation, effective January 1, 2015, of the OPA and the Independent Electricity System Operator to continue as a corporation without share capital under Part II of the *Electricity Act, 1998* with the name "Independent Electricity System Operator pursuant to Schedule 7 of the *Building Opportunity and Securing Our Future Act (Budget Measures), 2014.*") which received Royal Assent on July 24, 2014.

NOW THEREFORE IN CONSIDERATION of the mutual agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Except as otherwise expressly provided herein or unless the context otherwise requires, capitalized terms not otherwise defined in this Amending Agreement (including in the recitals to this Amending Agreement) have the respective meanings given to those terms in the Agreement, and the following terms shall have the meanings assigned to them below:

   (a) "Act" means *Building Opportunity and Securing Our Future Act (Budget Measures), 2014* (S.O. 2014 c.7), as amended;

   (b) "Amalgamation" means the amalgamation of the OPA and Pre-Amalgamation IESO effective January 1, 2015 to continue as a corporation without share capital under Part II of the Electricity Act with the name "Independent Electricity System Operator" pursuant to Schedule 7 of the Act;

(c) "Amending Agreement" means this Amending Agreement No. 8;

(d) "Electricity Act" means the *Electricity Act, 1998* (S.O. 1998. c. 15), as amended;

(e) "New IESO" means the corporation without share capital under Part II of the Electricity Act with the name "Independent Electricity System Operator" continued upon the Amalgamation;

(f) "OPA" means the Ontario Power Authority, which will, upon the Amalgamation, amalgamate with Pre-Amalgamation IESO to continue as New IESO;

(g) "Pre-Amalgamation IESO" means the Independent Electricity System Operator, which will, upon the Amalgamation, amalgamate with the OPA to continue as New IESO; and

(h) "Regulation" means O. Reg. 280/14 made under the *Electricity Act, 1998*, as such regulation may be amended or replaced from time to time.

2. Section 2.3 Use of Proceeds - of the Agreement is deleted and replaced by the following:

Up to the effective time of the Amalgamation, the OPA shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 423/04 made under the Electricity Act, subject to the following conditions:

(1) effective as of December 31, 2013, the proceeds of Advances may be used only for liquidity purposes and to temporarily fund corporate requirements; and,

(2) with the exception of funds borrowed solely for the purposes of funding the payment of amounts payable by the OPA under section 25.33 of the Electricity Act, the OPA is expected to recover or repay such proceeds over a period of no more than 12 months from the date of the Advance.

From and after the effective time of the Amalgamation: (a) New IESO shall use the proceeds of Advances only as authorized by the Regulation, and, to the extent not inconsistent with the Regulation, for purposes and requirements in relation to the operations and activities of the OPA prior to the Amalgamation, to the extent those operations and activities are carried on by New IESO following the Amalgamation; and (b) the following conditions will apply:

(1) the proceeds of Advances may be used only for liquidity purposes and to temporarily fund corporate requirements; and

(2) with the exception of funds borrowed solely for the purposes of funding the payment of amounts payable by New IESO under section 25.33 of the Electricity Act, New IESO is expected to recover or repay such proceeds over a period of no more than 12 months from the date of the Advance.

3. Schedule 1 of the Agreement, Form of Borrowing Notice, is deleted and replaced by the Form of Borrowing Notice attached hereto as Schedule 1.

4. Schedule 2 of the Agreement, Form of Election Notice, is deleted and replaced by the Form of Election Notice attached hereto as Schedule 2.

5. The OPA agrees New IESO shall deliver to OFA a certificate of an officer of New IESO, in form satisfactory to OFA, certifying, as at the effective time of the Amalgamation:

(i) that: (A) all the representations and warranties of New IESO in this Agreement (as amended) are true and correct and (B) no default or Event of Default shall have occurred or be continuing and no event or condition shall have occurred which, with the lapse of time or the giving of notice or both, would constitute an Event of Default; and

(ii) as to incumbency of the officers and directors of New IESO.

6. As soon as reasonably possible following the Amalgamation, but in any event by no later than March 31, 2015, New IESO shall execute and deliver to the OFA a confirmation of New IESO's assumption of the Agreement, as amended by this Amending Agreement, and of the OPA Grid Note, in form satisfactory to OFA, together with a certificate of incumbency in respect of the officers of New IESO.

IN ALL OTHER RESPECTS, the said Agreement is confirmed by the parties.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

ONTARIO FINANCING AUTHORITY

Per: _____
Name: Michael D. Manning
Title: Executive Director
Capital Markets Division

ONTARIO POWER AUTHORITY

Per: _____
Name: Kimberly Marshall
Title: VP, Corporate Services; CFO and Treasurer

SCHEDULE 1 TO AMENDING AGREEMENT NO. 8

FORM OF BORROWING NOTICE***

Via Fax: (416) 204-7920

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7AIY7

Date:

Attention: Cash Management

Dear Sirs:

The undersigned, Ontario Power Authority ("OPA") refer to the credit agreement dated January 1, 2005 (as amended, supplemented or restated from time to time, the **"Agreement"**, the terms defined therein being used herein as therein defined) between the OPA and the OFA, and gives you notice pursuant to Section 3.2 of the Agreement that the OPA requests an Advance under the Agreement, and, in that connection, sets forth below the information relating to such Advance (the **"Proposed Advance")** as required by Section 3.2 of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The aggregate amount of the Proposed Advance is $_____;
(c) The Repayment Date of the Proposed Advance is _____. [not more than 3 months after the date of the Proposed Advance.]

Use of Funds

The undersigned herby certifies that the funds requested under this notice will be used for the following purposes:

(1) *<indicate amount and purpose of funds requested>*
(2) *<indicate amount and purpose of funds requested>*

The OPA hereby certifies that:

The representations and warranties of the OPA contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The OPA has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

ONTARIO POWER AUTHORITY

Per: _____

Name:

Authorized Signatory

Per: _____

Name:

Authorized Signatory

*To be confirmed by telephone call to OFA Cash Management (416) 325-8108.

***[Note: In all Borrowing Notices delivered from and after the effective time of the Amalgamation (as defined in Amending Agreement No. 8 to which this Form is attached as Schedule 1), replace all references to "Ontario Power Authority" with "Independent Electricity System Operator" and replace all references to "OPA" with "IESO."]

SCHEDULE 2 TO AMENDING AGREEMENT NO. 8

FORM OF ELECTION NOTICE***

Via Fax: (416) 204-7920

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7AIY7

Date:

Attention: Cash Management

Dear Sirs:

The undersigned, Ontario Power Authority ("OPA"), refers to the credit agreement dated January 1, 2005 (as amended, supplemented or restated from time to time, the" Agreement", the terms defined therein being used herein as therein defined) between the OPA and the OFA, and gives you notice pursuant to Section 3.3 of the Agreement that the OPA elects to continue all or a portion of an Advance for an additional term, and in that connection, sets forth below the information relating to the election as required by Section 3.3(3) of the Agreement:

(a) The date of the proposed election, being a Business Day is _____;
(b) The aggregate amount of the proposed election is $_____;
i. previous principal amount $_____
ii. interest $_____
(c) The new Repayment Date applicable to such Advance is _____. [not more than 3 months after the current Repayment date for the Advance.]

The OPA hereby certifies that:

The representations and warranties of the OPA contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The OPA has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

ONTARIO POWER AUTHORITY

Per:_____

Name:

Authorized Signatory

*To be confirmed by telephone call to OFA Cash Management (416) 325-8108.

***[Note: In all Election Notices delivered from and after the effective time of the Amalgamation (as defined in Amending Agreement No. 8 to which this Form is attached as Schedule 2), replace all references to "Ontario Power Authority" with "Independent Electricity System Operator" and replace all references to "OPA" with "IESO."]

AMENDING AGREEMENT NO. 9

This Amending Agreement No. 9 (this "**Amending Agreement**") is made as of the 30 day of November, 2016

BETWEEN:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, a statutory corporation without share capital existing under the *Electricity Act, 1998* ("**IESO**") (as Borrower)

-and-

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* ("**OFA**" and together with the IESO, the "**Parties**")
(as Lender)

WHEREAS the Ontario Power Authority ("OPA") and the OFA entered into a Credit Agreement dated January 1, 2005 (the "**Original Agreement**");

AND WHEREAS pursuant to the amending agreements dated February 14, 2005, October 11, 2005 (titled, "Amending Agreement No. 3"), September 27, 2006 (titled, "Amending Agreement No. 4"), July 13, 2007 (titled, "Amending Agreement No. 5"), November 9, 2010 (titled, "Amending Agreement No. 6"), December 20, 2013 (titled, "Amendding Agreement No. 7") and December 19, 2014 (titled, "Amending Agreement No. 8"), the parties amended the Original Agreement (as so amended, the "**Agreement**");

AND WHEREAS effective January 1, 2015, the OPA and the Independent Electricity System Operator amalgamated and continued as a corporation without share capital under Part II of the *Electricity Act, 1998* (the "**Amalgamation**") with the name Independent Electricity Sytem Operator;

AND WHEREAS under the Amalgamation the obligations of the OPA became obligations of the amalgamated corporation and the Parties wish to amend the Agreement to reflect the name of the amalgamated corporation;

AND WHEREAS the Parties now wish to further amend the Agreement pursuant to the terms of this Amending Agreement;

AND WHEREAS pursuant to Section 7.3 of the Agreement, the Agreement may only be amended or otherwise modified by written agreement executed by each of the OFA and the IESO.

NOW THEREFORE IN CONSIDERATION of the mutual agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree to the following amendments, effective as of the date first written above.

Except as expressly provided herein or unless the context otherwise requires, capitalized terms not otherwise defined in this Amending Agreement have the respective meanings given to those terms in the Agreement.

1. The following definition is added to Section 1.1 of the Agreement:

   "IESO" means the Independent Electricity System Operator, a statutory corporation without share capital existing under Part II of the *Electricity Act, 1998.*

2. Section 1.6 is added to the Agreement as follows:

   "**Section 1.6 References to OPA**

   For the purposes of this Agreement, all references to the "Ontario Power Authority" or "OPA" in this Agreement shall be interpreted as referring to the IESO.

3. Section 2.4 of the Agreement is deleted in its entirety and replaced by the following:

   "Subject to Sections 2.9 and 5.1, the IESO shall repay each Advance on the applicable Repayment Date and, in any event, shall repay all Advances Oustanding, together with all accrued interest and all other amounts owing hereunder on December 31, 2019."

4. Section 3.1 of the Agreement is deleted in its entirety and replaced by the following:

   "The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO under the Operating Facility from time to time on any Business Day prior to November 30, 2019."

5. Section 3.2(1) of the Agreement is deleted in its entirety and replaced by the following:

   "Subject to Section 3.3(3), each Advance shall be made on two Business Days' prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each such notice of an Advance (each, a "**Borrowing Notice**") shall be given substantially in the form of Schedule 1, shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance, (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall be no earlier than 28 days and not later than 95 days after the date of the requested Advance. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2."

6. Section 3.3(1) of the Agreement is deleted in its entirety and replaced by the following:

   "The IESO may elect to continue all or a portion of the principal amount of any Advance for a further period of a minimum of 28 days and up to a maximum of 95 days beginning on the then current Repayment Date in accordance with Section 3.3(2)."

7. Section 3.3(2) of the Agreement is deleted in its entirety and replaced by the following:

   "Each election to continue an Advance for a further period shall be made on one Business Day's prior notice, given, in each case, not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each such notice (each, an "**Election Notice**") shall be given substantially in the form of Schedule 2, shall be irrevocable and binding upon the IESO and shall specify (a) the requested date of the proposed election, (b) the aggregate principal election amount, and (c) the new Repayment Date, which shall be no earlier than 28 days and not later than 95 days after the current Repayment Date. If the IESO fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date."

8. Section 5.1(b) of the Agreement is deleted in its entirety and replaced by the following:

"failure to pay the principal amount of any Advance on the applicable Repayment Date or the Advances Oustanding, all interest accrued thereon and all other amounts owing under this Agreement on December 31, 2019;"

9. The address and contact information of the OPA provided in Section 7.1 of the Agreement is deleted and replaced by the following:

   If to the IESO, to it at:

   Independent Electricity System Operator
   120 Adelaide Street West, Suite 1600
   Toronto, ON M5H 1T1

   Attention: Chief Financial Officer
   Telephone: 416-969-6232
   Fascimile: 905-403-6913

10. Schedule 1 of the Agreement, Form of Borrowing Notice, is deleted in its entirety and replaced by the Form of Borrowing Notice attached hereto as Schedule 1.

11. Schedule 2 of the Agreement, Form of Election Notice, is deleted in its entirety and replaced by the Form of Election Notice attached hereto as Schedule 2.

12. Schedule 3 of the Agreement, IESO Grid Note, is deleted in its entirety and replaced by the IESO Grid Note attached hereto as Schedule 3.

IN ALL OTHER RESPECTS, the said Agreement is confirmed by the Parties.

IN WITNESS WHEREOF the Parties have executed this Amending Agreement as of the date first written above.

ONTARIO FINANCING AUTHORITY

Per: _____
Name: Michael D. Manning
Title: Executive Director
Capital Markets Division

I have authorit to bind the corporation.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services;
Chief Financial Officer; Treasurer

I have authorit to bind the corporation.

SCHEDULE 1 TO AMENDING AGREEMENT NO. 9

FORM OF BORROWING NOTICE

Delivered Via Fax: 416-204-7920

Ontario Financing Authority ("**OFA**")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("**IESO**"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "**Agreement**", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "**Proposed Advance**"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The aggregate amount of the Proposed Advance is **$**_____;
(c) The Repayment Date of the Proposed Advance is _____. [no earlier than 28 days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The undersigned herby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purposes:

(1) [indicate amount and purpose of funds requested]
(2) [indicate amount and purpose of funds requested]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:

Authorized Signatory

SCHEDULE 2 TO AMENDING AGREEMENT NO. 9

FORM OF ELECTION NOTICE

Delivered Via Fax: 416-204-7920

Ontario Financing Authority ("**OFA**")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("**IESO**"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "**Agreement**", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue all or a portion of an Advance for an additional term, and in connection with such election, sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day is _____;
(b) The aggregate amount of the proposed election is $_____;
    i. previous principal amount $_____
    ii. interest $_____
(c) The new Repayment Date applicable to such Advance is _____. [no earlier than 28 days and not later than 95 days after the current Repayment Date for the Advance.]

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per:_____
Name:

Authorized Signatory

SCHEDULE 3 TO AMENDING AGREEMENT NO. 9

SCHEDULE 3

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $975,000,000 Date: November 30, 2016

FOR VALUE RECEIVED, INDEPENDENT ELECTRICTY SYSTEM OPERATOR (the **"Company"**), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY ("OFA")** at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the Company, all as recorded by the OFA on the grid (the **"Grid"**) attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Credit Agreement (as defined below).

OFA shall and is unconditionally and absolutely authorized and directed by the Company to record on the Grid (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the grid promissory note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Credit Agreement dated January 1, 2005 as amended, supplemented or restated from time to time, between the Borrower and the OFA (the **"Credit Agreement"**). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Credit Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Credit Agreement.

This Note is not transferable or negotiable without the prior written consent of the Company.

The Company waives presentment for payment and notice of non-payment.

This Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the Company has executed this Note.

INDEPENDENT ELECTRICTY SYSTEM OPERARTOR

By: _____

Name: Bruce Campbell
Title: President & CEO

By: _____

Name: Kimberly Marshall
Title: VP, Corporate Services; CFO; Treasurer

ONTARIO FINANCING AUTHORITY
LINE OF CREDIT GRID NOTE

Borrower: Independent Electricity System Operator

Program: Regulated Price Plan Variance

Schedule of loan transactions to: 21-Nov-2016

Loan Limit: $975,000,000.00

Loan Advanced to: 21-Nov-2016

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days
19-Aug-2016	$94,951,024.00	0.8100%	19-Sep-2016	31	$65,321.10	$49,331,879.98	$49,266,558.88	$65,321.10	19-Sep-2016	31
19-Sep-2016	$45,684,465.12	0.8100%	19-Oct-2016	30	$30,414.59	$30,283,150.31	$30,252,735.72	$30,414.59	19-Oct-2016	30
19-Oct-2016	$15,431,729.40	0.7900%	21-Nov-2016	33	$11,022.06	$11,022.06	$0.00	$11,022.06	21-Nov-2016	33
21-Nov-2016	$64,793,065.20	0.7800%	21-Dec-2016	30	$41,538.57	$64,834,603.77	$64,793,065.20	$41,538.57	21-Dec-2016	30
21-Nov-2016	$15,431,729.40	0.7800%	21-Dec-2016	30	$9,893.22	$15,441,622.62	$15,431,729.40	$9,893.22	21-Dec-2016	30

AMENDING AGREEMENT NO. 10

This Amending Agreement No. 10 (this "**Amending Agreement**") is made as of the 21st day of November, 2017 (the "**Effective Date**")

BETWEEN:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, a statutory corporation without share capital existing under Part II of the *Electricity Act, 1998* ("**IESO**")

-and-

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* ("**OFA**")

(together, the "**Parties**")

WHEREAS the Ontario Power Authority ("**OPA**") and the OFA entered into a credit agreement dated January 1, 2005 (the "**Original Agreement**");

AND WHEREAS effective January 1, 2015, the OPA and the then existing Independent Electricity System Operator amalgamated and continued as a corporation without share capital under Part II of the *Electricity Act, 1998* with the name "Independent Electricity System Operator" (**"IESO"**), and the obligations of the OPA became obligations of the IESO;

AND WHEREAS pursuant to the amending agreements dated February 14, 2005, October 11, 2005 (titled, "Amending Agreement No. 3"), September 27, 2006 (titled, "Amending Agreement No. 4"), July 13, 2007 (titled, "Amending Agreement No. 5"), November 9, 2010 (titled, "Amending Agreement No. 6"), December 20, 2013 (titled, "Amending Agreement No. 7"), December 19, 2014 (titled, "Amending Agreement No. 8") and November 30, 2016 (titled, "Amending Agreement No. 9"), the OPA or IESO (as applicable) and the OFA amended the Original Agreement (as so amended, the "**Credit Agreement**", the terms defined therein being used herein as therein defined);

AND WHEREAS the Parties have now agreed to: (i) at the request of the IESO, decrease the total principal amount available under the Credit Agreement from $975,000,000 to a total principal amount of up to $475,000,000; (ii) amend the use of proceeds under the Credit Agreement; (iii) amend the Form of Election Notice and related provisions under the Credit Agreement; and (iv) make other amendments required as a consequence of the implementation of the OFHP (as defined below);

AND WHEREAS pursuant to Section 7.3 of the Credit Agreement, the Credit Agreement may only be amended or otherwise modified by written agreement executed by the Parties.

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby

acknowledged, and subject to the terms and conditions hereafter set out, the Parties agree that, as of the Effective Time (as defined below):

1. The definition of "Advances" in Section 1.1 of the Credit Agreement is deleted and replaced by the following:

   "**Advances**" means advances made by the OFA to the IESO under Article 3 and "Advance" means any one of such advances, and in the case of an election by the IESO under Section 3.3, includes a "Continued Advance", as defined in Section 3.3(1), as applicable."

2. The definition of "**Commitment**" in Section 1.1 of the Credit Agreement is amended by deleting "$975,000,000" and substituting "$475,000,000" therefor.

3. The definition of "**Permitted Liens**" is amended by deleting the word "and" at the end of subsection (i); replacing the "." at the end of subsection (j) and replacing it with "; and" ; and adding the following subsection (k):

   "(k) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

4. The following definitions are added to Section 1.1 of the Credit Agreement:

   "Clean Energy Adjustment" has the same meaning as that term is defined in the OFHP.

   "**Continued Advance"** has the meaning specified in Section 3.3(1).

   "**Current Repayment Date**" has the meaning specified in Section 3.3(2).

   "**New Repayment Date**" has the meaning specified in Section 3.3(2).

   "OFHP" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

5. Section 2.3 "Use of Proceeds" of the Credit Agreement is deleted in its entirety (with the exception of the title of the section, which exception also applies regarding the amendments made under sections 6, 7 and 8 hereof) and replaced by the following:

   "The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the *Electricity Act, 1998,* as such regulation may be amended or replaced from time to time, provided that Advances may be used only for liquidity purposes."

6. Section 3.2 "Procedures for Advances" of the Credit Agreement is deleted in its entirety and replaced by the following:

"(1) Subject to Section 3.3(5), each Advance shall be made subject to two Business Days' prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each notice of an Advance (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1, other than a Borrowing Notice that is included in an Election Notice as permitted by Section 3.3(3). Each Borrowing Notice shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance; (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall be no earlier than 28 days and not later than 95 days after the date of the requested Advance. Each Borrowing Notice shall also certify the use of proceeds of the Advance which shall in any case be in accordance with Section 2.3. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, the IESO shall execute and deliver to the OFA a grid promissory note in respect of Advances substantially in the form of Schedule 3 (the **"Grid Note"**). The IESO authorizes the OFA to record on the Grid Note (a) the date and amount of each Advance or Continued Advance; (b) the applicable rate of interest for each Advance or Continued Advance; (c) the Repayment Date of each Advance or Continued Advance; (d) the date and amount of each payment of interest and each payment of principal or portion thereof in respect of each Advance or Continued Advance; and (e) Advances Outstanding. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such Advances and repayments; provided that the failure of the OFA to record any amount, rate or date shall not affect the obligation of the IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement."

7. Section 3.3 "Elections Regarding Advances" of the Credit Agreement is deleted in its entirety and replaced by the following:

"(1) The IESO may elect to continue all or a portion of the principal amount of any Advance and any amount of interest on such Advance (together, the "**Continued Advance**") for a further period of at least 28 days and up to a maximum of 95 days beginning on the then current Repayment Date in accordance with Section 3.3(2).

(2) Each notice to continue an Advance for a further period (an "**Election Notice**") shall be provided by the IESO to the OFA at least two Business Days prior to the Repayment Date of the Advance (the "**Current Repayment Date**"), and in each case, not later than 10:00 a.m. (Toronto time). Each such Election Notice shall be given substantially in the form of Schedule 2 and shall be irrevocable and binding upon the IESO and shall specify: (a) the Current Repayment Date; (b) the new aggregate total amount of the proposed Continued Advance; (c) the amount of interest or principal, if any, to be paid or re-paid by the IESO with respect to such Advance on the Current Repayment Date; and (d) the new Repayment Date of the proposed Continued Advance, which shall be no earlier than 28 days and not later than 95 days after the Current Repayment Date (the "**New Repayment Date**"). If the IESO fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date.

(3) An Election Notice with respect to a proposed Continued Advance may include a Borrowing Notice for a further Advance proposed to be made on the Current Repayment

Date. The Repayment Date of such further Advance shall be the New Repayment Date of the Continued Advance that is specified in the Election Notice. Such Borrowing Notice shall be given substantially in the form of Schedule 2.

(4) The calculation of interest on a Continued Advance shall be determined in the same manner as an Advance under Section 3.4 and shall be recorded on the grid promissory note in respect of Advances in accordance with Section 3.2(2).

(5) Any portion of an Advance not continued for a further period in accordance with Section 3.3(2) shall be repayable on the applicable Repayment Date."

8. Section 5.2 "Acceleration of Maturity; Recission and Annulement" of the Credit Agreement is deleted in its entirety and replaced by the following:

"If an Event of Default occurs and is continuing, then and in every such case the OFA may at its option, in addition to any other remedy available to the OFA at law, by written notice to the IESO, take any or all of the following actions:

(a) suspend the right of the IESO to request any further Advance until the Event of Default has been cured to the OFA's satisfaction or, if the Event of Default is not cured within three (3) Business Days after the date on which written notice of such Event of Default shall have been given to the IESO by the OFA, declare all amounts owing hereunder including all interest accrued to be due and payable immediately, by a notice in writing to the IESO, and upon any such declaration all such amounts shall become immediately due and payable.

(b) invoke the Intercept pursuant to section 5.7 of this Agreement to require payment of any amount due and payable under this Agreement."

9. Section 5.7 "Intercept" is added to the Credit Agreement, stating as follows:

"Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of November 6th , 2017 herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the *Capital Investment Plan Act, 1993* (the "**Intercept Letter**"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("**Appropriated Funds**"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("**Intercept**").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail."

10. Section 7.9 "Entire Agreement' is added to the Credit Agreement, stating as follows:

"Section 7.9 Entire Agreement

This Agreement as amended from time to time and including the schedules hereto and any other agreements expressly referred to herein, constitutes the whole agreement between the Parties with respect to the matters dealt with in it, and it supersedes any prior agreement, undertakings, discussions and the like respecting the matters dealt with in this Agreement and entered into by the Parties before the date the OFA signs this Agreement."

11. Schedule 1 of the Credit Agreement, Form of Borrowing Notice, is deleted in its entirety and replaced by the Form of Borrowing Notice attached hereto as Schedule 1.

12. Schedule 2 of the Credit Agreement, Form of Election Notice, is deleted in its entirety and replaced by the Form of Election Notice attached hereto as Schedule 2.

13. Schedule 3 of the Credit Agreement, IESO Grid Note, is deleted in its entirety and replaced by the Form of Grid Note attached hereto as Schedule 3.

14. For the purposes of this Amending Agreement and its coming into effect:

a. "**Effective Time**" means the time on the Effective Date by which the Transfers of Funds (defined below) have been completed; or such other time as the Parties may subsequently agree to in writing as being the "Effective Time";

b. "**Transfers of Funds**" means those transfers of funds to be completed between the Parties on the Effective Date, being:

   i. the First Advance as defined under section 3.2(3) of the credit agreement between the Parties in relation to the IESO's role in the implementation of the OFHP dated November 6, 2017; and,

   ii. the completion of all Advances described in the Election Notice to be provided by the IESO to the OFA no later than November 17, 2017 (such terms having the meanings defined in the Credit Agreement) that are to be funded under the Credit Agreement on the Effective Date; and,

   iii. the repayment by the IESO of all Advances Outstanding (as defined in the Credit Agreement) exceeding $475 million; and,

   iv. the payment by the IESO to OFA of the interest then owing under the Credit Agreement.

15. The Parties shall endeavour to complete and exchange all usual documentation relating to the Transfers of Funds, and to any other related matters occurring on the Effective Date, prior to 5:00 p.m. on the Effective Date, and in any case no later than the next business day.

16. After the Effective Time, and prior to any further Advances under the Credit Agreement, the IESO shall execute and deliver to the OFA a new grid promissory note in the principal amount of up to $475,000,000 substantially in the form attached hereto as Schedule 3 (the **"Grid Note"**) and indicating a total principal amount of Advances Outstanding as of the Effective Time. Upon receipt of the new Grid Note delivered hereunder, the OFA will cancel and return the grid promissory note dated November 30, 2016 to the IESO.

17. This Amending Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Amending Agreement.

IN ALL OTHER RESPECTS, the Credit Agreement is confirmed by the Parties.

[*signature page follows*]

IN WITNESS WHEREOF the Parties hereto have executed and delivered this Amending Agreement on the dates set out below, which shall come into effect as of the Effective Time as defined herein.

ONTARIO FINANCING AUTHORITY

Per: _____ Date: November 6, 2017.

Name: Michael D. Manning
Title: Executive Director & Chief
Investment Officer
Capital Markets Division

I have authority to bind the corporation.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____ Date: November_____, 2017.

Name: Kimberly Marshall
Title: Vice President, Corporate Services;
Chief Financial Officer; Treasurer

I have authority to bind the corporation.

SCHEDULE 1 TO AMENDING AGREEMENT NO. 10

FORM OF BORROWING NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "**Agreement**", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "**Proposed Advance**"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The principal amount of the Proposed Advance is $_____;
(c) The Repayment Date of the Proposed Advance is _____. [Not earlier than 28 days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:

Authorized Signatory

SCHEDULE 2 TO AMENDING AGREEMENT NO. 10

FORM OF ELECTION NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is _____;

(b) The aggregate amount of the proposed Continued Advance is $_____, which is comprised of:

i. principal amount (or portion thereof) of Advance which is to be continued $_____; and
ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date $_____;

(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): $ _____

(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _____. [Insert date no earlier than 28 days and not later than 95 days after the Current Repayment Date for the Advance.]

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: $_____

The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:
Authorized Signatory

SCHEDULE 3 TO AMENDING AGREEMENT NO. 10

FORM OF GRID NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $475,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICTY SYSTEM OPERATOR (the **"IESO"**), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY ("OFA")** at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Credit Agreement (as defined below). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Credit Agreement.

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the credit agreement dated January 1, 2005 as amended, supplemented or restated from time to time, between the Borrower and the OFA (the **"Credit Agreement"**).

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Credit Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Name:
Authorized Signatory

Line of Credit Grid Note

Entity : Independent Electricity System Operator
Loan Limit: $475,000,000

Project:
Schedule of loan transactions to:
Loan Advanced to:

New Loan and/or Rollover					Actual Repayment					
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days

From:	William Tan
To:	Faran Ali
Cc:	Sarah Harris; Siva Nathan; San Rajaratnam
Subject:	FW: IESO OFA FHP and Existing Credit Facility key provisions and Expected Advancements - Agreements 1 of 2
Date:	Wednesday, January 03, 2018 2:59:32 PM
Attachments:	FHP Revolving Credit Facility Agreement 2017-2022 Execution Version.pdf OFA-OPA Original Credit Agreement.pdf Amendment No. 1.pdf Amending Agmt No. 2 to Note Agmt.pdf (Signed) Amendment 3.Final.pdf (Signed) Amendment 4.Final.pdf

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Hello Faran,

Please find the attached FHP Revolving Credit Facility Agreement and agreement for the Existing Credit Facility along with ten amendments.

Amending agreements 1 through 4 of 10

1 of 2 emails.

Thanks,

Will

From: Faran Ali

Sent: Wednesday, January 03, 2018 1:46 PM

To: William Tan

Cc: Siva Nathan ; San Rajaratnam

Subject: RE: IESO OFA FHP and Existing Credit Facility key provisions and Expected Advancements - Agreements

Hi William

As discussed, kindly provide both the FHP Credit Facility Agreement and the updated Agreement for the Existing Credit Facility, including any amendments.

Thanks

Faran

From: William Tan

Sent: Wednesday, January 03, 2018 1:42 PM

To: Faran Ali <Faran.Ali@ofina.on.ca>

Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>; San Rajaratnam <San.Rajaratnam@ofina.on.ca>

Subject: RE: IESO OFA FHP and Existing Credit Facility key provisions and Expected Advancements - Agreements

Hello Faran,

Just to clarify, do you require both the FHP Credit Facility Agreement or the Agreement for the Existing Credit Facility?

Thanks,

Will

From: Faran Ali

Sent: Wednesday, January 03, 2018 11:19 AM

To: William Tan <William.Tan@ofina.on.ca>

Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>; San Rajaratnam <San.Rajaratnam@ofina.on.ca>

Subject: FW: IESO OFA FHP and Existing Credit Facility key provisions and Expected Advancements - Agreements

Hi William

We are in process of providing audit confirmation to IESO auditors. In this regard, can you please send me the loan agreement for IESO for the under mentioned new provisions.
For the purpose of OFA year-end audit (April 1, 2017 to March 31, 2018) we provide loan agreements/borrowing notices to OFA auditors, so if you or any other member of your group happens to have any other agreements/borrowing notices, kindly email it to us, or let me know who should I be contacting to receive loan agreements, for this period.
Thank you
Faran Ali
Financial Reporting Leader

From: Siva Nathan
Sent: Wednesday, November 15, 2017 7:22 PM
To: Robert Bozinoski <Robert.Bozinoski@ofina.on.ca>; San Rajaratnam <San.Rajaratnam@ofina.on.ca>; Faran Ali <Faran.Ali@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: Fw: IESO OFA FHP and Existing Credit Facility key provisions and Expected Advancements
FYI

From: William Tan
Sent: 15 November 2017 16:46
To: Siva Nathan; John Psinas; Alfonso Soriano; Jensen Chong; Risa Thau; Nurudin Kaba; Carlos Yep; George Sakura
Cc: Opal Kandelas; Sarah Harris; Ken Kandeepan; James Devine; Mike Manning
Subject: IESO OFA FHP and Existing Credit Facility key provisions and Expected Advancements
Dear all,
We have executed the following credit facilities:

1) $2B OFA-IESO Credit Facility in relation to the Ontario Fair Hydro Plan (FHP).

The FHP Credit Facility has the following key provisions:

- Revolving Credit Facility with a maximum limit at any time of C$2 billion;
- Term: 5 year term which expires September 30, 2022, with last draw possible on September 22, 2022;
- Draws: to be based on minimum of 5 days to a maximum of 95 days;
- IESO may roll-over some or all of the principal and interest;
- Notice Period: For an advance or a rollover, IESO is required to provide two business day prior notice given not later than 10:00 a.m.;
- Business day convention: Following;
- Use of Proceeds: Proceeds of Advances may be used only for IESO's financing needs and requirements of any kind arising in connection with the IESO's role with respect to and obligations under the FHP;
- Interest Rate on Advances: Annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum.

2) **Amending Agreement to reduce limit on Existing IESO-OFA $975M Revolving Credit Facility to $475M (with an Effective Date of November 21, end of day).**

Once effective, the existing Credit Facility will have the following key provisions:

- Revolving Credit Facility with a maximum limit at any time of $475M;
- Term: Agreement expires December 31, 2019, with last draw possible on November 29, 2019;
- Draws: to be based on minimum of 28 days to a maximum of 95 days;
- IESO may roll-over some or all of the principal and interest;
- Notice Period: For an advance or a rollover, IESO is required to provide two business day prior

notice given not later than 10:00 a.m.;
- Business day convention: Following;
- Use of Proceeds: IESO shall use the proceeds of Advances for liquidity purposes;
- Interest Rate on Advances: Annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum.

NEXT DRAW FROM IESO

In relation to the next IESO draw on November 21st, the following transactions will occur:

November 17, 2017 -Three Notices to be received from IESO:

1) **Existing IESO-OFA $975M Revolving Credit Facility for "RRRP Program"**: IESO will send Election Notice instructions to rollover $10,649,081.37 + estimated new advance $2 million (IESO will pay accrued interest of $11,670.23 for Oct 20 to Nov 21 period to OFA).
2) **Existing IESO-OFA $975M Revolving Credit Facility for RPP Program:** IESO to send Election Notice to NOT rollover $825,639,102.00 (IESO will pay accrued interest of $904,809.97 for Oct 20 to Nov 21 period to OFA).
3) **$2B OFA-IESO FHP Credit Facility:** IESO to send a new borrowing notice for a first advance in an amount of approximately $1.05B.

NOTE: In the Borrowing Notice for the $2B OFA-IESO FHP Credit Facility, IESO will specify that instead of repaying (by funds transfer) the maturing $825,639,102.00 under the existing IESO-OFA Revolving $975M Credit Facility, it will instead use the $825,639,102.00 to fund a portion of the 'new' $1.05B advance under the $2B OFA-IESO FHP Credit Facility. As a result, for the Advance under $2B OFA-IESO FHP Credit Facility, the OFA will only transferring net amount of approximately $225 million (that is the difference between $1.05B and $825,639,102.00).

November 21, 2017 – The following transfers are to occur:

1) OFA to transfer to IESO total funds of approximately $227 million for the following:
(i) Existing IESO-OFA $975M Revolving Credit Facility for RRRP Program: amount of new advance proceeds of approximately $2 million;
(ii) $2B OFA-IESO FHP Credit Facility: amount of new advance of approximately $225 million.
2) IESO to transfer to OFA total funds for the following
(i) **Existing IESO-OFA $975M Revolving Credit Facility for RRRP Program**: accrued interest totalling $916,480.20 for (being $11,607.23 for RRRP and $904,809.97 for RPP).

November 21, 2017 - Anticipated end of day balances:

1) **Existing IESO-OFA $475M Revolving Credit Facility for RPP Program**: $12,649,081.37 advanced under the existing credit facility (with a new facility limit of $475M effective end of day);
2) **$2B OFA-IESO FHP Credit Facility**: Approximately $1.05 billion advanced under the FHP Credit Facility.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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INDEPENDENT ELECTRICITY SYSTEM OPERATOR

as Borrower

and

ONTARIO FINANCING AUTHORITY

as Lender

REVOLVING CREDIT FACILITY AGREEMENT

Date: November ___, 2017

REVOLVING CREDIT FACILITY AGREEMENT

THIS AGREEMENT is made as of the ____ day of November 2017,

BETWEEN:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, a statutory corporation without share capital existing under Part II of the *Electricity Act, 1998* (the "**IESO**") (as Borrower)

AND

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* (the "**OFA**" and together with the IESO, the "**Parties**") (as Lender)

RECITALS:

WHEREAS the IESO has requested a revolving credit facility for up to a maximum principal amount of $2 billion from the OFA for the purpose of supporting the IESO's role in the implementation and administration of the *Ontario Fair Hydro Plan Act, 2017*.

THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the Parties agree as follows:

ARTICLE 1

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"Advances" means advances made by the OFA to the IESO under Article 3 and "Advance" means any one of such advances, and in the case of an election by the IESO under Section 3.3, includes a "Continued Advance", as defined in Section 3.3(1), as applicable.

"Advances Outstanding" means, at any time, an amount equal to the aggregate principal amount of all Advances outstanding at such time.

"Agreement", "herein", "hereby", "hereor', "hereunder" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression "Article" or "Section" followed by a number means the specified Article or Section of this Agreement.

"Borrowing Notice" has the meaning specified in Section 3.2(1).

"Business Day" means any day that is not a day on which banks are generally authorized or required by law or executive order to be closed in the City of Toronto.

"**Clean Energy Adjustment"** has the same meaning as that term is defined in the OFHP.

"Commitment" means, at any time, an amount equal to $2 billion.

"Consolidated Assets" means, at any time, the book value of the assets of the IESO and the Subsidiaries, determined as of such time on a consolidated basis in accordance with GAAP.

"**Continued Advance"** has the meaning specified in Section 3.3(1).

"Credit Facility" means the revolving credit facility to be made available to the IESO by the OFA under this Agreement for the purposes specified in Section 2.2.

"**Current Repayment Date**" has the meaning specified in Section 3.3(2).

"Default" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"Dollars" or **"$**" means lawful currency of Canada.

"Election Notice" has the meaning specified in Section 3.3(2).

"Event of Default" has the meaning specified in Section 5.1.

"**First Advance**" has the meaning specified in Section 3.2(3).

"GAAP" means accounting policies and standards as established by the Chartered Professional Accountants of Canada, at the relevant time and applied on a consistent basis.

"Grid Note" has the meaning specified in Section 3.2(2).

"Indebtedness" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) every obligation of such Person for borrowed money;

(b) every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments;

(c) every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) every capital lease obligation of such Person;

(f) the Swap Termination Value of each Swap Contract of such Person; and

(g) every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"Lien" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"Material Subsidiary" means, at any time, a Subsidiary which has consolidated assets with a book value of more than $25 million determined in accordance with GAAP.

"**New Repayment Date**" has the meaning specified in Section 3.3(2).

"**OFHP**" means the *Ontario Fair Hydro Plan Act, 2017*,S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

"Permitted Liens" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) any obligations or duties, affecting the property of the IESO to any municipality or governmental, statutory or public authority, with respect to any franchise, grant, license

or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by the IESO or such Material Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by the IESO or such Material Subsidiary;

(d) any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) the right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) any undetermined or inchoate Liens and charges incidental to the current operations of the IESO or a Material Subsidiary that have not at the time been filed against the IESO or such Material Subsidiary; provided, however, that if any such Lien or charge shall have been filed, the IESO or such Material Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) any Lien the validity of which is being contested at the time by the IESO or a Material Subsidiary in good faith and the enforcement of which has been stayed;

(h) any easements, rights-of-way and servitudes that in the opinion of the IESO will not in the aggregate materially and adversely impair the use or value of the land for the purpose for which it is held or occupied by the IESO or a Material Subsidiary;

(i) any Liens and privileges arising out of judgments or awards with respect to which the IESO or a Material Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall have secured a stay of execution pending such appeal or proceedings for review;

(j) any other Liens of a nature similar to the foregoing which do not in the opinion of the IESO, acting reasonably, materially impair the use of the property subject thereto or the operation of the business of the IESO or any Material Subsidiary or the value of such property for the purpose of any such business; and

(k) any Lien arising from the IESO’s role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other

lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

"Person" means any individual, corporation, partnership joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"Purchase Money Mortgage" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or part of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"Repayment Date" means, in respect of the repayment of Advances, the repayment date contained in the most recent Borrowing Notice or Election Notice.

"Stated Maturity" when used with respect to any Indebtedness or any installment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such installment of interest is due and payable.

"Subsidiary" means:

(a) a corporation more than 50% of the voting power or the outstanding Voting Shares of which is owned, directly or indirectly, by the IESO or by one or more other Subsidiaries or by the IESO and one or more other Subsidiaries; or

(b) any Person (other than a corporation) in which the IESO, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

"Swap Contract" means any agreement whether or not in writing, relating to any transaction or derivative transaction including a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction currency swap, cross-currency rate swap, swaption, currency option or other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.

“Swap Termination Value” means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap contracts:

(a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and

(b) for any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.

“Voting Shares” of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings.

The division of this Agreement into Articles and Sections and the insertion of headings are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and vice versa and words importing gender may include any gender. In this Agreement, (a) the words "including" and "includes" mean "including (or includes) without limitation", and (b) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" each mean “to but excluding".

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with GAAP.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the next succeeding Business Day.

ARTICLE 2
REVOLVING CREDIT FACILITY

Section 2.1 Availability.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO. The OFA shall make each Advance in Dollars.

Section 2.2 Use of Proceeds.

The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the *Electricity Act, 1998*, as such regulation may be amended or replaced from time to time, subject to the condition that proceeds of Advances may be used only for IESO's financing needs and requirements of any kind arising in connection with the IESO's role with respect to and obligations under the OFHP.

Section 2.3 Credit Facility Limit.

The Advances Outstanding shall not at any time exceed the Commitment. The Credit Facility shall revolve and no payment under the Credit Facility shall reduce the Commitment.

Section 2.4 Mandatory Repayment.

Subject to Sections 2.5 and 5.2, the IESO shall repay each Advance together with the interest accrued thereon on the applicable Repayment Date, and, in any event, shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder on September 30, 2022.

Section 2.5 Prepayments.

The IESO is not entitled to prepay any part of the Advances Outstanding or the interest accrued thereon without the prior written consent of the OFA.

Section 2.6 Payments under this Agreement.

(1) The OFA shall make Advances to the IESO under this Agreement to or to the order of the IESO by wire transfer of immediately available funds in accordance with wire transfer instructions given by the IESO to the OFA from time to time, or in such other manner as the IESO may specify to the OFA from time to time.

(2) The IESO shall make any payment required hereunder to be made by it to the OFA, to or to the order of the OFA, by wire transfer of immediately available funds in accordance with wire transfer instruction given by the OFA to the IESO from time to time, or in such other manner as the OFA may specify to the IESO from time to time. The IESO shall make each such payment in Canadian Dollars.

Section 2.7 Computations of Interest.

(1) All computations of interest shall be made by the OFA taking into account the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest is payable on the basis of a year of 365 days or 366 days, as the case may be.

(2) For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Agreement for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

Section 2.8 Limit on Rate of Interest.

(1) Notwithstanding any provision contained in this Agreement, the IESO shall not be obliged to make any payments of interest or other amounts payable to the OFA hereunder in excess of the amount or rate which would be prohibited by applicable law or would result in the receipt by the OFA of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada)).

(2) In the event that any such payments are limited or prohibited as provided in Section 2.8(1), the OFA shall have no further obligation to make any Advances available hereunder and the Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, shall become immediately due and payable.

Section 2.9 Application of Payments.

All payments made by the IESO under this Agreement shall be applied firstly to the payment of interest payable to the OFA on late payments of principal or interest hereunder, secondly, to the payment of accrued and unpaid interest payable to the OFA hereunder and thirdly, to the payment of the outstanding principal amount of any Advances payable to the OFA.

ARTICLE 3
ADVANCES

Section 3.1 Advances.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO under the Credit Facility from time to time on any Business Day prior to September 23, 2022.

Section 3.2 Procedure for Advances.

(1) Subject to Section 3.3(5), each Advance shall be made subject to two Business Days' prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each notice of an Advance (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1, other than a Borrowing Notice that is included in an Election Notice as permitted by Section 3.3(3). Each Borrowing Notice shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance; (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall not be earlier than 5 days and not later than 95 days after the date of the requested Advance. Each Borrowing Notice shall also certify the use of proceeds of the Advance which shall in any case be in accordance with Section 2.2. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, the IESO shall execute and deliver to the OFA a grid promissory note in respect of Advances substantially in the form of Schedule 3 (the "**Grid Note**"). The IESO authorizes the OFA to record on the Grid Note (a) the date and amount of each Advance or Continued Advance; (b) the applicable rate of interest for each Advance or Continued Advance; (c) the Repayment Date of each Advance or Continued Advance; (d) the date and amount of each payment of interest and each payment of principal or portion thereof in respect of each Advance or Continued Advance; and (e) Advances Outstanding. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such Advances and repayments; provided that the failure of the OFA to record any amount, rate or date shall not affect the obligation of the IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement.

(3) Respecting the first Advance to be made under this Agreement (the "**First Advance**"), a specified portion thereof (the "**Repayment Amount**") shall be used to repay a portion of the IESO's outstanding indebtedness to the OFA under the credit agreement between the Parties dated January 1, 2005, as amended (the "**Existing Credit Facility**"). The amount of the Repayment Amount shall be detailed in the Borrowing Notice issued in respect of the First Advance. Concurrently with the First Advance, OFA shall provide to IESO an updated grid in respect of the grid note issued under the Existing Credit Facility evidencing the repayment of the Repayment Amount thereunder.

Section 3.3 Elections Regarding Advances.

(1) The IESO may elect to continue all or a portion of the principal amount of any Advance and any amount of interest on such Advance (together, the "**Continued Advance**") for a further period of at least 5 days and up to a maximum of 95 days beginning on the then current Repayment Date in accordance with Section 3.3(2).

(2) Each notice to continue an Advance for a further period (an "**Election Notice**") shall be provided by the IESO to the OFA at least two Business Days prior to the Repayment Date of the Advance (the "**Current Repayment Date**"), and in each case, not later than

10:00 a.m. (Toronto time). Each such Election Notice shall be given substantially in the form of Schedule 2 and shall be irrevocable and binding upon the IESO and shall specify: (a) the Current Repayment Date; (b) the new aggregate total amount of the proposed Continued Advance; (c) the amount of interest or principal, if any, to be paid or re-paid by the IESO with respect to such Advance on the Current Repayment Date; and (d) the new Repayment Date of the proposed Continued Advance, which shall be no earlier than 5 days and not later than 95 days after the current Repayment Date (the "**New Repayment Date"**). If the IESO fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date.

(3) An Election Notice with respect to a proposed Continued Advance may include a Borrowing Notice for a further Advance proposed to be made on the Current Repayment Date. The Repayment Date of such further Advance shall be the New Repayment Date of the Continued Advance that is specified in the Election Notice. Such Borrowing Notice shall be given substantially in the form of Schedule 2.

(4) The calculation of interest on a Continued Advance shall be determined in the same manner as an Advance under Section 3.4 and shall be recorded on the Grid Note in accordance with Section 3.2(2).

(5) Any portion of an Advance not continued for a further period in accordance with Section 3.3(2) shall be repayable on the applicable Repayment Date.

(6) The Credit Facility shall at all times rank *pari passu* with all other unsubordinated and unsecured Indebtedness of the IESO, subject to the existence of any Liens that secure Indebtedness, as permitted by subections 4.6 (a) through (e) hereof.

(7) All amounts owing in respect of the Advances shall be paid without exercising any right of set off or counterclaim by the IESO.

Section 3.4 Interest on Advances.

(1) The IESO shall pay interest on the unpaid principal amount of each Advance in accordance with this Section 3.4 from and including the date of such Advance until the principal amount of such Advance is repaid in full.

(2) Interest shall accrue on the principal amount of each Advance from and including the date of the Advance to but excluding the Repayment Date of such Advance, at an annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum, before as well as after the date such principal amount or interest thereon becomes due hereunder and both before and after Default and shall be payable on the Repayment Date for such Advance. Any amount of interest arising hereunder which is not paid when due shall bear interest at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment. The amount of interest payable on an Advance will be calculated by the

OFA by dividing the interest rate applicable to the Advance by 365 or 366, as the case may be, and multiplying the result by the principal amount of the Advance and further multiplying the result by the number of days in the period from the date of the Advance to the Repayment Date of the Advance.

(3) If the IESO elects to continue an Advance in accordance with Section 3.3(2), the OFA shall determine the interest rate applicable after the original Repayment Date of the Advance and endorse the said rate on the grid forming part of the Grid Note in respect of Advances held by it.

Section 3.5 Conditions Precedent

The obligation of the OFA to make the Advances to the IESO pursuant to Section 2.1 is subject to the following conditions being satisfied to the OFA's satisfaction at the time of making each Advance:

(a) that the representations and warranties of the IESO contained in this Agreement are true and correct as at the date of making the Advance;

(b) that no Event of Default has occurred and is continuing;

(c) that there shall, in the reasonable opinion of the OFA, have been no material adverse change in the financial condition of the IESO or a Material Subsidiary; and

(d) that the OFA has received such other documentation which it has reasonably requested to ensure that the IESO is in compliance with the terms and conditions of this Agreement, including certified true copies of any necessary resolutions, a written legal opinion from counsel to the IESO confirming that the borrowing is within the legal powers of the IESO and that the Agreement is a direct, unsecured obligation of the IESO enforceable against the IESO in form satisfactory to the OFA.

ARTICLE 4
COVENANTS OF THE IESO

Section 4.1 Repayment of Advances.

The IESO will duly and punctually pay all amounts owing under this Agreement in accordance with the terms and subject to the conditions of this Agreement.

Section 4.2 IESO will Maintain its Corporate Existence.

The IESO will at all times maintain its corporate existence.

Section 4.3 Maintenance of Properties.

The IESO will cause all property owned by the IESO or any Material Subsidiary to be maintained and kept in good condition, repair and working order, all as in the judgment of the IESO or any Material Subsidiary may be necessary for the proper operation of such property, except as and to the extent that the IESO or any Material Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 4.3 shall prevent the IESO or any Material Subsidiary from discontinuing the maintenance of any such property or decommissioning any such property if such discontinuance or decommissioning is, in the judgment of the IESO or any such Material Subsidiary, desirable in the conduct of its business or the business of any such Material Subsidiary, or has been directly or indirectly requested or required by the Province of Ontario.

Section 4.4 Insurance.

The IESO will cause all property owned by the IESO or any Material Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the mature and to the extent that such property is usually insured by companies operating similar businesses.

Section 4.5 Conduct of Business.

The IESO will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in accordance with good business practice.

Section 4.6 Negative Pledge.

The IESO will not, and will not permit any Material Subsidiary to, create, incur or assume any Lien, charging the interest of the IESO or any Material Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, all amounts owing under this Agreement are secured equally and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) the creation, incurrence or assumption of any Purchase Money Mortgage;

(b) the grant of any Lien in the normal course of business to any banks or financial institutions for present or future Indebtedness of the IESO or any Material Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) any extension, renewal or replacement of any of the Liens referred to in Sections 4.6(a), (b) or (c), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased; and

(e) any Lien charging the interest of the IESO or any Material Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 4.6(a), (b) or (c), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 4.6(e) which is outstanding at such time does not exceed 10% of Consolidated Assets at such time.

Section 4.7 Payment of OFA Expenses

In addition to any liability of the IESO to the OFA under any other provision of this Agreement, the IESO will, on demand, reimburse and indemnify OFA for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OFA in connection with the Agreement (including those services incurred in the preservation of rights under or enforcement of this Agreement at any time during the continuance of a Default or Event of Default and for any reasonable loss or expense incurred by OFA as a result of any failure by the IESO to fulfill any of its obligations under this Agreement). All such costs, charges and expenses shall bear interest at the Province of Ontario's cost of funds plus 0.25 percent per annum (as determined by the OFA) calculated and payable monthly not in advance from in each case from the date on which the OFA incurs the cost, charge or expense until the date on which the IESO reimbursement the OFA therefor. The OFA agrees, acting reasonably, to invoice the IESO for any such costs, charges and expense as they are incurred, together with interest at the aforesaid rate (with interest on overdue interest).

Section 4.8 Reporting.

The IESO will promptly provide to the OFA any reports or supporting documents that the OFA may request from time to time.

Section 4.9 Late Repayment of Advance.

In the event that the IESO fails to repay the principal amount of any Advance and all interest accrued thereon when due, the IESO shall pay interest on the unpaid amount of such Advance at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment.

ARTICLE 5
EVENTS OF DEFAULT AND REMEDIES

Section 5.1 Event of Default.

Wherever used in this Agreement, the term "Event of Default" means any of the following:

(a) the IESO's failure to pay any interest upon any Advance when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) failure to pay the principal amount of any Advance on the applicable Repayment Date or the Advances Outstanding, all interest accrued thereon and all other amounts owing under this Agreement on September 30, 2022;

(c) failure on the part of the IESO to observe or perform its obligations set forth in Section 4.1;

(d) failure on the part of the IESO to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 20 days after the date on which written notice of such failure shall have been given to the IESO by the OFA;

(e) any representation or warranty made by the IESO in this Agreement or in any certificate or other document at any time delivered hereunder to the OFA was incorrect or misleading in any material respect;

(f) one or more breaches by the IESO of its covenants under one or more evidences of Indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $5 million, which breaches:

(i) constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist, or

(ii) have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived or rescinded);

(g) the IESO or any Material Subsidiary:

(i) becomes unable to meet its obligations as they generally become due or has ceased paying its current obligations in the ordinary course of business as they generally become due;

(ii) admits in writing its inability to pay its debts generally or makes a general assignment for the benefit its creditors or files a proposal or other scheme

of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) institutes or has instituted against it any proceeding seeking:

(A) to adjudicate it as bankrupt or insolvent,

(B) liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors, or

(C) the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets,

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismissed or unstayed for a period of 30 days, or any remedy sought in any such proceeding (including the entry of order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

(iv) takes any corporate action to authorize any of the actions in Sections 5.l (g)(i) to (iii); or

(h) if there shall be rendered against the IESO or any Material Subsidiary a final judgment or judgments for the payment of money in an aggregate amount in excess of $5 million by a court or courts of competent jurisdiction, and the IESO or any Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 5.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case the OFA may at its option, in addition to any other remedy available to the OFA at law, by written notice to the IESO, take any or all of the following actions:

(a) suspend the right of the IESO to request any further Advance until the Event of Default has been cured to the OFA's satisfaction or, if the Event of Default is not

cured within three (3) Business Days after the date on which written notice of such Event of Default shall have been given to the IESO by the OFA, declare all amounts owing hereunder including all interest accrued to be due and payable immediately, by a notice in writing to the IESO, and upon any such declaration all such amounts shall become immediately due and payable.

(b) invoke the Intercept pursuant to section 5.7 of this Agreement to require payment of any amount due and payable under this Agreement.

Section 5.3 Suits for Enforcement by the OFA.

If an Event of Default occurs and is continuing, the OFA may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in the OFA by this Agreement or by law.

Section 5.4 OFA May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of the IESO under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property of the IESO, or if any other judicial proceedings relative to the IESO, its creditors or its property are pending, the OFA shall be entitled and empowered, by intention in such proceeding or otherwise:

(a) to file and prove a claim for all amounts owing under this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of the OFA (including any claim for fees and disbursements of the OFA, its agents and counsel) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claim.

Section 5.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to the OFA is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.6 Delay or Omission not Waiver.

No delay or omission of the OFA to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right or remedy given by this Article 5 or by law to OFA may be exercised from time to time, and as often as may be deemed expedient, by the OFA.

Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of even date herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the *Capital Investment Plan Act, 1993* (the "**Intercept Letter**"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("**Appropriated Funds**"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("**Intercept**").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

(e) The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or

inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail.

ARTICLE 6
REPRESENTATIONS AND WARRANTIES OF IESO

Section 6.1 Representations and Warranties of IESO

The IESO represents and warrants to the OFA that:

(a) the borrowing of money (including principal and accrued interest) by the IESO and the execution, delivery and performance of this Agreement are within the powers and capacities of the IESO and have been duly authorized by all necessary legal action and proper proceedings;

(b) the execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the compliance with the terms and conditions of this Agreement will not conflict with or result in a breach of any of the terms or provisions of the constituting documents or by-laws of the IESO, laws of Ontario, including laws of Canada applicable therein, applicable to the IESO or any contractual or other obligation binding on the IESO;

(c) this Agreement will, when executed and delivered, constitute the legal, valid and binding obligation of the IESO enforceable against it in accordance with its terms; and

(d) the monies advanced under this Agreement shall be used only by the IESO for the purposes set out in Section 2.2.

Section 6.2 Continuation of Representation and Warranties

The representations and warranties set out in Section 6.1 herein shall survive the execution and delivery of this Agreement, the making of each Advance by the OFA, notwithstanding any investigations or examinations which may be made by counsel for the OFA.

ARTICLE 7
GENERAL

Section 7.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy or other means of electronic communication addressed:

If to the IESO, to it at:

Independent Electricity System Operator
120 Adelaide Street West, Suite 1600
Toronto, ON M5H 1T1

Attention: Chief Financial Officer
Telephone: (416)969-6232
Facsimile: (905)403-6913

If to the OFA, to it at:

Ontario Financing Authority 1 Dundas Street West
Suite 1400 Toronto, Ontario M7A 1Y7

Attention: Executive Director & Chief Investment Officer – Capital Markets Division
Telephone: (416)325-8930
Facsimile: (416)860-8346

provided that any Borrowing Notice or Election Notice shall be addressed as indicated on Schedule 1 or Schedule 2 respectively.

Any communication hereunder shall be deemed to have been validly and effectively given if (a) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p.m. (Toronto time), otherwise on the next Business Day, (b) transmitted by facsimile or other means of electronic communication, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice give in accordance with this Section 7.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 7.1.

Section 7.2 Successors and Assigns.

This Agreement shall be binding on and enure to the benefit of the OFA and the IESO and their respective successors and permitted assigns, except that the IESO shall not, without the

prior written consent of the OFA assign, pledge or hypothecate any rights or obligations with respect to this Agreement.

Section 7.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of the Parties.

Section 7.4 Waiver.

(1) No waiver of any provisions of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) of this Agreement nor shall such waiver be binding unless executed in writing by the party to be bound by the waiver.

(2) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude another or further exercise of such right or the exercise of any other right.

Section 7.5 Further Assurances.

Each of the IESO and the OFA shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement

Section 7.6 Severability.

In case any provision in this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement shall not in any way be affected or impaired thereby.

Section 7.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 7.8 Entire Agreement.

This Agreement, including the schedules hereto and any other agreements expressly referred to herein, constitutes the whole agreement between the Parties with respect to the matters dealt with in it, and it supersedes any prior agreement, undertakings, discussions and the like respecting the matters dealt with in this Agreement and entered into by the Parties before the date the OFA signs this Agreement.

Section 7.9 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Agreement.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first written above.

ONTARIO FINANCING AUTHORITY

Per: _____

Name: Gadi Mayman
Title: Chief Executive Officer

I have authority to bind the corporation.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; Treasurer

I have authority to bind the corporation.

SCHEDULE 1

FORM OF BORROWING NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The principal amount of the Proposed Advance is $_____;
(c) The Repayment Date of the Proposed Advance is _____. [Not earlier than 5 days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:

Authorized Signatory

SCHEDULE 2

FORM OF ELECTION NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is _____.

(b) The aggregate amount of the proposed Continued Advance is $_____, which is comprised of:

i. principal amount (or portion thereof) of Advance which is to be continued $_____; and
ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date $_____;

(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): $ _____

(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _____. [Insert date not earlier than 5 days and not later than 95 days after the current Repayment Date for the Advance.]

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: $_____
The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Name:

Authorized Signatory

SCHEDULE 3 – FORM OF GRID NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $2,000,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR (the "**IESO**"), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY** ("**OFA**") at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement (as defined below).

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the Revolving Credit Facility Agreement dated **[INSERT DATE]** as amended, supplemented or restated from time to time, between the Borrower and the OFA (the "Agreement"). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:
Authorized Signatory

Revolving Credit Facility Grid Note

Ontario Financing Authority
Line of Credit Grid Note

Entity : **Independent Electricity System Operator**
Loan Limit:

Project:
Schedule of loan transactions to:
Loan Advanced to:

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days

ONTARIO POWER AUTHORITY

as Borrower

and

ONTARIO FINANCING AUTHORITY

as Lender

CREDIT AGREEMENT

THIS AGREEMENT is made as of the 1st day of January 2005, between:

A. **ONTARIO POWER AUTHORITY a corporation established under the *Electricity Act, 1998*** (the "**OPA**")

B. **ONTARIO FINANCING AUTHORITY a Crown agency established under the *Capital Investment Plan Act, 1993*** (the "**OFA**").

RECITAL:

The OPA has requested an operating line of credit from the OFA in the amount of $500 million and the OFA has agreed to provide such a line of credit to the OPA.

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the parties agree as follows:

ARTICLE 1

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"Advances" means advances made by the OFA to the OPA under Article 3 and **"Advance"** means any one of such advances.

"Advances Outstanding" means, at any time, an amount equal to the aggregate principal amount of all Advances outstanding at such time.

"Agreement", "herein", "hereby", "hereof", "hereunder" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; an the expression **"Article"** or **"Section"** followed by a number means the specified Article or Section of this Agreement.

"Borrowing Notice" has the meaning specified in Section 3.2.

"Business Day" means any day that is not a day on which banks are generally authorized or required by law or executive order to be closed in the City of Toronto.

"Dollars" or "$" means lawful currency of Canada.

"Commitment" means, at any time, an amount equal to $500 million.

"Consolidated Assets" means, at any time, the book value of the assets of the OPA, determined as of such time on a consolidated basis in accordance with generally accepted accounting principles.

"default" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"Election Notice" has the meaning specified in Section 3.3(2).

"Event of Default" has the meaning specified in Section 5.1.

"Indebtedness" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) every obligation of such Person for borrowed money;

(b) every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments;

(c) every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) every capital lease obligation of such Person; and

(f) every obligation of the type referred to in paragraphs (a) through (e) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"Lien" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"Operating Facility" means the revolving credit facility to be made available to the OPA by the OFA under this Agreement for the purposes specified in Section 2.3.

"Permitted Liens" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) any obligations or duties, affecting the property of OPA to any municipality or governmental, statutory or public authority, with respect to any franchise, grant, license or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by the OPA under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which the are held by the OPA;

(d) any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) the right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) any undetermined or inchoate Liens and charges incidental to the current operations of the OPA that have not at the time been filed against the OPA; provided, however, that if any such Lien or charge shall have been filed, the OPA shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) any Lien the validity of which is being contested at the time by the OPA in good faith and the enforcement of which has been stayed;

(h) any easements, rights-of-way and servitudes that in the opinion of the OPA will not in the aggregate materially and adversely impair the use or value of the land for the purpose for which it is held or occupied by the OPA;

(i) any Liens and privileges arising out of judgments or awards with respect to which the OPA shall be prosecuting an appeal or proceedings for review and with respect to which it shall have secured a stay of execution pending such appeal or proceedings for review; and

(j) any other Liens of a nature similar to the foregoing which do not in the opinion of the OPA, acting reasonably, material impair the use of the property subject thereto or the operation of the business of the OPA or the value of such property for the purpose of any such business.

"Person" means any individual, corporation, partnership joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"Purchase Money Mortgage" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or par of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"Repayment Date" means, in respect of the repayment of Advances, the repayment date contained in the most recent Borrowing Notice or Election Notice.

"Stated Maturity" when used with respect to any Indebtedness or any installment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such installment of interest is due and payable.

Section 1.2 Effect of Headings and Table of Contents.

The division of this Agreement into Articles and Sections the insertion of headings and the provision of a Table of Contents are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and vice versa and words importing gender may include any gender. In this Agreement, (a) the words **"including"** and **"includes"** mean "including (or includes) without limitation", and (b) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" excluding".

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with generally accepted accounting principles. Generally accepted accounting principles refer to accounting principles generally accepted in Canada as recommended in the Handbook of the Canadian Institute of Chartered Accountants at the relevant time applied on a consistent basis.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the next succeeding Business Day.

ARTICLE 2

OPERATING FACILITY

Section 2.1 Availability

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the OPA. The OFA shall make each Advance in Canadian Dollars.

Section 2.2 Commitment and Facility Limits.

The Advances Outstanding to the OPA under the Operating Facility shall not at any time exceed the Commitment. The Operating Facility shall revolve and no payment under the Operating Facility shall reduce the Commitment.

Section 2.3 Use of Proceeds.

The OPA shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 423/04 made under the *Electricity Act, 1998.*

Section 2.4 Mandatory Repayment.

Subject to Sections 2.9 and 5.1, the OPA shall repay each Advance on the applicable Repayment Date and, in any event, shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder on December 31, 2006.

Section 2.5 Prepayments.

The OPA is not entitled to prepay any part of the Advances Outstanding or the interest accrued thereon without the prior written consent of the OFA.

Section 2.7 Payments under this Agreement.

(1) The OPA shall make any payment required hereunder to be made by it to the OFA, to or to the order of the OFA, by wire transfer of immediately available funds in accordance with wire transfer instruction given by the OFA to the OPA from time to time, or in such other manner as the OFA may specify to the OPA from time to time. The OPA shall make each such payment in Canadian Dollars.

(2) The OFA shall make Advances to the OPA under this Agreement to or to the order of the OPA by wire transfer of immediately available funds in accordance with wire transfer instructions given by the OPA to the OFA from time to time, or in such other manner as the OPA may specify to the OFA from time to time.

Section 2.8 Computations of Interest.

(1) All computations of interest shall be made by the OFA taking into account the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest is payable on the basis of a year of 365 days or 366 days, as the case may be.

(2) For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Agreement for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding in the next calendar year and the denominator of which is the actual number of days in such period.

Section 2.9 Limit on Rate of Interest.

(1) Notwithstanding any provision contained in this Agreement, the OPA shall not be obliged to make any payments of interest or other amounts payable to the OFA hereunder in excess of the amount or rate which would be prohibited by applicable law or would result in the receipt by the OFA of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada)).

(2) In the event that any such payments are limited or prohibited as provided in Section 2.9(1), the OFA shall have no further obligation to make any Advances available hereunder and the Advances Outstanding, together will all accrued interest and all other amounts owing hereunder, shall become immediately due and payable.

ARTICLE 3

ADVANCES

Section 3.1 Advances.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the OPA under the Operating Facility from time to time on any Business Day prior to November 30, 2006.

Section 3.2 Procedure for Advances.

(1) Subject to Section 3.3(3), each Advance shall be made on one Business Day's prior notice given not later than 10:00 a.m. (Toronto time) by the OPA to the OFA. Each notice of an Advance (a **"Borrowing Notice"**) shall be substantially in the form of Schedule 1, shall be irrevocable and binding on the OPA and shall specify (a) the requested date of the Advance, and (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall be not later than 1 month, 2 months or 3 months after the requested date of the Advance. The OFA will make the principal amount of each Advance available to the OPA in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, the OPA shall execute and deliver to the OFA a grid promissory note in respect of Advances substantially in the form of Schedule 3. The OPA authorizes the OFA to record on the grid promissory note (a) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (b) the applicable rate of interest for each Advance; (c) the Repayment Date of each Advance; (d) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (e) the outstanding principal amount of the grid promissory note. Such notations, in the absence of manifest error, shall be prima facie evidence of the such advances and repayments; provided that the failure of the OFA to record any amount, rate or date shall not affect the obligation of the OPA to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement.

Section 3.3 Elections Regarding Advances.

(1) The OPA may elect to continue all or a portion of the principal amount of any Advance for a further period of 1 month, 2 months or 3 months beginning on the then current Repayment Date in accordance with Section 3.3(2).

(2) Each election to continue an Advance for a further period shall be made one Business Day's prior notice given, in each case, not later than 10:00 a.m. (Toronto time) by the OPA to the OFA. Each such notice (an **"Election Notice"**) shall be given substantially in the form of Schedule 2 and shall be irrevocable and binding upon the OPA. If the OPA fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date.

(3) Any portion of an Advance not continued for a further period in accordance with Section 3.3(2) shall be repayable on the applicable Repayment Date.

Section 3.4 Interest on Advances.

(1) The OPA shall pay interest on the unpaid principal amount of each Advance in accordance with this Section 3.4 from and including the date of such Advance until the principal amount of such Advance is repaid in full.

(2) Interest shall accrue on the principal amount of each Advance from and including the date of the Advance to but excluding the Repayment Date of such Advance, at an annual rate equal to the Province's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum, before as well as after the date such principal amount or interest thereon becomes due hereunder and both before and after default and shall be payable on the Repayment Date for such Advance. Any amount of interest arising hereunder which is not paid when due shall bear interest at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment. The amount of interest payable on an Advance will be calculated by the OFA by dividing the interest rate applicable to the Advance by 365 or 366, as the case may be, and multiplying the result by the principal amount of the Advance and further multiplying the result by the number of days in the period from the date of the Advance to the Repayment Date of the Advance.

(3) If the OPA elects to continue an Advance in accordance with Section 3.3(2), the Province shall determine the interest rate applicable after the original Repayment Date of the Advance and endorse the said rate on the grid forming part of the OPA promissory note in respect of Advances held by it.

Section 3.5 Conditions Precedent

The obligation of the OFA to make the Advances pursuant to Section 2.1 is subject to the following conditions being satisfied to the OFA's satisfaction at the time of making each Advance:

(a) that the representations and warranties of the OPA contained in this Agreement are true and correct as at the date of making the Advance;

(b) that no Event of Default has occurred and is continuing;

(c) that there shall, in the reasonable opinion of the OFA, have been no material adverse change in the financial condition of the OPA; and

(d) that the OFA has received such other documentation which it has reasonably requested to ensure that the OPA is in compliance with the terms and conditions of this Agreement, including certified true copies of any necessary resolutions, a written legal opinion from counsel to the OPA confirming that the borrowing is within the legal powers of the OPA and that the Agreement is a direct, unsecured obligation of the OPA enforceable against the OPA in form satisfactory to the OFA.

ARTICLE 4

COVENANTS OF THE OPA

Section 4.1 Payment of Advances.

The OPA will duly and punctually pay or cause to be paid all amounts owing under this Agreement in accordance with the terms and subject to the conditions of this Agreement.

Section 4.2 OPA will Maintain its Corporate Existence.

The OPA will at all times maintain its corporate existence.

Section 4.3 Maintenance of Properties.

The OPA will cause all property owned by the OPA to be maintained and kept in good condition, repair an working order, all as in the judgment of the OPA may be necessary for the proper operation of such property, except as and to the extent that the OPA may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 4.3 shall prevent the OPA from discontinuing the maintenance of any such property or decommissioning any such property if such discontinuance or decommissioning is, in the judgment of the OPA , desirable in the conduct of its business.

Section 4.4 Insurance.

The OPA will cause all property owned by the OPA which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the mature and to the extent that such property is usually insured by companies operating similar businesses.

Section 4.5 Conduct of Business.

The OPA will carry on and conduct their respective businesses in a proper, efficient and business-like manner and in accordance with good business practice.

Section 4.6 Negative Pledge.

The OPA will not create, incur or assume any Lien, charging the interest of the OPA in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, all amounts owing under this Agreement are secured equally and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) the creation, incurrence or assumption of any Purchase Money Mortgage;

(b) the grant of any Lien in the normal course of business to any banks or financial institutions for present or future indebtedness of the OPA to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) any extension, renewal or replacement of any of the Liens referred to in Sections 4.6(a), (b) or (c), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased; and

(e) any Lien charging the interest of the OPA in any property to secure any Indebtedness, other than any Lien referred to in Sections 4.6(a), (b) or (c), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 4.6(e) which is outstanding at such time does not exceed 10% of Consolidated Assets at such time.

Section 4.7 Payment of OFA Expenses

The OPA will, on demand, reimburse and indemnify OFA for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OFA in connection with the Services (including those incurred in the preservation of rights under or enforcement of this Agreement at any time during the continuance of a default or Event of Default and for any reasonable loss or expense incurred by OFA as a result of any failure by the OPA to fulfill any of its obligations under this Agreement). All such costs, charges and expenses shall bear interest at the Province's cost of funds plus 0.25 percent per annum (as determined by the OFA) calculated and payable monthly not in advance from in each case from the date on which the OFA incurs the cost, charge or expense until the date on which the OPA reimbursement the OFA therefor. The OFA agrees, acting reasonably, to invoice the OPA for any such costs, charges and expense as they are incurred, together with interest at the aforesaid rate (with interest on overdue interest).

ARTICLE 5

EVENTS OF DEFAULT AND REMEDIES

Section 5.1 Event of Default.

Wherever used in this Agreement, the term **"Event of Default"** means any of the following:

(a) failure to pay any interest upon any Advance when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) failure to pay the principal amount of any Advance on the applicable Repayment Date or the Advances Outstanding, all interest accrued thereon and all other amounts owing under this Agreement on December 31, 2006;

(c) failure on the part of the OPA to observe or perform its obligations set forth in Section 4.1;

(e) failure on the part of the OPA to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 20 days after the date on which written notice of such failure shall have been given to the OPA by OFA;

(f) any representation or warranty made by the OPA in this Agreement or in any certificate or other document at any time delivered hereunder to the OFA was incorrect or misleading in any material respect;

(g) one or more breaches by the OPA of its covenants under one or more evidences of indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $5 million, which breaches:

(i) constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist, or

(ii) have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waive or rescinded);

(h) the OPA:

(i) becomes generally not able to pay its debts as they become due;

(ii) admits in writing its inability to pay its debts generally or makes a general assignment for the benefit its creditors or files a proposal or other scheme *of* arrangement involving the rescheduling or composition *of* its Indebtedness;

(iii) institutes or has instituted against it any proceeding seeking:

(A) to adjudicate it a bankrupt or insolvent,

(B) liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy / insolvency / reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors, or

(C) the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets,

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismisssed or unstayed for a period of 30 days, or any remedy sought in any such proceeding (including the entry of order for relief against it or the appointment of a receiver, trustee, custodian or other similar

official for it or for any substantial part of its properties and assets) occurs; or

(iv) takes any corporate action to authorize any of the actions in Sections 5.1(h)(i) to (iii); or

(i) if there shall be rendered against the OPA a final judgment or judgments for the payment of money in an aggregate amount in excess of $5 million by a court or courts of competent jurisdiction, and the OPA shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 5.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case the OFA may declare all amounts owing hereunder to be due and payable immediately, by a notice in writing to the OPA, and upon any such declaration all such amounts shall become immediately due and payable.

Section 5.3 Suits for Enforcement by OFA.

If an Event of Default occurs and is continuing, the OFA may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in the OFA by this Agreement or by law.

Section 5.4 OFA May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of the OPA under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property of the OPA, or if any other judicial proceedings relative to the OPA, its creditors or its property are pending, the OFA shall be entitled and empowered, by intention in such proceeding or otherwise:

(a) to file and prove a claim for all amounts owing und this Agreement and to file such other papers or documents as ma be necessary or advisable in order to have the claims of the OFA (including any claim for fees and disbursements of the OFA, its agents and counsel) allowed in such judicial proceeding; and

(b) to collect and receive any moneys or other property payable or deliverable on any such claim.

Section 5.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to the OFA is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.6 Delay or Omission not Waiver.

No delay or omission of the OFA to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right or remedy given by this Article 5 or by law to OFA may be exercised from time to time, and as often as may be deemed expedient, by the OFA.

ARTICLE 6

REPRESENTATIONS AND WARRANTIES OF OPA

Section 6.1 Representations and Warranties of OPA

The OPA represents and warrants to the OFA that:

(a) the borrowing of money (including principal and accrued interest) by the OPA and the execution, delivery and performance of this Agreement are within the powers and capacities of the OPA and have been duly authorized by all necessary legal action and proper proceedings;

(b) the execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the compliance with the terms and conditions of this Agreement will not conflict with or result in a breach of any of the terms or provisions of the constituting documents or by-laws of the OPA, laws of Ontario, including laws of Canada applicable therein, applicable to the OPA or any contractual or other obligation binding on the OPA;

(c) this Agreement will, when executed and delivered, constitute the legal, valid and binding obligation of the OPA enforceable against it in accordance with its terms; and

(d) the monies advanced under this Agreement shall be used only by the OPA for the purposes set out in Section 2.3.

Section 6.2 Continuation of Representation and Warranties

The representations and warranties set out in Section 6.1 herein shall survive the execution and delivery of this Agreement, the making of each advance by the OFA, notwithstanding any investigations or examinations which may be made by counsel for the OFA.

ARTICLE 7

GENERAL

Section 7.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy or other means of electronic communication addressed:

If to the OPA, to it at:

Ontario Power Authority
880 Bay Street
3rd Floor
Toronto, ON M7A 2C

Attention: Chief Executive Officer
Telephone:
Telecopier:

If to OFA, to it at:

Ontario Financing Authority
1 Dundas Street West
Suite 1400
Toronto, Ontario
M7AIY7

Attention: Executive Director -Capital Markets Division
Telephone: (416) 325-8128
Telecopier: (416) 325-8005

provided that any Borrowing Notice or Election Notice shall be addressed as indicated on Schedule 1 or Schedule 2 respectively.

Any communication hereunder shall be deemed to have been validly and effectively given if (a) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p. m (Toronto time), otherwise on the next Business Day, (b) transmitted by telecopier other means of electronic communication, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice give in accordance with this Section 7.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 7.1.

Section 7.2 Successors and Assigns.

This Agreement shall be binding on and enure to the benefit of the OFA and the OPA and their respective successors and permitted assigns, except that the OPA shall not, without the prior written consent of the OFA assign, pledge or hypothecate any rights or obligations with respect to this Agreement.

Section 7.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of the OFA and the OPA.

Section 7.4 Waiver.

(1) No waiver of any provisions of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) or this Agreement nor shall such waiver be binding unless executed in writing y the party to be bound by the waiver.

(2) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude an other or further exercise of such right or the exercise of any other right.

Section 7.5 Further Assurances.

Each of the OPA and the OFA shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement.

Section 7.6 Severability.

In case any provision in this Agreement shall be in valid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement shall not in any way be affected or impaired thereby.

Section 7.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 7.8 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF the parties have executed this Agreement as of the 1st day of January, 2005.

ONTARIO POWER AUTHORITY

by: _____
Name: Rosalyn Lawrence
Authorized Signing Officer

and: _____
Name: Rick Jennings
Authorized Signing Officer

ONTARIO FINANCING AUTHORITY

by: _____

Name: Gadi Mayman
Title: Chief Executive Officer

SCHEDULE 1
FORM OF BORROWING NOTICE

Via Telecopier: (416)

Ontario Financing Authority **("OFA")**
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A1Y7

Attention: Cash Management

Dear Sirs:

The undersigned, Ontario Power Authority, refer to the credit agreement dated [Insert] (as amended, supplemented or restated from time to time, the **"Agreement"**, the terms defined therein being used herein as therein defined) between the OPA and the OFA, and gives you notice pursuant to Section 3.2 of the Agreement that the OPA requests an Advance under the Agreement, and, in that connection, sets forth below the information relating such Advance (the **"Proposed Advance"**) as required by Section 3.2 of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The aggregate amount of the Proposed Advance is _____;
(c) The Repayment Date of the Proposed Advance is _____; [not more than 3 months after the date of the Proposed Advance]

Yours truly,

ONTARIO POWER AUTHORITY

Per: _____
Rosalyn Lawrence
Authorized Signatory

Per: _____
Rick Jennings
Authorized Signatory

*To be confirmed by telephone call to OFA Cash Management (416) 325-8108.

SCHEDULE 2

FORM OF ELECTION NOTICE

Via Telecopier: (416)

Ontario Financing Authority ("**OFA**")
1 Dundas Street West
Suite 1400
Toronto, Ontario
M7A 1Y7

Attention: Cash Management

Dear Sirs:

The undersigned, Ontario Power Authority, refer to the credit agreement dated [Insert] (as amended, supplemented or restated from time to time, the "**Agreement**", the terms defined therein being used herein as therein defined) between the OPA and OFA, and gives you notice pursuant to Section 3.3 of the Agreement that the OPA elects to continue all or a portion of an Advance for an additional term and, in that connection, sets forth below the information relating to the election as required by Section 3.3(3) of the Agreement:

(a) The outstanding principal amount of such Advance to be continued is $_____;

(b) The new Repayment Date applicable to such Advance is _____; [not more than 3 months after the current Repayment Date for the Advance.

Yours truly,

ONTARIO POWER AUTHORITY

Per: _____
Rosalyn Lawrence
Authorized Signatory

Per: _____
Rick Jennings
Authorized Signatory

*To be confirmed by telephone call to OFA Cash Management (416) 325-8108

SCHEDULE 3

ONTARIO POWER AUTHORITY

GRID NOTE

Principal Amount: Up to $500,000,000 Date: _____

FOR VALUE RECEIVED, ONTARIO POWER AUTHORITY (the **"OPA"**), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY ("OFA")** at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the OPA, all as recorded by the OFA on the grid (the **"Grid"**) attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Credit Agreement (as defined below).

OFA shall and is unconditionally and absolutely authorized and directed by the OPA to record on the Grid (a) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (b) the applicable rate of interest for each Advance; (c) the repayment date of each Advance; (d) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (e) the outstanding principal balance. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Credit Agreement dated as of [Insert] between the Borrower and the OFA (the **"Credit Agreement"**). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Credit Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Credit Agreement. This Note is not transferable or negotiable without the prior written consent of the OPA. The OPA hereby waives presentment for payment, demand, protest, notice of dishonour and notice of non-payment.

This Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the OPA has executed this Note.

ONTARIO POWER AUTHORITY

Per: _____
Rosalyn Lawrence
Authorized Signatory

Per: _____
Rick Jennings
Authorized Signatory

DATE	PRINCIPAL ADVANCED	RATE	REPAYMENT DATE AND PRINCIPAL REPAID	INTEREST PAYMENT DATE AND AMOUNT	UNPAID PRINCIPAL BALANCE	NOTATION MADE BY

ONTARIO POWER AUTHORITY

175 Bloor Street East, North Tower, Suite 606, Toronto, Ontario M4W 3R8

February 14, 2005

Mr. Gadi Mayman
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto On M7A 1Y7

Dear Sir:

Re: Modification to Clause 4.7 of OPA Credit Facility – Substituting "Agreement" for "Services"

I write with respect to clause 4.7 of the Credit Agreement (the "Agreement") made between the Ontario Power Authority (the "OPA") and the Ontario Financing Authority (the "OFA"), dated January 1, 2005, and the requirement that the language contained therein be modified to better reflect the true intent of the parties to the Agreement.

By evidence of the signatures of the two parties to that Agreement on the face of this letter, the parties hereby consent and agree to amend clause 4.7 on page 12 of the Agreement by substituting the word "Agreement" for the word "Services" in the third line of that clause.

By their signatures the parties further agree that this letter shall be the sole notification to each and every party of the above-noted change and that such change shall take effect as of the date of that Agreement.

Sincerely,

Jan Carr
Chief Executive Officer
Ontario Power Authority

Rosalyn Lawrence
Director, Ontario Power Authority

Gadi Mayman
Chief Executive Officer,
Ontario Financing Authority

AMENDING AGREEMENT NO. 2 TO NOTE AGREEMENT

THIS AGREEMENT is made as of April 23, 2009 between:

A. INDEPENDENT ELECTRICITY SYSTEM OPERATOR, (the "Company")

B. ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")

RECITALS:

1. Pursuant to section 116 of the *Electricity Act, 1998*, the Lieutenant Governor in Council made an order ("Transfer Order") transferring certain officers, employees, assets, liabilities, rights and obligations of Ontario Hydro to the Company;

2. Pursuant to the Transfer Order, the Company and OEFC entered into an agreement dated April 1, 1999 ("Note Agreement") under which the Company issued a note in the amount of $70.3 million ("Initial Note") to OEFC in partial payment for the assets and rights described above;

3. The Company and OEFC entered into an amending agreement dated March 23, 2000 (which together with the Note Agreement is referred to in this amending agreement as the "Amended Note Agreement") to provide for the issuance of a new note ("Existing Note") in the amount of $78.2 million in replacement for the Initial Note;

4. The Company was continued under the name Independent Electricity System Operator pursuant to subsection 4(1) of the Electricity Act, 1998 effective January 1, 2005;

5. The Minister of Finance has directed OEFC to extend the term of the loan from May 1, 2009 to May 1, 2011.

6. The parties wish to further amend the Amended Note Agreement.

NOW THEREFORE, in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the parties agree as follows:

1. **Defined Terms.**
Capitalized terms used in this amending agreement and not otherwise defined herein have the meanings specified in the Amended Note Agreement;

2. **Amendment to Article 2 of the Amended Note Agreement.**

The following sections are added after Section 2.6.

2.7 **Refinancing Note**

On May 1, 2009, the Company shall execute and deliver to OEFC a grid promissory note in the form attached as Schedule 2.7 (the "Refinancing Note") which shall be in an aggregate principal amount equal to $78.2 million, dated as of May 1, 2009 and maturing on May 1, 2011 and bearing interest at a per annum rate equal to the yield earned on ninety day Province of Ontario treasury bills as determined by the OEFC, plus 25 basis points (after as well as before default or judgment, with interest on the amounts in default at the same rate). Upon receipt of the Refinancing Note by OEFC, the Existing Note shall be of no further force or effect and shall be returned by OEFC to the Company marked "cancelled".

2.8 **Interest on Refinancing Note**

From May 1, 2009 to April 30, 2011, interest on the Refinancing Note at the rate specified in Section 2.7 shall accrue daily and shall be payable in quarterly installments on February 1, May 1, August 1 and November 1 in each year (each an "Interest Payment Date"), with the first such payment for the Refinancing Note to be made for the period from and including May 1, 2009 to but excluding August 1, 2009.

The interest rate on the Refinancing Note shall be reset automatically by the OEFC on the first business day of each quarter from and including May 1, 2009, to but excluding May 1, 2011 (each, an "Interest Reset Date"), at the interest rate equal to the yield earned on ninety-day Province of Ontario treasury bills on each Interest Reset Date as determined by the OEFC, plus 25 basis points

OEFC will provide the Company with written notice by email of the interest rate, date of interest payment and the interest payment amount due, as soon as possible after its determination, but in no event later than five business days following each Interest Reset Date.

For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Refinancing Note for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

2.9 Prepayment on Refinancing Note

The Company may, prepay all or part of the Refinancing Note subject to the following restrictions in respect of each said prepayment:

(a) the prepayment shall be in a multiple of $5 million;
(b) the prepayment shall be made on an Interest Payment Date;
(c) the Company shall give irrevocable written notice substantially in the form attached as Schedule 2.9 (a "Notice of Prepayment") to OEFC of the amount of the prepayment at least fifteen (15) Business Days before the date on which the prepayment shall be made.

3. **Reference to and Effect on the Amended Note Agreement.** On and after this date, each reference in the Amended Note Agreement to "this Agreement" and each reference to the Amended Note Agreement in any and all other agreements, documents and instruments delivered by the Company and OEFC shall mean and be a reference to the Amended Note Agreement as amended by this amending agreement. Except as specifically amended by this amending agreement, the Amended Note Agreement shall remain in full force and effect.

4. **No Waiver.** The execution, delivery and effectiveness of this amending agreement shall not, except as expressly provided herein, constitute a waiver of any provision of the Amended Note Agreement.

5. **Governing Law.** This amending agreement shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

6. **Counterparts.** This amending agreement may be executed in any number of counterparts and all of such counterparts taken together shall be deemed to constitute one and the same instrument.

IN WITNESS WHEREOF the parties have executed this amending agreement.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By: Gary Hurkey
CFO.

~~By:~~ _____

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By: _____

Michael Manning
Executive Director

~~By:~~ _____

SCHEDULE 2.7
FORM OF REFINANCING NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

NOTE

Principal Amount:	$78.2 million	Date: May 1, 2009
Interest Rate:	A variable rate of interest equal to the yield earned on ninety day Province of Ontario Treasury Bills, as determined by the Lender, plus 25 basis points	
Due:	May 1, 2011	

FOR VALUE RECEIVED, the INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("Company") existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, PROMISES TO PAY to or to the order of ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC") at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of $78.2 million in lawful money of Canada, with interest on such amount at the rate, calculated in the manner and payable at the times specified in this Note.

OEFC shall and is unconditionally and absolutely authorized and directed by the Company to record on the grid attached hereto the date and amount of each prepayment on account of the principal paid to OEFC and the resulting outstanding principal amount of this Note provided that such prepayment is made on an Interest Payment Date (as defined below) and in accordance with the terms of the Agreement as amended (as defined below). Such notations, in the absence of manifest mathematical error, shall be *prima facie* evidence of such prepayments.

The outstanding principal amount of this Note together with all interest accrued thereon shall become due and payable on May 1, 2011.

The principal amount of this Note remaining from time to time unpaid and outstanding shall bear interest from the date of this Note both before and after maturity and both before and after default at the rate per annum equal to the yield earned on ninety-day Province of Ontario treasury bills , as determined by OEFC, plus 25 basis points. Interest at such rate shall accrue daily and shall be payable in arrears in quarterly installments on February 1, May 1, August 1 and November 1 in each year (each an "Interest Payment Date") commencing August 1, 2009.

For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Note for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of an agreement providing for the issuance of a note dated April 1, 1999 between the Company and OEFC ("Agreement") and amended by an amending agreement dated March 23, 2000 and an amending agreement dated April 23, 2009, which Agreement provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of the Company.

The Company waives presentment for payment and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF the Company has executed this Note.

INDEPENDENT ELECTRICITY
SYSTEM OPERATOR

By: _____

By: _____

Amending Agreement #2 in Respect of Agreement Providing For Issuance of a Note
dated April 23, 2009

DATE	PRINCIPAL ADVANCED ($)	DATE OF EACH PREPAYMENT	AMOUNT OF EACH PREPAYMENT	OUTSTANDING PRINCIPAL AMOUNT ($)	Notation Made By
May 1, 2009	78,200,000			78,200,000	
-	-	-	-	-	-

Schedule 2.9

PREPAYMENT NOTICE

To: OEFC
c/o Ontario Financing Authority
Attention: Manager, Electricity and Nuclear Fund

Fax: (416) 325-8111

From: Independent Electricity System Operator
Treasury Department, Finance

Date: _____

Reference is made to the Note Agreement made between the Independent Electricity System Operator as borrower (the "Company"), and OEFC as lender dated as of April 1, 1999, as amended by agreement as of March 23, 2000 and April 23, 2009 (collectively the "Note Agreement"). Unless otherwise defined herein, all terms used in this notice with initial capital letters (other than for grammatical purposes) shall have the respective meanings ascribed thereto in the Note Agreement.

Pursuant to section 2.9 of the Note Agreement, the Company hereby gives notice to OEFC that the Company will make a prepayment on account of the principal amount of Refinancing Note as follows:

amount of prepayment: _____

date of prepayment: _____

DATED this _____ day of _____, _____.

Yours very truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By: _____

Title: _____

AMENDING AGREEMENT NO.3

This Amending Agreement made as of the 11th day of October, 2005.

BETWEEN: **ONTARIO POWER AUTHORITY** a corporation established under the *Electricity Act, 1998* (the **"OPA"**)

AND: **ONTARIO FINANCING AUTHORITY** a Crown agency established under the *Capital Investment Plan Act, 1993* (the **"OFA"**)

WHEREAS the OPA and the OFA entered into a credit agreement dated January 1, 2005, as amended by an Amending Agreement dated February 14, 2005 (together the "Credit Agreement") pursuant to which the OFA has agreed to provide a revolving operating facility to the OPA in the principal amount of up to $500 million and the OPA issued a grid note dated January 11, 2005 to the OFA for a principal amount of up to $500 million;

AND WHEREAS as of the date hereof the total principal amount of advances outstanding under the grid note is $386,034,687.25;

AND WHEREAS the OPA and the OFA have now agreed to increase the operating facility to a principal amount of up to $975,000,000;

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that:

1. The definition of Commitment in Section 1.1 of the Credit Agreement is amended by deleting "$500 million" and substituting "$975,000,000" therefor.

2. On the date of this Amending Agreement and prior to any further Advances under the Credit Agreement, the OPA shall execute and deliver to the OFA a new grid promissory note in the principal amount of up to $975,000,000 substantially in the form attached to this Amending Agreement and indicating a total principal amount of advances outstanding to date of $386,034,687.25 Upon receipt of the new grid promissory note, the OFA will cancel and return the existing grid promissory note to the OPA.

IN ALL OTHER RESPECTS, the said Agreement is confirmed by the parties as further amended by the terms of this Amending Agreement.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

ONTARIO FINANCING AUTHORITY

by: Gadi

Name: Gadi Mayman

Title: Chief Executive Officer

ONTARIO POWER AUTHORITY

by: MERichardson

Name: MARY ELLEN RICHARDSON

Title VP, CORPORATE AFFAIRS
ACTING CHIEF EXECUTIVE OFFICER

By: _____

Name:

Title

AMENDING AGREEMENT NO.4

This Amending Agreement made as of the 27th day of September, 2006.

BETWEEN: **ONTARIO POWER AUTHORITY** a corporation established under the *Electricity Act, 1998* (the **"OPA"**)

AND: **ONTARIO FINANCING AUTHORITY** a Crown agency established under the *Capital Investment Plan Act, 1993* (the **"OFA"**)

WHEREAS the OPA and the OFA entered into a credit agreement dated January 1, 2005, as amended by an Amending Agreement dated February 14, 2005 and Amending Agreement NO.3 dated October 11, 2005 (together the "Credit Agreement") pursuant to which the OFA has agreed to provide a revolving operating facility to the OPA in the principal amount of up to $975 million and the OPA issued a grid note dated October 12, 2005 to the OFA for a principal amount of up to $975 million;

AND WHEREAS the OPA and the OFA have now agreed to extend the mandatory repayment date for the operating facility from December 31, 2006 to December 31, 2010;

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that:

1. Section 2.4 of the Credit Agreement is amended by deleting "December 31, 2006" and substituting "December 31, 2010" therefor.

2. On the date of this Amending Agreement and prior to any further Advances under the Credit Agreement, the OPA shall execute and deliver to the OFA a new grid promissory note substantially in the form attached to this Amending Agreement and indicating a total principal amount of advances outstanding to date of $237,677,910.71. Upon receipt of the new grid promissory note, the OFA will cancel and return the existing grid promissory note to the OPA.

IN ALL OTHER RESPECTS, the said Agreement is confirmed by the parties as further amended by the terms of this Amending Agreement.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

ONTARIO FINANCING AUTHORITY

by: _____

Name: Gadi Mayman

Title: Chief Executive Officer

ONTARIO POWER AUTHORITY ~~AUTHORITY~~

by: _____

Name: JAN CARR

Title CEO

by: _____

Name: John STEEN

Title Director of Finance

From:	William Tan
To:	Faran Ali
Cc:	Sarah Harris; Siva Nathan; San Rajaratnam
Subject:	FW: IESO OFA FHP and Existing Credit Facility key provisions and Expected Advancements - Agreements 1 of 2
Date:	Wednesday, January 03, 2018 2:59:32 PM
Attachments:	FHP Revolving Credit Facility Agreement 2017-2022 Execution Version.pdf OFA-OPA Original Credit Agreement.pdf Amendment No. 1.pdf Amending Agmt No. 2 to Note Agmt.pdf (Signed) Amendment 3.Final.pdf (Signed) Amendment 4.Final.pdf

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Hello Faran,

Please find the attached FHP Revolving Credit Facility Agreement and agreement for the Existing Credit Facility along with ten amendments.

Amending agreements 1 through 4 of 10

1 of 2 emails.

Thanks,

Will

From: Faran Ali

Sent: Wednesday, January 03, 2018 1:46 PM

To: William Tan

Cc: Siva Nathan ; San Rajaratnam

Subject: RE: IESO OFA FHP and Existing Credit Facility key provisions and Expected Advancements - Agreements

Hi William

As discussed, kindly provide both the FHP Credit Facility Agreement and the updated Agreement for the Existing Credit Facility, including any amendments.

Thanks

Faran

From: William Tan

Sent: Wednesday, January 03, 2018 1:42 PM

To: Faran Ali <Faran.Ali@ofina.on.ca>

Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>; San Rajaratnam <San.Rajaratnam@ofina.on.ca>

Subject: RE: IESO OFA FHP and Existing Credit Facility key provisions and Expected Advancements - Agreements

Hello Faran,

Just to clarify, do you require both the FHP Credit Facility Agreement or the Agreement for the Existing Credit Facility?

Thanks,

Will

From: Faran Ali

Sent: Wednesday, January 03, 2018 11:19 AM

To: William Tan <William.Tan@ofina.on.ca>

Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>; San Rajaratnam <San.Rajaratnam@ofina.on.ca>

Subject: FW: IESO OFA FHP and Existing Credit Facility key provisions and Expected Advancements - Agreements

Hi William

We are in process of providing audit confirmation to IESO auditors. In this regard, can you please send me the loan agreement for IESO for the under mentioned new provisions.
For the purpose of OFA year-end audit (April 1, 2017 to March 31, 2018) we provide loan agreements/borrowing notices to OFA auditors, so if you or any other member of your group happens to have any other agreements/borrowing notices, kindly email it to us, or let me know who should I be contacting to receive loan agreements, for this period.
Thank you
Faran Ali
Financial Reporting Leader

From: Siva Nathan
Sent: Wednesday, November 15, 2017 7:22 PM
To: Robert Bozinoski <Robert.Bozinoski@ofina.on.ca>; San Rajaratnam <San.Rajaratnam@ofina.on.ca>; Faran Ali <Faran.Ali@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: Fw: IESO OFA FHP and Existing Credit Facility key provisions and Expected Advancements
FYI

From: William Tan
Sent: 15 November 2017 16:46
To: Siva Nathan; John Psinas; Alfonso Soriano; Jensen Chong; Risa Thau; Nurudin Kaba; Carlos Yep; George Sakura
Cc: Opal Kandelas; Sarah Harris; Ken Kandeepan; James Devine; Mike Manning
Subject: IESO OFA FHP and Existing Credit Facility key provisions and Expected Advancements
Dear all,
We have executed the following credit facilities:

1) $2B OFA-IESO Credit Facility in relation to the Ontario Fair Hydro Plan (FHP).

The FHP Credit Facility has the following key provisions:

- Revolving Credit Facility with a maximum limit at any time of C$2 billion;
- Term: 5 year term which expires September 30, 2022, with last draw possible on September 22, 2022;
- Draws: to be based on minimum of 5 days to a maximum of 95 days;
- IESO may roll-over some or all of the principal and interest;
- Notice Period: For an advance or a rollover, IESO is required to provide two business day prior notice given not later than 10:00 a.m.;
- Business day convention: Following;
- Use of Proceeds: Proceeds of Advances may be used only for IESO's financing needs and requirements of any kind arising in connection with the IESO's role with respect to and obligations under the FHP;
- Interest Rate on Advances: Annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum.

2) **Amending Agreement to reduce limit on Existing IESO-OFA $975M Revolving Credit Facility to $475M (with an Effective Date of November 21, end of day).**

Once effective, the existing Credit Facility will have the following key provisions:

- Revolving Credit Facility with a maximum limit at any time of $475M;
- Term: Agreement expires December 31, 2019, with last draw possible on November 29, 2019;
- Draws: to be based on minimum of 28 days to a maximum of 95 days;
- IESO may roll-over some or all of the principal and interest;
- Notice Period: For an advance or a rollover, IESO is required to provide two business day prior

notice given not later than 10:00 a.m.;
- Business day convention: Following;
- Use of Proceeds: IESO shall use the proceeds of Advances for liquidity purposes;
- Interest Rate on Advances: Annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum.

NEXT DRAW FROM IESO

In relation to the next IESO draw on November 21st, the following transactions will occur:

November 17, 2017 -Three Notices to be received from IESO:

1) **Existing IESO-OFA $975M Revolving Credit Facility for "RRRP Program"**: IESO will send Election Notice instructions to rollover $10,649,081.37 + estimated new advance $2 million (IESO will pay accrued interest of $11,670.23 for Oct 20 to Nov 21 period to OFA).
2) **Existing IESO-OFA $975M Revolving Credit Facility for RPP Program:** IESO to send Election Notice to NOT rollover $825,639,102.00 (IESO will pay accrued interest of $904,809.97 for Oct 20 to Nov 21 period to OFA).
3) **$2B OFA-IESO FHP Credit Facility:** IESO to send a new borrowing notice for a first advance in an amount of approximately $1.05B.

NOTE: In the Borrowing Notice for the $2B OFA-IESO FHP Credit Facility, IESO will specify that instead of repaying (by funds transfer) the maturing $825,639,102.00 under the existing IESO-OFA Revolving $975M Credit Facility, it will instead use the $825,639,102.00 to fund a portion of the 'new' $1.05B advance under the $2B OFA-IESO FHP Credit Facility. As a result, for the Advance under $2B OFA-IESO FHP Credit Facility, the OFA will only transferring net amount of approximately $225 million (that is the difference between $1.05B and $825,639,102.00).

November 21, 2017 – The following transfers are to occur:

1) OFA to transfer to IESO total funds of approximately $227 million for the following:
(i) Existing IESO-OFA $975M Revolving Credit Facility for RRRP Program: amount of new advance proceeds of approximately $2 million;
(ii) $2B OFA-IESO FHP Credit Facility: amount of new advance of approximately $225 million.
2) IESO to transfer to OFA total funds for the following
(i) **Existing IESO-OFA $975M Revolving Credit Facility for RRRP Program**: accrued interest totalling $916,480.20 for (being $11,607.23 for RRRP and $904,809.97 for RPP).

November 21, 2017 - Anticipated end of day balances:

1) **Existing IESO-OFA $475M Revolving Credit Facility for RPP Program**: $12,649,081.37 advanced under the existing credit facility (with a new facility limit of $475M effective end of day);
2) **$2B OFA-IESO FHP Credit Facility**: Approximately $1.05 billion advanced under the FHP Credit Facility.

Best regards,

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INDEPENDENT ELECTRICITY SYSTEM OPERATOR

as Borrower

and

ONTARIO FINANCING AUTHORITY

as Lender

REVOLVING CREDIT FACILITY AGREEMENT

Date: November ___, 2017

REVOLVING CREDIT FACILITY AGREEMENT

THIS AGREEMENT is made as of the ____ day of November 2017,

BETWEEN:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, a statutory corporation without share capital existing under Part II of the *Electricity Act, 1998* (the "**IESO**") (as Borrower)

AND

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* (the "**OFA**" and together with the IESO, the "**Parties**") (as Lender)

RECITALS:

WHEREAS the IESO has requested a revolving credit facility for up to a maximum principal amount of $2 billion from the OFA for the purpose of supporting the IESO's role in the implementation and administration of the *Ontario Fair Hydro Plan Act, 2017*.

THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the Parties agree as follows:

ARTICLE 1

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"Advances" means advances made by the OFA to the IESO under Article 3 and "Advance" means any one of such advances, and in the case of an election by the IESO under Section 3.3, includes a "Continued Advance", as defined in Section 3.3(1), as applicable.

"Advances Outstanding" means, at any time, an amount equal to the aggregate principal amount of all Advances outstanding at such time.

"Agreement", "herein", "hereby", "hereor', "hereunder" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression "Article" or "Section" followed by a number means the specified Article or Section of this Agreement.

"Borrowing Notice" has the meaning specified in Section 3.2(1).

"Business Day" means any day that is not a day on which banks are generally authorized or required by law or executive order to be closed in the City of Toronto.

"**Clean Energy Adjustment"** has the same meaning as that term is defined in the OFHP.

"Commitment" means, at any time, an amount equal to $2 billion.

"Consolidated Assets" means, at any time, the book value of the assets of the IESO and the Subsidiaries, determined as of such time on a consolidated basis in accordance with GAAP.

"**Continued Advance"** has the meaning specified in Section 3.3(1).

"Credit Facility" means the revolving credit facility to be made available to the IESO by the OFA under this Agreement for the purposes specified in Section 2.2.

"**Current Repayment Date**" has the meaning specified in Section 3.3(2).

"Default" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"Dollars" or **"$**" means lawful currency of Canada.

"Election Notice" has the meaning specified in Section 3.3(2).

"Event of Default" has the meaning specified in Section 5.1.

"**First Advance**" has the meaning specified in Section 3.2(3).

"GAAP" means accounting policies and standards as established by the Chartered Professional Accountants of Canada, at the relevant time and applied on a consistent basis.

"Grid Note" has the meaning specified in Section 3.2(2).

"Indebtedness" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) every obligation of such Person for borrowed money;

(b) every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments;

(c) every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) every capital lease obligation of such Person;

(f) the Swap Termination Value of each Swap Contract of such Person; and

(g) every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"Lien" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"Material Subsidiary" means, at any time, a Subsidiary which has consolidated assets with a book value of more than $25 million determined in accordance with GAAP.

"**New Repayment Date**" has the meaning specified in Section 3.3(2).

"**OFHP**" means the *Ontario Fair Hydro Plan Act, 2017*,S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

"Permitted Liens" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) any obligations or duties, affecting the property of the IESO to any municipality or governmental, statutory or public authority, with respect to any franchise, grant, license

or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by the IESO or such Material Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by the IESO or such Material Subsidiary;

(d) any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) the right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) any undetermined or inchoate Liens and charges incidental to the current operations of the IESO or a Material Subsidiary that have not at the time been filed against the IESO or such Material Subsidiary; provided, however, that if any such Lien or charge shall have been filed, the IESO or such Material Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) any Lien the validity of which is being contested at the time by the IESO or a Material Subsidiary in good faith and the enforcement of which has been stayed;

(h) any easements, rights-of-way and servitudes that in the opinion of the IESO will not in the aggregate materially and adversely impair the use or value of the land for the purpose for which it is held or occupied by the IESO or a Material Subsidiary;

(i) any Liens and privileges arising out of judgments or awards with respect to which the IESO or a Material Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall have secured a stay of execution pending such appeal or proceedings for review;

(j) any other Liens of a nature similar to the foregoing which do not in the opinion of the IESO, acting reasonably, materially impair the use of the property subject thereto or the operation of the business of the IESO or any Material Subsidiary or the value of such property for the purpose of any such business; and

(k) any Lien arising from the IESO’s role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other

lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

"Person" means any individual, corporation, partnership joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"Purchase Money Mortgage" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or part of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"Repayment Date" means, in respect of the repayment of Advances, the repayment date contained in the most recent Borrowing Notice or Election Notice.

"Stated Maturity" when used with respect to any Indebtedness or any installment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such installment of interest is due and payable.

"Subsidiary" means:

(a) a corporation more than 50% of the voting power or the outstanding Voting Shares of which is owned, directly or indirectly, by the IESO or by one or more other Subsidiaries or by the IESO and one or more other Subsidiaries; or

(b) any Person (other than a corporation) in which the IESO, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

"Swap Contract" means any agreement whether or not in writing, relating to any transaction or derivative transaction including a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction currency swap, cross-currency rate swap, swaption, currency option or other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.

“Swap Termination Value” means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap contracts:

(a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and

(b) for any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.

“Voting Shares” of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings.

The division of this Agreement into Articles and Sections and the insertion of headings are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and vice versa and words importing gender may include any gender. In this Agreement, (a) the words "including" and "includes" mean "including (or includes) without limitation", and (b) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" each mean “to but excluding".

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with GAAP.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the next succeeding Business Day.

ARTICLE 2
REVOLVING CREDIT FACILITY

Section 2.1 Availability.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO. The OFA shall make each Advance in Dollars.

Section 2.2 Use of Proceeds.

The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the *Electricity Act, 1998*, as such regulation may be amended or replaced from time to time, subject to the condition that proceeds of Advances may be used only for IESO's financing needs and requirements of any kind arising in connection with the IESO's role with respect to and obligations under the OFHP.

Section 2.3 Credit Facility Limit.

The Advances Outstanding shall not at any time exceed the Commitment. The Credit Facility shall revolve and no payment under the Credit Facility shall reduce the Commitment.

Section 2.4 Mandatory Repayment.

Subject to Sections 2.5 and 5.2, the IESO shall repay each Advance together with the interest accrued thereon on the applicable Repayment Date, and, in any event, shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder on September 30, 2022.

Section 2.5 Prepayments.

The IESO is not entitled to prepay any part of the Advances Outstanding or the interest accrued thereon without the prior written consent of the OFA.

Section 2.6 Payments under this Agreement.

(1) The OFA shall make Advances to the IESO under this Agreement to or to the order of the IESO by wire transfer of immediately available funds in accordance with wire transfer instructions given by the IESO to the OFA from time to time, or in such other manner as the IESO may specify to the OFA from time to time.

(2) The IESO shall make any payment required hereunder to be made by it to the OFA, to or to the order of the OFA, by wire transfer of immediately available funds in accordance with wire transfer instruction given by the OFA to the IESO from time to time, or in such other manner as the OFA may specify to the IESO from time to time. The IESO shall make each such payment in Canadian Dollars.

Section 2.7 Computations of Interest.

(1) All computations of interest shall be made by the OFA taking into account the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest is payable on the basis of a year of 365 days or 366 days, as the case may be.

(2) For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Agreement for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

Section 2.8 Limit on Rate of Interest.

(1) Notwithstanding any provision contained in this Agreement, the IESO shall not be obliged to make any payments of interest or other amounts payable to the OFA hereunder in excess of the amount or rate which would be prohibited by applicable law or would result in the receipt by the OFA of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada)).

(2) In the event that any such payments are limited or prohibited as provided in Section 2.8(1), the OFA shall have no further obligation to make any Advances available hereunder and the Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, shall become immediately due and payable.

Section 2.9 Application of Payments.

All payments made by the IESO under this Agreement shall be applied firstly to the payment of interest payable to the OFA on late payments of principal or interest hereunder, secondly, to the payment of accrued and unpaid interest payable to the OFA hereunder and thirdly, to the payment of the outstanding principal amount of any Advances payable to the OFA.

ARTICLE 3
ADVANCES

Section 3.1 Advances.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO under the Credit Facility from time to time on any Business Day prior to September 23, 2022.

Section 3.2 Procedure for Advances.

(1) Subject to Section 3.3(5), each Advance shall be made subject to two Business Days' prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each notice of an Advance (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1, other than a Borrowing Notice that is included in an Election Notice as permitted by Section 3.3(3). Each Borrowing Notice shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance; (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall not be earlier than 5 days and not later than 95 days after the date of the requested Advance. Each Borrowing Notice shall also certify the use of proceeds of the Advance which shall in any case be in accordance with Section 2.2. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, the IESO shall execute and deliver to the OFA a grid promissory note in respect of Advances substantially in the form of Schedule 3 (the "**Grid Note**"). The IESO authorizes the OFA to record on the Grid Note (a) the date and amount of each Advance or Continued Advance; (b) the applicable rate of interest for each Advance or Continued Advance; (c) the Repayment Date of each Advance or Continued Advance; (d) the date and amount of each payment of interest and each payment of principal or portion thereof in respect of each Advance or Continued Advance; and (e) Advances Outstanding. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such Advances and repayments; provided that the failure of the OFA to record any amount, rate or date shall not affect the obligation of the IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement.

(3) Respecting the first Advance to be made under this Agreement (the "**First Advance**"), a specified portion thereof (the "**Repayment Amount**") shall be used to repay a portion of the IESO's outstanding indebtedness to the OFA under the credit agreement between the Parties dated January 1, 2005, as amended (the "**Existing Credit Facility**"). The amount of the Repayment Amount shall be detailed in the Borrowing Notice issued in respect of the First Advance. Concurrently with the First Advance, OFA shall provide to IESO an updated grid in respect of the grid note issued under the Existing Credit Facility evidencing the repayment of the Repayment Amount thereunder.

Section 3.3 Elections Regarding Advances.

(1) The IESO may elect to continue all or a portion of the principal amount of any Advance and any amount of interest on such Advance (together, the "**Continued Advance**") for a further period of at least 5 days and up to a maximum of 95 days beginning on the then current Repayment Date in accordance with Section 3.3(2).

(2) Each notice to continue an Advance for a further period (an "**Election Notice**") shall be provided by the IESO to the OFA at least two Business Days prior to the Repayment Date of the Advance (the "**Current Repayment Date**"), and in each case, not later than

10:00 a.m. (Toronto time). Each such Election Notice shall be given substantially in the form of Schedule 2 and shall be irrevocable and binding upon the IESO and shall specify: (a) the Current Repayment Date; (b) the new aggregate total amount of the proposed Continued Advance; (c) the amount of interest or principal, if any, to be paid or re-paid by the IESO with respect to such Advance on the Current Repayment Date; and (d) the new Repayment Date of the proposed Continued Advance, which shall be no earlier than 5 days and not later than 95 days after the current Repayment Date (the "**New Repayment Date"**). If the IESO fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date.

(3) An Election Notice with respect to a proposed Continued Advance may include a Borrowing Notice for a further Advance proposed to be made on the Current Repayment Date. The Repayment Date of such further Advance shall be the New Repayment Date of the Continued Advance that is specified in the Election Notice. Such Borrowing Notice shall be given substantially in the form of Schedule 2.

(4) The calculation of interest on a Continued Advance shall be determined in the same manner as an Advance under Section 3.4 and shall be recorded on the Grid Note in accordance with Section 3.2(2).

(5) Any portion of an Advance not continued for a further period in accordance with Section 3.3(2) shall be repayable on the applicable Repayment Date.

(6) The Credit Facility shall at all times rank *pari passu* with all other unsubordinated and unsecured Indebtedness of the IESO, subject to the existence of any Liens that secure Indebtedness, as permitted by subections 4.6 (a) through (e) hereof.

(7) All amounts owing in respect of the Advances shall be paid without exercising any right of set off or counterclaim by the IESO.

Section 3.4 Interest on Advances.

(1) The IESO shall pay interest on the unpaid principal amount of each Advance in accordance with this Section 3.4 from and including the date of such Advance until the principal amount of such Advance is repaid in full.

(2) Interest shall accrue on the principal amount of each Advance from and including the date of the Advance to but excluding the Repayment Date of such Advance, at an annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum, before as well as after the date such principal amount or interest thereon becomes due hereunder and both before and after Default and shall be payable on the Repayment Date for such Advance. Any amount of interest arising hereunder which is not paid when due shall bear interest at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment. The amount of interest payable on an Advance will be calculated by the

OFA by dividing the interest rate applicable to the Advance by 365 or 366, as the case may be, and multiplying the result by the principal amount of the Advance and further multiplying the result by the number of days in the period from the date of the Advance to the Repayment Date of the Advance.

(3) If the IESO elects to continue an Advance in accordance with Section 3.3(2), the OFA shall determine the interest rate applicable after the original Repayment Date of the Advance and endorse the said rate on the grid forming part of the Grid Note in respect of Advances held by it.

Section 3.5 Conditions Precedent

The obligation of the OFA to make the Advances to the IESO pursuant to Section 2.1 is subject to the following conditions being satisfied to the OFA's satisfaction at the time of making each Advance:

(a) that the representations and warranties of the IESO contained in this Agreement are true and correct as at the date of making the Advance;

(b) that no Event of Default has occurred and is continuing;

(c) that there shall, in the reasonable opinion of the OFA, have been no material adverse change in the financial condition of the IESO or a Material Subsidiary; and

(d) that the OFA has received such other documentation which it has reasonably requested to ensure that the IESO is in compliance with the terms and conditions of this Agreement, including certified true copies of any necessary resolutions, a written legal opinion from counsel to the IESO confirming that the borrowing is within the legal powers of the IESO and that the Agreement is a direct, unsecured obligation of the IESO enforceable against the IESO in form satisfactory to the OFA.

ARTICLE 4
COVENANTS OF THE IESO

Section 4.1 Repayment of Advances.

The IESO will duly and punctually pay all amounts owing under this Agreement in accordance with the terms and subject to the conditions of this Agreement.

Section 4.2 IESO will Maintain its Corporate Existence.

The IESO will at all times maintain its corporate existence.

Section 4.3 Maintenance of Properties.

The IESO will cause all property owned by the IESO or any Material Subsidiary to be maintained and kept in good condition, repair and working order, all as in the judgment of the IESO or any Material Subsidiary may be necessary for the proper operation of such property, except as and to the extent that the IESO or any Material Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 4.3 shall prevent the IESO or any Material Subsidiary from discontinuing the maintenance of any such property or decommissioning any such property if such discontinuance or decommissioning is, in the judgment of the IESO or any such Material Subsidiary, desirable in the conduct of its business or the business of any such Material Subsidiary, or has been directly or indirectly requested or required by the Province of Ontario.

Section 4.4 Insurance.

The IESO will cause all property owned by the IESO or any Material Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the mature and to the extent that such property is usually insured by companies operating similar businesses.

Section 4.5 Conduct of Business.

The IESO will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in accordance with good business practice.

Section 4.6 Negative Pledge.

The IESO will not, and will not permit any Material Subsidiary to, create, incur or assume any Lien, charging the interest of the IESO or any Material Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, all amounts owing under this Agreement are secured equally and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) the creation, incurrence or assumption of any Purchase Money Mortgage;

(b) the grant of any Lien in the normal course of business to any banks or financial institutions for present or future Indebtedness of the IESO or any Material Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) any extension, renewal or replacement of any of the Liens referred to in Sections 4.6(a), (b) or (c), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased; and

(e) any Lien charging the interest of the IESO or any Material Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 4.6(a), (b) or (c), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 4.6(e) which is outstanding at such time does not exceed 10% of Consolidated Assets at such time.

Section 4.7 Payment of OFA Expenses

In addition to any liability of the IESO to the OFA under any other provision of this Agreement, the IESO will, on demand, reimburse and indemnify OFA for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OFA in connection with the Agreement (including those services incurred in the preservation of rights under or enforcement of this Agreement at any time during the continuance of a Default or Event of Default and for any reasonable loss or expense incurred by OFA as a result of any failure by the IESO to fulfill any of its obligations under this Agreement). All such costs, charges and expenses shall bear interest at the Province of Ontario's cost of funds plus 0.25 percent per annum (as determined by the OFA) calculated and payable monthly not in advance from in each case from the date on which the OFA incurs the cost, charge or expense until the date on which the IESO reimbursement the OFA therefor. The OFA agrees, acting reasonably, to invoice the IESO for any such costs, charges and expense as they are incurred, together with interest at the aforesaid rate (with interest on overdue interest).

Section 4.8 Reporting.

The IESO will promptly provide to the OFA any reports or supporting documents that the OFA may request from time to time.

Section 4.9 Late Repayment of Advance.

In the event that the IESO fails to repay the principal amount of any Advance and all interest accrued thereon when due, the IESO shall pay interest on the unpaid amount of such Advance at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment.

ARTICLE 5
EVENTS OF DEFAULT AND REMEDIES

Section 5.1 Event of Default.

Wherever used in this Agreement, the term "Event of Default" means any of the following:

(a) the IESO's failure to pay any interest upon any Advance when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) failure to pay the principal amount of any Advance on the applicable Repayment Date or the Advances Outstanding, all interest accrued thereon and all other amounts owing under this Agreement on September 30, 2022;

(c) failure on the part of the IESO to observe or perform its obligations set forth in Section 4.1;

(d) failure on the part of the IESO to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 20 days after the date on which written notice of such failure shall have been given to the IESO by the OFA;

(e) any representation or warranty made by the IESO in this Agreement or in any certificate or other document at any time delivered hereunder to the OFA was incorrect or misleading in any material respect;

(f) one or more breaches by the IESO of its covenants under one or more evidences of Indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $5 million, which breaches:

(i) constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist, or

(ii) have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived or rescinded);

(g) the IESO or any Material Subsidiary:

(i) becomes unable to meet its obligations as they generally become due or has ceased paying its current obligations in the ordinary course of business as they generally become due;

(ii) admits in writing its inability to pay its debts generally or makes a general assignment for the benefit its creditors or files a proposal or other scheme

of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) institutes or has instituted against it any proceeding seeking:

(A) to adjudicate it as bankrupt or insolvent,

(B) liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors, or

(C) the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets,

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismissed or unstayed for a period of 30 days, or any remedy sought in any such proceeding (including the entry of order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

(iv) takes any corporate action to authorize any of the actions in Sections 5.l (g)(i) to (iii); or

(h) if there shall be rendered against the IESO or any Material Subsidiary a final judgment or judgments for the payment of money in an aggregate amount in excess of $5 million by a court or courts of competent jurisdiction, and the IESO or any Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 5.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case the OFA may at its option, in addition to any other remedy available to the OFA at law, by written notice to the IESO, take any or all of the following actions:

(a) suspend the right of the IESO to request any further Advance until the Event of Default has been cured to the OFA's satisfaction or, if the Event of Default is not

cured within three (3) Business Days after the date on which written notice of such Event of Default shall have been given to the IESO by the OFA, declare all amounts owing hereunder including all interest accrued to be due and payable immediately, by a notice in writing to the IESO, and upon any such declaration all such amounts shall become immediately due and payable.

(b) invoke the Intercept pursuant to section 5.7 of this Agreement to require payment of any amount due and payable under this Agreement.

Section 5.3 Suits for Enforcement by the OFA.

If an Event of Default occurs and is continuing, the OFA may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in the OFA by this Agreement or by law.

Section 5.4 OFA May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of the IESO under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property of the IESO, or if any other judicial proceedings relative to the IESO, its creditors or its property are pending, the OFA shall be entitled and empowered, by intention in such proceeding or otherwise:

(a) to file and prove a claim for all amounts owing under this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of the OFA (including any claim for fees and disbursements of the OFA, its agents and counsel) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claim.

Section 5.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to the OFA is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.6 Delay or Omission not Waiver.

No delay or omission of the OFA to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right or remedy given by this Article 5 or by law to OFA may be exercised from time to time, and as often as may be deemed expedient, by the OFA.

Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of even date herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the *Capital Investment Plan Act, 1993* (the "**Intercept Letter**"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("**Appropriated Funds**"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("**Intercept**").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

(e) The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or

inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail.

ARTICLE 6
REPRESENTATIONS AND WARRANTIES OF IESO

Section 6.1 Representations and Warranties of IESO

The IESO represents and warrants to the OFA that:

(a) the borrowing of money (including principal and accrued interest) by the IESO and the execution, delivery and performance of this Agreement are within the powers and capacities of the IESO and have been duly authorized by all necessary legal action and proper proceedings;

(b) the execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the compliance with the terms and conditions of this Agreement will not conflict with or result in a breach of any of the terms or provisions of the constituting documents or by-laws of the IESO, laws of Ontario, including laws of Canada applicable therein, applicable to the IESO or any contractual or other obligation binding on the IESO;

(c) this Agreement will, when executed and delivered, constitute the legal, valid and binding obligation of the IESO enforceable against it in accordance with its terms; and

(d) the monies advanced under this Agreement shall be used only by the IESO for the purposes set out in Section 2.2.

Section 6.2 Continuation of Representation and Warranties

The representations and warranties set out in Section 6.1 herein shall survive the execution and delivery of this Agreement, the making of each Advance by the OFA, notwithstanding any investigations or examinations which may be made by counsel for the OFA.

ARTICLE 7
GENERAL

Section 7.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy or other means of electronic communication addressed:

If to the IESO, to it at:

Independent Electricity System Operator
120 Adelaide Street West, Suite 1600
Toronto, ON M5H 1T1

Attention: Chief Financial Officer
Telephone: (416)969-6232
Facsimile: (905)403-6913

If to the OFA, to it at:

Ontario Financing Authority 1 Dundas Street West
Suite 1400 Toronto, Ontario M7A 1Y7

Attention: Executive Director & Chief Investment Officer – Capital Markets Division
Telephone: (416)325-8930
Facsimile: (416)860-8346

provided that any Borrowing Notice or Election Notice shall be addressed as indicated on Schedule 1 or Schedule 2 respectively.

Any communication hereunder shall be deemed to have been validly and effectively given if (a) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p.m. (Toronto time), otherwise on the next Business Day, (b) transmitted by facsimile or other means of electronic communication, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice give in accordance with this Section 7.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 7.1.

Section 7.2 Successors and Assigns.

This Agreement shall be binding on and enure to the benefit of the OFA and the IESO and their respective successors and permitted assigns, except that the IESO shall not, without the

prior written consent of the OFA assign, pledge or hypothecate any rights or obligations with respect to this Agreement.

Section 7.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of the Parties.

Section 7.4 Waiver.

(1) No waiver of any provisions of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) of this Agreement nor shall such waiver be binding unless executed in writing by the party to be bound by the waiver.

(2) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude another or further exercise of such right or the exercise of any other right.

Section 7.5 Further Assurances.

Each of the IESO and the OFA shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement

Section 7.6 Severability.

In case any provision in this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement shall not in any way be affected or impaired thereby.

Section 7.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 7.8 Entire Agreement.

This Agreement, including the schedules hereto and any other agreements expressly referred to herein, constitutes the whole agreement between the Parties with respect to the matters dealt with in it, and it supersedes any prior agreement, undertakings, discussions and the like respecting the matters dealt with in this Agreement and entered into by the Parties before the date the OFA signs this Agreement.

Section 7.9 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Agreement.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first written above.

ONTARIO FINANCING AUTHORITY

Per: _____

Name: Gadi Mayman
Title: Chief Executive Officer

I have authority to bind the corporation.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; Treasurer

I have authority to bind the corporation.

SCHEDULE 1

FORM OF BORROWING NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The principal amount of the Proposed Advance is $_____;
(c) The Repayment Date of the Proposed Advance is _____. [Not earlier than 5 days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:

Authorized Signatory

SCHEDULE 2

FORM OF ELECTION NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is _____.

(b) The aggregate amount of the proposed Continued Advance is $_____, which is comprised of:

i. principal amount (or portion thereof) of Advance which is to be continued $_____; and
ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date $_____;

(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): $ _____

(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _____. [Insert date not earlier than 5 days and not later than 95 days after the current Repayment Date for the Advance.]

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: $_____
The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Name:

Authorized Signatory

SCHEDULE 3 – FORM OF GRID NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $2,000,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR (the "**IESO**"), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY** ("**OFA**") at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement (as defined below).

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the Revolving Credit Facility Agreement dated **[INSERT DATE]** as amended, supplemented or restated from time to time, between the Borrower and the OFA (the "Agreement"). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:
Authorized Signatory

Revolving Credit Facility Grid Note

Ontario Financing Authority
Line of Credit Grid Note

Entity : **Independent Electricity System Operator**
Loan Limit:

Project:
Schedule of loan transactions to:
Loan Advanced to:

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days

ONTARIO POWER AUTHORITY

as Borrower

and

ONTARIO FINANCING AUTHORITY

as Lender

CREDIT AGREEMENT

THIS AGREEMENT is made as of the 1st day of January 2005, between:

A. **ONTARIO POWER AUTHORITY a corporation established under the *Electricity Act, 1998*** (the "**OPA**")

B. **ONTARIO FINANCING AUTHORITY a Crown agency established under the *Capital Investment Plan Act, 1993*** (the "**OFA**").

RECITAL:

The OPA has requested an operating line of credit from the OFA in the amount of $500 million and the OFA has agreed to provide such a line of credit to the OPA.

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the parties agree as follows:

ARTICLE 1

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"Advances" means advances made by the OFA to the OPA under Article 3 and **"Advance"** means any one of such advances.

"Advances Outstanding" means, at any time, an amount equal to the aggregate principal amount of all Advances outstanding at such time.

"Agreement", "herein", "hereby", "hereof", "hereunder" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; an the expression **"Article"** or **"Section"** followed by a number means the specified Article or Section of this Agreement.

"Borrowing Notice" has the meaning specified in Section 3.2.

"Business Day" means any day that is not a day on which banks are generally authorized or required by law or executive order to be closed in the City of Toronto.

"Dollars" or "$" means lawful currency of Canada.

"Commitment" means, at any time, an amount equal to $500 million.

"Consolidated Assets" means, at any time, the book value of the assets of the OPA, determined as of such time on a consolidated basis in accordance with generally accepted accounting principles.

"default" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"Election Notice" has the meaning specified in Section 3.3(2).

"Event of Default" has the meaning specified in Section 5.1.

"Indebtedness" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) every obligation of such Person for borrowed money;

(b) every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments;

(c) every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) every capital lease obligation of such Person; and

(f) every obligation of the type referred to in paragraphs (a) through (e) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"Lien" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"Operating Facility" means the revolving credit facility to be made available to the OPA by the OFA under this Agreement for the purposes specified in Section 2.3.

"Permitted Liens" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) any obligations or duties, affecting the property of OPA to any municipality or governmental, statutory or public authority, with respect to any franchise, grant, license or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by the OPA under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which the are held by the OPA;

(d) any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) the right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) any undetermined or inchoate Liens and charges incidental to the current operations of the OPA that have not at the time been filed against the OPA; provided, however, that if any such Lien or charge shall have been filed, the OPA shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) any Lien the validity of which is being contested at the time by the OPA in good faith and the enforcement of which has been stayed;

(h) any easements, rights-of-way and servitudes that in the opinion of the OPA will not in the aggregate materially and adversely impair the use or value of the land for the purpose for which it is held or occupied by the OPA;

(i) any Liens and privileges arising out of judgments or awards with respect to which the OPA shall be prosecuting an appeal or proceedings for review and with respect to which it shall have secured a stay of execution pending such appeal or proceedings for review; and

(j) any other Liens of a nature similar to the foregoing which do not in the opinion of the OPA, acting reasonably, material impair the use of the property subject thereto or the operation of the business of the OPA or the value of such property for the purpose of any such business.

"Person" means any individual, corporation, partnership joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"Purchase Money Mortgage" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or par of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"Repayment Date" means, in respect of the repayment of Advances, the repayment date contained in the most recent Borrowing Notice or Election Notice.

"Stated Maturity" when used with respect to any Indebtedness or any installment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such installment of interest is due and payable.

Section 1.2 Effect of Headings and Table of Contents.

The division of this Agreement into Articles and Sections the insertion of headings and the provision of a Table of Contents are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and vice versa and words importing gender may include any gender. In this Agreement, (a) the words **"including"** and **"includes"** mean "including (or includes) without limitation", and (b) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" excluding".

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with generally accepted accounting principles. Generally accepted accounting principles refer to accounting principles generally accepted in Canada as recommended in the Handbook of the Canadian Institute of Chartered Accountants at the relevant time applied on a consistent basis.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the next succeeding Business Day.

ARTICLE 2

OPERATING FACILITY

Section 2.1 Availability

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the OPA. The OFA shall make each Advance in Canadian Dollars.

Section 2.2 Commitment and Facility Limits.

The Advances Outstanding to the OPA under the Operating Facility shall not at any time exceed the Commitment. The Operating Facility shall revolve and no payment under the Operating Facility shall reduce the Commitment.

Section 2.3 Use of Proceeds.

The OPA shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 423/04 made under the *Electricity Act, 1998.*

Section 2.4 Mandatory Repayment.

Subject to Sections 2.9 and 5.1, the OPA shall repay each Advance on the applicable Repayment Date and, in any event, shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder on December 31, 2006.

Section 2.5 Prepayments.

The OPA is not entitled to prepay any part of the Advances Outstanding or the interest accrued thereon without the prior written consent of the OFA.

Section 2.7 Payments under this Agreement.

(1) The OPA shall make any payment required hereunder to be made by it to the OFA, to or to the order of the OFA, by wire transfer of immediately available funds in accordance with wire transfer instruction given by the OFA to the OPA from time to time, or in such other manner as the OFA may specify to the OPA from time to time. The OPA shall make each such payment in Canadian Dollars.

(2) The OFA shall make Advances to the OPA under this Agreement to or to the order of the OPA by wire transfer of immediately available funds in accordance with wire transfer instructions given by the OPA to the OFA from time to time, or in such other manner as the OPA may specify to the OFA from time to time.

Section 2.8 Computations of Interest.

(1) All computations of interest shall be made by the OFA taking into account the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest is payable on the basis of a year of 365 days or 366 days, as the case may be.

(2) For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Agreement for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding in the next calendar year and the denominator of which is the actual number of days in such period.

Section 2.9 Limit on Rate of Interest.

(1) Notwithstanding any provision contained in this Agreement, the OPA shall not be obliged to make any payments of interest or other amounts payable to the OFA hereunder in excess of the amount or rate which would be prohibited by applicable law or would result in the receipt by the OFA of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada)).

(2) In the event that any such payments are limited or prohibited as provided in Section 2.9(1), the OFA shall have no further obligation to make any Advances available hereunder and the Advances Outstanding, together will all accrued interest and all other amounts owing hereunder, shall become immediately due and payable.

ARTICLE 3

ADVANCES

Section 3.1 Advances.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the OPA under the Operating Facility from time to time on any Business Day prior to November 30, 2006.

Section 3.2 Procedure for Advances.

(1) Subject to Section 3.3(3), each Advance shall be made on one Business Day's prior notice given not later than 10:00 a.m. (Toronto time) by the OPA to the OFA. Each notice of an Advance (a **"Borrowing Notice"**) shall be substantially in the form of Schedule 1, shall be irrevocable and binding on the OPA and shall specify (a) the requested date of the Advance, and (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall be not later than 1 month, 2 months or 3 months after the requested date of the Advance. The OFA will make the principal amount of each Advance available to the OPA in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, the OPA shall execute and deliver to the OFA a grid promissory note in respect of Advances substantially in the form of Schedule 3. The OPA authorizes the OFA to record on the grid promissory note (a) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (b) the applicable rate of interest for each Advance; (c) the Repayment Date of each Advance; (d) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (e) the outstanding principal amount of the grid promissory note. Such notations, in the absence of manifest error, shall be prima facie evidence of the such advances and repayments; provided that the failure of the OFA to record any amount, rate or date shall not affect the obligation of the OPA to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement.

Section 3.3 Elections Regarding Advances.

(1) The OPA may elect to continue all or a portion of the principal amount of any Advance for a further period of 1 month, 2 months or 3 months beginning on the then current Repayment Date in accordance with Section 3.3(2).

(2) Each election to continue an Advance for a further period shall be made one Business Day's prior notice given, in each case, not later than 10:00 a.m. (Toronto time) by the OPA to the OFA. Each such notice (an **"Election Notice"**) shall be given substantially in the form of Schedule 2 and shall be irrevocable and binding upon the OPA. If the OPA fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date.

(3) Any portion of an Advance not continued for a further period in accordance with Section 3.3(2) shall be repayable on the applicable Repayment Date.

Section 3.4 Interest on Advances.

(1) The OPA shall pay interest on the unpaid principal amount of each Advance in accordance with this Section 3.4 from and including the date of such Advance until the principal amount of such Advance is repaid in full.

(2) Interest shall accrue on the principal amount of each Advance from and including the date of the Advance to but excluding the Repayment Date of such Advance, at an annual rate equal to the Province's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum, before as well as after the date such principal amount or interest thereon becomes due hereunder and both before and after default and shall be payable on the Repayment Date for such Advance. Any amount of interest arising hereunder which is not paid when due shall bear interest at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment. The amount of interest payable on an Advance will be calculated by the OFA by dividing the interest rate applicable to the Advance by 365 or 366, as the case may be, and multiplying the result by the principal amount of the Advance and further multiplying the result by the number of days in the period from the date of the Advance to the Repayment Date of the Advance.

(3) If the OPA elects to continue an Advance in accordance with Section 3.3(2), the Province shall determine the interest rate applicable after the original Repayment Date of the Advance and endorse the said rate on the grid forming part of the OPA promissory note in respect of Advances held by it.

Section 3.5 Conditions Precedent

The obligation of the OFA to make the Advances pursuant to Section 2.1 is subject to the following conditions being satisfied to the OFA's satisfaction at the time of making each Advance:

(a) that the representations and warranties of the OPA contained in this Agreement are true and correct as at the date of making the Advance;

(b) that no Event of Default has occurred and is continuing;

(c) that there shall, in the reasonable opinion of the OFA, have been no material adverse change in the financial condition of the OPA; and

(d) that the OFA has received such other documentation which it has reasonably requested to ensure that the OPA is in compliance with the terms and conditions of this Agreement, including certified true copies of any necessary resolutions, a written legal opinion from counsel to the OPA confirming that the borrowing is within the legal powers of the OPA and that the Agreement is a direct, unsecured obligation of the OPA enforceable against the OPA in form satisfactory to the OFA.

ARTICLE 4

COVENANTS OF THE OPA

Section 4.1 Payment of Advances.

The OPA will duly and punctually pay or cause to be paid all amounts owing under this Agreement in accordance with the terms and subject to the conditions of this Agreement.

Section 4.2 OPA will Maintain its Corporate Existence.

The OPA will at all times maintain its corporate existence.

Section 4.3 Maintenance of Properties.

The OPA will cause all property owned by the OPA to be maintained and kept in good condition, repair an working order, all as in the judgment of the OPA may be necessary for the proper operation of such property, except as and to the extent that the OPA may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 4.3 shall prevent the OPA from discontinuing the maintenance of any such property or decommissioning any such property if such discontinuance or decommissioning is, in the judgment of the OPA , desirable in the conduct of its business.

Section 4.4 Insurance.

The OPA will cause all property owned by the OPA which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the mature and to the extent that such property is usually insured by companies operating similar businesses.

Section 4.5 Conduct of Business.

The OPA will carry on and conduct their respective businesses in a proper, efficient and business-like manner and in accordance with good business practice.

Section 4.6 Negative Pledge.

The OPA will not create, incur or assume any Lien, charging the interest of the OPA in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, all amounts owing under this Agreement are secured equally and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) the creation, incurrence or assumption of any Purchase Money Mortgage;

(b) the grant of any Lien in the normal course of business to any banks or financial institutions for present or future indebtedness of the OPA to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) any extension, renewal or replacement of any of the Liens referred to in Sections 4.6(a), (b) or (c), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased; and

(e) any Lien charging the interest of the OPA in any property to secure any Indebtedness, other than any Lien referred to in Sections 4.6(a), (b) or (c), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 4.6(e) which is outstanding at such time does not exceed 10% of Consolidated Assets at such time.

Section 4.7 Payment of OFA Expenses

The OPA will, on demand, reimburse and indemnify OFA for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OFA in connection with the Services (including those incurred in the preservation of rights under or enforcement of this Agreement at any time during the continuance of a default or Event of Default and for any reasonable loss or expense incurred by OFA as a result of any failure by the OPA to fulfill any of its obligations under this Agreement). All such costs, charges and expenses shall bear interest at the Province's cost of funds plus 0.25 percent per annum (as determined by the OFA) calculated and payable monthly not in advance from in each case from the date on which the OFA incurs the cost, charge or expense until the date on which the OPA reimbursement the OFA therefor. The OFA agrees, acting reasonably, to invoice the OPA for any such costs, charges and expense as they are incurred, together with interest at the aforesaid rate (with interest on overdue interest).

ARTICLE 5

EVENTS OF DEFAULT AND REMEDIES

Section 5.1 Event of Default.

Wherever used in this Agreement, the term **"Event of Default"** means any of the following:

(a) failure to pay any interest upon any Advance when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) failure to pay the principal amount of any Advance on the applicable Repayment Date or the Advances Outstanding, all interest accrued thereon and all other amounts owing under this Agreement on December 31, 2006;

(c) failure on the part of the OPA to observe or perform its obligations set forth in Section 4.1;

(e) failure on the part of the OPA to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 20 days after the date on which written notice of such failure shall have been given to the OPA by OFA;

(f) any representation or warranty made by the OPA in this Agreement or in any certificate or other document at any time delivered hereunder to the OFA was incorrect or misleading in any material respect;

(g) one or more breaches by the OPA of its covenants under one or more evidences of indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $5 million, which breaches:

(i) constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist, or

(ii) have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waive or rescinded);

(h) the OPA:

(i) becomes generally not able to pay its debts as they become due;

(ii) admits in writing its inability to pay its debts generally or makes a general assignment for the benefit its creditors or files a proposal or other scheme *of* arrangement involving the rescheduling or composition *of* its Indebtedness;

(iii) institutes or has instituted against it any proceeding seeking:

(A) to adjudicate it a bankrupt or insolvent,

(B) liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy / insolvency / reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors, or

(C) the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets,

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismisssed or unstayed for a period of 30 days, or any remedy sought in any such proceeding (including the entry of order for relief against it or the appointment of a receiver, trustee, custodian or other similar

official for it or for any substantial part of its properties and assets) occurs; or

(iv) takes any corporate action to authorize any of the actions in Sections 5.1(h)(i) to (iii); or

(i) if there shall be rendered against the OPA a final judgment or judgments for the payment of money in an aggregate amount in excess of $5 million by a court or courts of competent jurisdiction, and the OPA shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 5.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case the OFA may declare all amounts owing hereunder to be due and payable immediately, by a notice in writing to the OPA, and upon any such declaration all such amounts shall become immediately due and payable.

Section 5.3 Suits for Enforcement by OFA.

If an Event of Default occurs and is continuing, the OFA may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in the OFA by this Agreement or by law.

Section 5.4 OFA May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of the OPA under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property of the OPA, or if any other judicial proceedings relative to the OPA, its creditors or its property are pending, the OFA shall be entitled and empowered, by intention in such proceeding or otherwise:

(a) to file and prove a claim for all amounts owing und this Agreement and to file such other papers or documents as ma be necessary or advisable in order to have the claims of the OFA (including any claim for fees and disbursements of the OFA, its agents and counsel) allowed in such judicial proceeding; and

(b) to collect and receive any moneys or other property payable or deliverable on any such claim.

Section 5.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to the OFA is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.6 Delay or Omission not Waiver.

No delay or omission of the OFA to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right or remedy given by this Article 5 or by law to OFA may be exercised from time to time, and as often as may be deemed expedient, by the OFA.

ARTICLE 6

REPRESENTATIONS AND WARRANTIES OF OPA

Section 6.1 Representations and Warranties of OPA

The OPA represents and warrants to the OFA that:

(a) the borrowing of money (including principal and accrued interest) by the OPA and the execution, delivery and performance of this Agreement are within the powers and capacities of the OPA and have been duly authorized by all necessary legal action and proper proceedings;

(b) the execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the compliance with the terms and conditions of this Agreement will not conflict with or result in a breach of any of the terms or provisions of the constituting documents or by-laws of the OPA, laws of Ontario, including laws of Canada applicable therein, applicable to the OPA or any contractual or other obligation binding on the OPA;

(c) this Agreement will, when executed and delivered, constitute the legal, valid and binding obligation of the OPA enforceable against it in accordance with its terms; and

(d) the monies advanced under this Agreement shall be used only by the OPA for the purposes set out in Section 2.3.

Section 6.2 Continuation of Representation and Warranties

The representations and warranties set out in Section 6.1 herein shall survive the execution and delivery of this Agreement, the making of each advance by the OFA, notwithstanding any investigations or examinations which may be made by counsel for the OFA.

ARTICLE 7

GENERAL

Section 7.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy or other means of electronic communication addressed:

If to the OPA, to it at:

Ontario Power Authority
880 Bay Street
3rd Floor
Toronto, ON M7A 2C

Attention: Chief Executive Officer
Telephone:
Telecopier:

If to OFA, to it at:

Ontario Financing Authority
1 Dundas Street West
Suite 1400
Toronto, Ontario
M7AIY7

Attention: Executive Director -Capital Markets Division
Telephone: (416) 325-8128
Telecopier: (416) 325-8005

provided that any Borrowing Notice or Election Notice shall be addressed as indicated on Schedule 1 or Schedule 2 respectively.

Any communication hereunder shall be deemed to have been validly and effectively given if (a) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p. m (Toronto time), otherwise on the next Business Day, (b) transmitted by telecopier other means of electronic communication, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice give in accordance with this Section 7.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 7.1.

Section 7.2 Successors and Assigns.

This Agreement shall be binding on and enure to the benefit of the OFA and the OPA and their respective successors and permitted assigns, except that the OPA shall not, without the prior written consent of the OFA assign, pledge or hypothecate any rights or obligations with respect to this Agreement.

Section 7.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of the OFA and the OPA.

Section 7.4 Waiver.

(1) No waiver of any provisions of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) or this Agreement nor shall such waiver be binding unless executed in writing y the party to be bound by the waiver.

(2) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude an other or further exercise of such right or the exercise of any other right.

Section 7.5 Further Assurances.

Each of the OPA and the OFA shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement.

Section 7.6 Severability.

In case any provision in this Agreement shall be in valid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement shall not in any way be affected or impaired thereby.

Section 7.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 7.8 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF the parties have executed this Agreement as of the 1st day of January, 2005.

ONTARIO POWER AUTHORITY

by: _____
Name: Rosalyn Lawrence
Authorized Signing Officer

and: _____
Name: Rick Jennings
Authorized Signing Officer

ONTARIO FINANCING AUTHORITY

by: _____

Name: Gadi Mayman
Title: Chief Executive Officer

SCHEDULE 1
FORM OF BORROWING NOTICE

Via Telecopier: (416)

Ontario Financing Authority **("OFA")**
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A1Y7

Attention: Cash Management

Dear Sirs:

The undersigned, Ontario Power Authority, refer to the credit agreement dated [Insert] (as amended, supplemented or restated from time to time, the **"Agreement"**, the terms defined therein being used herein as therein defined) between the OPA and the OFA, and gives you notice pursuant to Section 3.2 of the Agreement that the OPA requests an Advance under the Agreement, and, in that connection, sets forth below the information relating such Advance (the **"Proposed Advance"**) as required by Section 3.2 of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The aggregate amount of the Proposed Advance is _____;
(c) The Repayment Date of the Proposed Advance is _____; [not more than 3 months after the date of the Proposed Advance]

Yours truly,

ONTARIO POWER AUTHORITY

Per: _____
Rosalyn Lawrence
Authorized Signatory

Per: _____
Rick Jennings
Authorized Signatory

*To be confirmed by telephone call to OFA Cash Management (416) 325-8108.

SCHEDULE 2

FORM OF ELECTION NOTICE

Via Telecopier: (416)

Ontario Financing Authority ("**OFA**")
1 Dundas Street West
Suite 1400
Toronto, Ontario
M7A 1Y7

Attention: Cash Management

Dear Sirs:

The undersigned, Ontario Power Authority, refer to the credit agreement dated [Insert] (as amended, supplemented or restated from time to time, the "**Agreement**", the terms defined therein being used herein as therein defined) between the OPA and OFA, and gives you notice pursuant to Section 3.3 of the Agreement that the OPA elects to continue all or a portion of an Advance for an additional term and, in that connection, sets forth below the information relating to the election as required by Section 3.3(3) of the Agreement:

(a) The outstanding principal amount of such Advance to be continued is $_____;

(b) The new Repayment Date applicable to such Advance is _____; [not more than 3 months after the current Repayment Date for the Advance.

Yours truly,

ONTARIO POWER AUTHORITY

Per: _____
Rosalyn Lawrence
Authorized Signatory

Per: _____
Rick Jennings
Authorized Signatory

*To be confirmed by telephone call to OFA Cash Management (416) 325-8108

SCHEDULE 3

ONTARIO POWER AUTHORITY

GRID NOTE

Principal Amount: Up to $500,000,000 Date: _____

FOR VALUE RECEIVED, ONTARIO POWER AUTHORITY (the **"OPA"**), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY ("OFA")** at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the OPA, all as recorded by the OFA on the grid (the **"Grid"**) attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Credit Agreement (as defined below).

OFA shall and is unconditionally and absolutely authorized and directed by the OPA to record on the Grid (a) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (b) the applicable rate of interest for each Advance; (c) the repayment date of each Advance; (d) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (e) the outstanding principal balance. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Credit Agreement dated as of [Insert] between the Borrower and the OFA (the **"Credit Agreement"**). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Credit Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Credit Agreement. This Note is not transferable or negotiable without the prior written consent of the OPA. The OPA hereby waives presentment for payment, demand, protest, notice of dishonour and notice of non-payment.

This Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the OPA has executed this Note.

ONTARIO POWER AUTHORITY

Per: _____
Rosalyn Lawrence
Authorized Signatory

Per: _____
Rick Jennings
Authorized Signatory

DATE	PRINCIPAL ADVANCED	RATE	REPAYMENT DATE AND PRINCIPAL REPAID	INTEREST PAYMENT DATE AND AMOUNT	UNPAID PRINCIPAL BALANCE	NOTATION MADE BY

ONTARIO POWER AUTHORITY

175 Bloor Street East, North Tower, Suite 606, Toronto, Ontario M4W 3R8

February 14, 2005

Mr. Gadi Mayman
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto On M7A 1Y7

Dear Sir:

Re: Modification to Clause 4.7 of OPA Credit Facility – Substituting "Agreement" for "Services"

I write with respect to clause 4.7 of the Credit Agreement (the "Agreement") made between the Ontario Power Authority (the "OPA") and the Ontario Financing Authority (the "OFA"), dated January 1, 2005, and the requirement that the language contained therein be modified to better reflect the true intent of the parties to the Agreement.

By evidence of the signatures of the two parties to that Agreement on the face of this letter, the parties hereby consent and agree to amend clause 4.7 on page 12 of the Agreement by substituting the word "Agreement" for the word "Services" in the third line of that clause.

By their signatures the parties further agree that this letter shall be the sole notification to each and every party of the above-noted change and that such change shall take effect as of the date of that Agreement.

Sincerely,

Jan Carr
Chief Executive Officer
Ontario Power Authority

Rosalyn Lawrence
Director, Ontario Power Authority

Gadi Mayman
Chief Executive Officer,
Ontario Financing Authority

AMENDING AGREEMENT NO. 2 TO NOTE AGREEMENT

THIS AGREEMENT is made as of April 23, 2009 between:

A. INDEPENDENT ELECTRICITY SYSTEM OPERATOR, (the "Company")

B. ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")

RECITALS:

1. Pursuant to section 116 of the *Electricity Act, 1998*, the Lieutenant Governor in Council made an order ("Transfer Order") transferring certain officers, employees, assets, liabilities, rights and obligations of Ontario Hydro to the Company;

2. Pursuant to the Transfer Order, the Company and OEFC entered into an agreement dated April 1, 1999 ("Note Agreement") under which the Company issued a note in the amount of $70.3 million ("Initial Note") to OEFC in partial payment for the assets and rights described above;

3. The Company and OEFC entered into an amending agreement dated March 23, 2000 (which together with the Note Agreement is referred to in this amending agreement as the "Amended Note Agreement") to provide for the issuance of a new note ("Existing Note") in the amount of $78.2 million in replacement for the Initial Note;

4. The Company was continued under the name Independent Electricity System Operator pursuant to subsection 4(1) of the Electricity Act, 1998 effective January 1, 2005;

5. The Minister of Finance has directed OEFC to extend the term of the loan from May 1, 2009 to May 1, 2011.

6. The parties wish to further amend the Amended Note Agreement.

NOW THEREFORE, in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the parties agree as follows:

1. **Defined Terms.**
Capitalized terms used in this amending agreement and not otherwise defined herein have the meanings specified in the Amended Note Agreement;

2. **Amendment to Article 2 of the Amended Note Agreement.**

The following sections are added after Section 2.6.

2.7 **Refinancing Note**

On May 1, 2009, the Company shall execute and deliver to OEFC a grid promissory note in the form attached as Schedule 2.7 (the "Refinancing Note") which shall be in an aggregate principal amount equal to $78.2 million, dated as of May 1, 2009 and maturing on May 1, 2011 and bearing interest at a per annum rate equal to the yield earned on ninety day Province of Ontario treasury bills as determined by the OEFC, plus 25 basis points (after as well as before default or judgment, with interest on the amounts in default at the same rate). Upon receipt of the Refinancing Note by OEFC, the Existing Note shall be of no further force or effect and shall be returned by OEFC to the Company marked "cancelled".

2.8 **Interest on Refinancing Note**

From May 1, 2009 to April 30, 2011, interest on the Refinancing Note at the rate specified in Section 2.7 shall accrue daily and shall be payable in quarterly installments on February 1, May 1, August 1 and November 1 in each year (each an "Interest Payment Date"), with the first such payment for the Refinancing Note to be made for the period from and including May 1, 2009 to but excluding August 1, 2009.

The interest rate on the Refinancing Note shall be reset automatically by the OEFC on the first business day of each quarter from and including May 1, 2009, to but excluding May 1, 2011 (each, an "Interest Reset Date"), at the interest rate equal to the yield earned on ninety-day Province of Ontario treasury bills on each Interest Reset Date as determined by the OEFC, plus 25 basis points

OEFC will provide the Company with written notice by email of the interest rate, date of interest payment and the interest payment amount due, as soon as possible after its determination, but in no event later than five business days following each Interest Reset Date.

For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Refinancing Note for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

2.9 Prepayment on Refinancing Note

The Company may, prepay all or part of the Refinancing Note subject to the following restrictions in respect of each said prepayment:

(a) the prepayment shall be in a multiple of $5 million;
(b) the prepayment shall be made on an Interest Payment Date;
(c) the Company shall give irrevocable written notice substantially in the form attached as Schedule 2.9 (a "Notice of Prepayment") to OEFC of the amount of the prepayment at least fifteen (15) Business Days before the date on which the prepayment shall be made.

3. **Reference to and Effect on the Amended Note Agreement.** On and after this date, each reference in the Amended Note Agreement to "this Agreement" and each reference to the Amended Note Agreement in any and all other agreements, documents and instruments delivered by the Company and OEFC shall mean and be a reference to the Amended Note Agreement as amended by this amending agreement. Except as specifically amended by this amending agreement, the Amended Note Agreement shall remain in full force and effect.

4. **No Waiver.** The execution, delivery and effectiveness of this amending agreement shall not, except as expressly provided herein, constitute a waiver of any provision of the Amended Note Agreement.

5. **Governing Law.** This amending agreement shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

6. **Counterparts.** This amending agreement may be executed in any number of counterparts and all of such counterparts taken together shall be deemed to constitute one and the same instrument.

IN WITNESS WHEREOF the parties have executed this amending agreement.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By: Gary Hurkey
CFO.

~~By:~~ _____

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By: _____

Michael Manning
Executive Director

~~By:~~ _____

SCHEDULE 2.7
FORM OF REFINANCING NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

NOTE

Principal Amount:	$78.2 million	Date: May 1, 2009
Interest Rate:	A variable rate of interest equal to the yield earned on ninety day Province of Ontario Treasury Bills, as determined by the Lender, plus 25 basis points	
Due:	May 1, 2011	

FOR VALUE RECEIVED, the INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("Company") existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, PROMISES TO PAY to or to the order of ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC") at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of $78.2 million in lawful money of Canada, with interest on such amount at the rate, calculated in the manner and payable at the times specified in this Note.

OEFC shall and is unconditionally and absolutely authorized and directed by the Company to record on the grid attached hereto the date and amount of each prepayment on account of the principal paid to OEFC and the resulting outstanding principal amount of this Note provided that such prepayment is made on an Interest Payment Date (as defined below) and in accordance with the terms of the Agreement as amended (as defined below). Such notations, in the absence of manifest mathematical error, shall be *prima facie* evidence of such prepayments.

The outstanding principal amount of this Note together with all interest accrued thereon shall become due and payable on May 1, 2011.

The principal amount of this Note remaining from time to time unpaid and outstanding shall bear interest from the date of this Note both before and after maturity and both before and after default at the rate per annum equal to the yield earned on ninety-day Province of Ontario treasury bills , as determined by OEFC, plus 25 basis points. Interest at such rate shall accrue daily and shall be payable in arrears in quarterly installments on February 1, May 1, August 1 and November 1 in each year (each an "Interest Payment Date") commencing August 1, 2009.

For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Note for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of an agreement providing for the issuance of a note dated April 1, 1999 between the Company and OEFC ("Agreement") and amended by an amending agreement dated March 23, 2000 and an amending agreement dated April 23, 2009, which Agreement provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of the Company.

The Company waives presentment for payment and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF the Company has executed this Note.

INDEPENDENT ELECTRICITY
SYSTEM OPERATOR

By: _____

By: _____

Amending Agreement #2 in Respect of Agreement Providing For Issuance of a Note
dated April 23, 2009

DATE	PRINCIPAL ADVANCED ($)	DATE OF EACH PREPAYMENT	AMOUNT OF EACH PREPAYMENT	OUTSTANDING PRINCIPAL AMOUNT ($)	Notation Made By
May 1, 2009	78,200,000			78,200,000	
-	-	-	-	-	-

Schedule 2.9

PREPAYMENT NOTICE

To: OEFC
c/o Ontario Financing Authority
Attention: Manager, Electricity and Nuclear Fund

Fax: (416) 325-8111

From: Independent Electricity System Operator
Treasury Department, Finance

Date: _____

Reference is made to the Note Agreement made between the Independent Electricity System Operator as borrower (the "Company"), and OEFC as lender dated as of April 1, 1999, as amended by agreement as of March 23, 2000 and April 23, 2009 (collectively the "Note Agreement"). Unless otherwise defined herein, all terms used in this notice with initial capital letters (other than for grammatical purposes) shall have the respective meanings ascribed thereto in the Note Agreement.

Pursuant to section 2.9 of the Note Agreement, the Company hereby gives notice to OEFC that the Company will make a prepayment on account of the principal amount of Refinancing Note as follows:

amount of prepayment: _____

date of prepayment: _____

DATED this _____ day of _____, _____.

Yours very truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By: _____

Title: _____

AMENDING AGREEMENT NO.3

This Amending Agreement made as of the 11th day of October, 2005.

BETWEEN: **ONTARIO POWER AUTHORITY** a corporation established under the *Electricity Act, 1998* (the **"OPA"**)

AND: **ONTARIO FINANCING AUTHORITY** a Crown agency established under the *Capital Investment Plan Act, 1993* (the **"OFA"**)

WHEREAS the OPA and the OFA entered into a credit agreement dated January 1, 2005, as amended by an Amending Agreement dated February 14, 2005 (together the "Credit Agreement") pursuant to which the OFA has agreed to provide a revolving operating facility to the OPA in the principal amount of up to $500 million and the OPA issued a grid note dated January 11, 2005 to the OFA for a principal amount of up to $500 million;

AND WHEREAS as of the date hereof the total principal amount of advances outstanding under the grid note is $386,034,687.25;

AND WHEREAS the OPA and the OFA have now agreed to increase the operating facility to a principal amount of up to $975,000,000;

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that:

1. The definition of Commitment in Section 1.1 of the Credit Agreement is amended by deleting "$500 million" and substituting "$975,000,000" therefor.

2. On the date of this Amending Agreement and prior to any further Advances under the Credit Agreement, the OPA shall execute and deliver to the OFA a new grid promissory note in the principal amount of up to $975,000,000 substantially in the form attached to this Amending Agreement and indicating a total principal amount of advances outstanding to date of $386,034,687.25 Upon receipt of the new grid promissory note, the OFA will cancel and return the existing grid promissory note to the OPA.

IN ALL OTHER RESPECTS, the said Agreement is confirmed by the parties as further amended by the terms of this Amending Agreement.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

ONTARIO FINANCING AUTHORITY

by: Gadi

Name: Gadi Mayman

Title: Chief Executive Officer

ONTARIO POWER AUTHORITY

by: MERichardson

Name: MARY ELLEN RICHARDSON

Title VP, CORPORATE AFFAIRS
ACTING CHIEF EXECUTIVE OFFICER

By: _____

Name:

Title

AMENDING AGREEMENT NO.4

This Amending Agreement made as of the 27th day of September, 2006.

BETWEEN: **ONTARIO POWER AUTHORITY** a corporation established under the *Electricity Act, 1998* (the **"OPA"**)

AND: **ONTARIO FINANCING AUTHORITY** a Crown agency established under the *Capital Investment Plan Act, 1993* (the **"OFA"**)

WHEREAS the OPA and the OFA entered into a credit agreement dated January 1, 2005, as amended by an Amending Agreement dated February 14, 2005 and Amending Agreement NO.3 dated October 11, 2005 (together the "Credit Agreement") pursuant to which the OFA has agreed to provide a revolving operating facility to the OPA in the principal amount of up to $975 million and the OPA issued a grid note dated October 12, 2005 to the OFA for a principal amount of up to $975 million;

AND WHEREAS the OPA and the OFA have now agreed to extend the mandatory repayment date for the operating facility from December 31, 2006 to December 31, 2010;

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that:

1. Section 2.4 of the Credit Agreement is amended by deleting "December 31, 2006" and substituting "December 31, 2010" therefor.

2. On the date of this Amending Agreement and prior to any further Advances under the Credit Agreement, the OPA shall execute and deliver to the OFA a new grid promissory note substantially in the form attached to this Amending Agreement and indicating a total principal amount of advances outstanding to date of $237,677,910.71. Upon receipt of the new grid promissory note, the OFA will cancel and return the existing grid promissory note to the OPA.

IN ALL OTHER RESPECTS, the said Agreement is confirmed by the parties as further amended by the terms of this Amending Agreement.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

ONTARIO FINANCING AUTHORITY

by: _____

Name: Gadi Mayman

Title: Chief Executive Officer

ONTARIO POWER AUTHORITY ~~AUTHORITY~~

by: _____

Name: JAN CARR

Title CEO

by: _____

Name: John STEEN

Title Director of Finance

From:	Sarah Harris
To:	Andrea Dalgarno
Subject:	FW: IESO OFA FHP and Existing Credit Facility key provisions and Expected Advancements - Agreements
Date:	Wednesday, January 03, 2018 1:52:24 PM

Looks like a combo of IESO and internal audit.
I don't recall seeing entire agreements asked for audit confirmation…gonna round back with Will.

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Sent: Wednesday, January 03, 2018 1:18 PM
To: Sarah Harris
Subject: FW: IESO OFA FHP and Existing Credit Facility key provisions and Expected Advancements - Agreements
fyi

From: Faran Ali
Sent: Wednesday, January 03, 2018 11:19 AM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>; San Rajaratnam <San.Rajaratnam@ofina.on.ca>
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We are in process of providing audit confirmation to IESO auditors. In this regard, can you please send me the loan agreement for IESO for the under mentioned new provisions.
For the purpose of OFA year-end audit (April 1, 2017 to March 31, 2018) we provide loan agreements/borrowing notices to OFA auditors, so if you or any other member of your group happens to have any other agreements/borrowing notices, kindly email it to us, or let me know who should I be contacting to receive loan agreements, for this period.
Thank you
Faran Ali
Financial Reporting Leader

From: Siva Nathan
Sent: Wednesday, November 15, 2017 7:22 PM
To: Robert Bozinoski <Robert.Bozinoski@ofina.on.ca>; San Rajaratnam <San.Rajaratnam@ofina.on.ca>; Faran Ali <Faran.Ali@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: Fw: IESO OFA FHP and Existing Credit Facility key provisions and Expected Advancements
FYI

From: William Tan
Sent: 15 November 2017 16:46
To: Siva Nathan; John Psinas; Alfonso Soriano; Jensen Chong; Risa Thau; Nurudin Kaba; Carlos Yep; George Sakura
Cc: Opal Kandelas; Sarah Harris; Ken Kandeepan; James Devine; Mike Manning
Subject: IESO OFA FHP and Existing Credit Facility key provisions and Expected Advancements
Dear all,
We have executed the following credit facilities:

1) $2B OFA-IESO Credit Facility in relation to the Ontario Fair Hydro Plan (FHP).

The FHP Credit Facility has the following key provisions:

- Revolving Credit Facility with a maximum limit at any time of C$2 billion;
- Term: 5 year term which expires September 30, 2022, with last draw possible on September 22, 2022;
- Draws: to be based on minimum of 5 days to a maximum of 95 days;
- IESO may roll-over some or all of the principal and interest;
- Notice Period: For an advance or a rollover, IESO is required to provide two business day prior notice given not later than 10:00 a.m.;
- Business day convention: Following;
- Use of Proceeds: Proceeds of Advances may be used only for IESO's financing needs and requirements of any kind arising in connection with the IESO's role with respect to and obligations under the FHP;
- Interest Rate on Advances: Annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum.

2) **Amending Agreement to reduce limit on Existing IESO-OFA $975M Revolving Credit Facility to $475M (with an Effective Date of November 21, end of day).**

Once effective, the existing Credit Facility will have the following key provisions:

- Revolving Credit Facility with a maximum limit at any time of $475M;
- Term: Agreement expires December 31, 2019, with last draw possible on November 29, 2019;
- Draws: to be based on minimum of 28 days to a maximum of 95 days;
- IESO may roll-over some or all of the principal and interest;
- Notice Period: For an advance or a rollover, IESO is required to provide two business day prior notice given not later than 10:00 a.m.;
- Business day convention: Following;
- Use of Proceeds: IESO shall use the proceeds of Advances for liquidity purposes;
- Interest Rate on Advances: Annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum.

NEXT DRAW FROM IESO

In relation to the next IESO draw on November 21st, the following transactions will occur:

November 17, 2017 -Three Notices to be received from IESO:

1) **Existing IESO-OFA $975M Revolving Credit Facility for "RRRP Program"**: IESO will send Election Notice instructions to rollover $10,649,081.37 + estimated new advance $2 million (IESO will pay accrued interest of $11,670.23 for Oct 20 to Nov 21 period to OFA).
2) **Existing IESO-OFA $975M Revolving Credit Facility for RPP Program:** IESO to send Election Notice to NOT rollover $825,639,102.00 (IESO will pay accrued interest of $904,809.97 for Oct 20 to Nov 21 period to OFA).
3) **$2B OFA-IESO FHP Credit Facility:** IESO to send a new borrowing notice for a first advance in an amount of approximately $1.05B.

NOTE: In the Borrowing Notice for the $2B OFA-IESO FHP Credit Facility, IESO will specify that instead of repaying (by funds transfer) the maturing $825,639,102.00 under the existing IESO-OFA Revolving $975M Credit Facility, it will instead use the $825,639,102.00 to fund a portion of the 'new' $1.05B advance under the $2B OFA-IESO FHP Credit Facility. As a result, for the Advance under $2B OFA-IESO FHP Credit Facility, the OFA will only transferring net amount of approximately $225 million (that is the difference between $1.05B and $825,639,102.00).

November 21, 2017 – The following transfers are to occur:

1) OFA to transfer to IESO total funds of approximately $227 million for the following:
(i) Existing IESO-OFA $975M Revolving Credit Facility for RRRP Program: amount of new advance proceeds of approximately $2 million;
(ii) $2B OFA-IESO FHP Credit Facility: amount of new advance of approximately $225 million.
2) IESO to transfer to OFA total funds for the following
(i) **Existing IESO-OFA $975M Revolving Credit Facility for RRRP Program**: accrued interest

totalling $916,480.20 for (being $11,607.23 for RRRP and $904,809.97 for RPP).

November 21, 2017 - Anticipated end of day balances:

1) **Existing IESO-OFA $475M Revolving Credit Facility for RPP Program**: $12,649,081.37 advanced under the existing credit facility (with a new facility limit of $475M effective end of day);
2) **$2B OFA-IESO FHP Credit Facility**: Approximately $1.05 billion advanced under the FHP Credit Facility.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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Capital Markets Division | Ontario Financing Authority
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william.tan@ofina.on.ca

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fyi

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- Draws: to be based on minimum of 5 days to a maximum of 95 days;
- IESO may roll-over some or all of the principal and interest;
- Notice Period: For an advance or a rollover, IESO is required to provide two business day prior notice given not later than 10:00 a.m.;

- Business day convention: Following;
- Use of Proceeds: Proceeds of Advances may be used only for IESO's financing needs and requirements of any kind arising in connection with the IESO's role with respect to and obligations under the FHP;
- Interest Rate on Advances: Annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum.

2) **Amending Agreement to reduce limit on Existing IESO-OFA $975M Revolving Credit Facility to $475M (with an Effective Date of November 21, end of day).**

Once effective, the existing Credit Facility will have the following key provisions:

- Revolving Credit Facility with a maximum limit at any time of $475M;
- Term: Agreement expires December 31, 2019, with last draw possible on November 29, 2019;
- Draws: to be based on minimum of 28 days to a maximum of 95 days;
- IESO may roll-over some or all of the principal and interest;
- Notice Period: For an advance or a rollover, IESO is required to provide two business day prior notice given not later than 10:00 a.m.;
- Business day convention: Following;
- Use of Proceeds: IESO shall use the proceeds of Advances for liquidity purposes;
- Interest Rate on Advances: Annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum.

NEXT DRAW FROM IESO

In relation to the next IESO draw on November 21st, the following transactions will occur:

November 17, 2017 -Three Notices to be received from IESO:

1) **Existing IESO-OFA $975M Revolving Credit Facility for "RRRP Program"**: IESO will send Election Notice instructions to rollover $10,649,081.37 + estimated new advance $2 million (IESO will pay accrued interest of $11,670.23 for Oct 20 to Nov 21 period to OFA).
2) **Existing IESO-OFA $975M Revolving Credit Facility for RPP Program:** IESO to send Election Notice to NOT rollover $825,639,102.00 (IESO will pay accrued interest of $904,809.97 for Oct 20 to Nov 21 period to OFA).
3) **$2B OFA-IESO FHP Credit Facility:** IESO to send a new borrowing notice for a first advance in an amount of approximately $1.05B.

NOTE: In the Borrowing Notice for the $2B OFA-IESO FHP Credit Facility, IESO will specify that instead of repaying (by funds transfer) the maturing $825,639,102.00 under the existing IESO-OFA Revolving $975M Credit Facility, it will instead use the $825,639,102.00 to fund a portion of the 'new' $1.05B advance under the $2B OFA-IESO FHP Credit Facility. As a result, for the Advance under $2B OFA-IESO FHP Credit Facility, the OFA will only transferring net amount of approximately $225 million (that is the difference between $1.05B and $825,639,102.00).

November 21, 2017 – The following transfers are to occur:

1) OFA to transfer to IESO total funds of approximately $227 million for the following:
(i) Existing IESO-OFA $975M Revolving Credit Facility for RRRP Program: amount of new advance proceeds of approximately $2 million;
(ii) $2B OFA-IESO FHP Credit Facility: amount of new advance of approximately $225 million.
2) IESO to transfer to OFA total funds for the following
(i) **Existing IESO-OFA $975M Revolving Credit Facility for RRRP Program**: accrued interest totalling $916,480.20 for (being $11,607.23 for RRRP and $904,809.97 for RPP).

November 21, 2017 - Anticipated end of day balances:

1) **Existing IESO-OFA $475M Revolving Credit Facility for RPP Program**: $12,649,081.37 advanced under the existing credit facility (with a new facility limit of $475M effective end of day);
2) **$2B OFA-IESO FHP Credit Facility**: Approximately $1.05 billion advanced under the FHP Credit Facility.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca
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From:	William Tan
To:	Sarah Harris
Subject:	FW: IESO OFA FHP and Existing Credit Facility key provisions and Expected Advancements - Agreements
Date:	Wednesday, January 03, 2018 1:17:57 PM

fyi

From: Faran Ali
Sent: Wednesday, January 03, 2018 11:19 AM
To: William Tan
Cc: Siva Nathan ; San Rajaratnam
Subject: FW: IESO OFA FHP and Existing Credit Facility key provisions and Expected Advancements - Agreements

Hi William

We are in process of providing audit confirmation to IESO auditors. In this regard, can you please send me the loan agreement for IESO for the under mentioned new provisions.

For the purpose of OFA year-end audit (April 1, 2017 to March 31, 2018) we provide loan agreements/borrowing notices to OFA auditors, so if you or any other member of your group happens to have any other agreements/borrowing notices, kindly email it to us, or let me know who should I be contacting to receive loan agreements, for this period.

Thank you

Faran Ali

Financial Reporting Leader

From: Siva Nathan
Sent: Wednesday, November 15, 2017 7:22 PM
To: Robert Bozinoski <Robert.Bozinoski@ofina.on.ca>; San Rajaratnam <San.Rajaratnam@ofina.on.ca>; Faran Ali <Faran.Ali@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: Fw: IESO OFA FHP and Existing Credit Facility key provisions and Expected Advancements

FYI

From: William Tan
Sent: 15 November 2017 16:46
To: Siva Nathan; John Psinas; Alfonso Soriano; Jensen Chong; Risa Thau; Nurudin Kaba; Carlos Yep; George Sakura
Cc: Opal Kandelas; Sarah Harris; Ken Kandeepan; James Devine; Mike Manning
Subject: IESO OFA FHP and Existing Credit Facility key provisions and Expected Advancements

Dear all,

We have executed the following credit facilities:

1) $2B OFA-IESO Credit Facility in relation to the Ontario Fair Hydro Plan (FHP).

The FHP Credit Facility has the following key provisions:

- Revolving Credit Facility with a maximum limit at any time of C$2 billion;
- Term: 5 year term which expires September 30, 2022, with last draw possible on September 22, 2022;
- Draws: to be based on minimum of 5 days to a maximum of 95 days;
- IESO may roll-over some or all of the principal and interest;
- Notice Period: For an advance or a rollover, IESO is required to provide two business day prior notice given not later than 10:00 a.m.;

- Business day convention: Following;
- Use of Proceeds: Proceeds of Advances may be used only for IESO's financing needs and requirements of any kind arising in connection with the IESO's role with respect to and obligations under the FHP;
- Interest Rate on Advances: Annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum.

2) **Amending Agreement to reduce limit on Existing IESO-OFA $975M Revolving Credit Facility to $475M (with an Effective Date of November 21, end of day).**

Once effective, the existing Credit Facility will have the following key provisions:

- Revolving Credit Facility with a maximum limit at any time of $475M;
- Term: Agreement expires December 31, 2019, with last draw possible on November 29, 2019;
- Draws: to be based on minimum of 28 days to a maximum of 95 days;
- IESO may roll-over some or all of the principal and interest;
- Notice Period: For an advance or a rollover, IESO is required to provide two business day prior notice given not later than 10:00 a.m.;
- Business day convention: Following;
- Use of Proceeds: IESO shall use the proceeds of Advances for liquidity purposes;
- Interest Rate on Advances: Annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum.

NEXT DRAW FROM IESO

In relation to the next IESO draw on November 21st, the following transactions will occur:

November 17, 2017 -Three Notices to be received from IESO:

1) **Existing IESO-OFA $975M Revolving Credit Facility for "RRRP Program"**: IESO will send Election Notice instructions to rollover $10,649,081.37 + estimated new advance $2 million (IESO will pay accrued interest of $11,670.23 for Oct 20 to Nov 21 period to OFA).
2) **Existing IESO-OFA $975M Revolving Credit Facility for RPP Program:** IESO to send Election Notice to NOT rollover $825,639,102.00 (IESO will pay accrued interest of $904,809.97 for Oct 20 to Nov 21 period to OFA).
3) **$2B OFA-IESO FHP Credit Facility:** IESO to send a new borrowing notice for a first advance in an amount of approximately $1.05B.

NOTE: In the Borrowing Notice for the $2B OFA-IESO FHP Credit Facility, IESO will specify that instead of repaying (by funds transfer) the maturing $825,639,102.00 under the existing IESO-OFA Revolving $975M Credit Facility, it will instead use the $825,639,102.00 to fund a portion of the 'new' $1.05B advance under the $2B OFA-IESO FHP Credit Facility. As a result, for the Advance under $2B OFA-IESO FHP Credit Facility, the OFA will only transferring net amount of approximately $225 million (that is the difference between $1.05B and $825,639,102.00).

November 21, 2017 – The following transfers are to occur:

1) OFA to transfer to IESO total funds of approximately $227 million for the following:
(i) Existing IESO-OFA $975M Revolving Credit Facility for RRRP Program: amount of new advance proceeds of approximately $2 million;
(ii) $2B OFA-IESO FHP Credit Facility: amount of new advance of approximately $225 million.
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November 21, 2017 - Anticipated end of day balances:

1) **Existing IESO-OFA $475M Revolving Credit Facility for RPP Program**: $12,649,081.37 advanced under the existing credit facility (with a new facility limit of $475M effective end of day);
2) **$2B OFA-IESO FHP Credit Facility**: Approximately $1.05 billion advanced under the FHP Credit Facility.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca
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From:	William Tan
To:	Faran Ali
Cc:	Sarah Harris; Siva Nathan; San Rajaratnam
Subject:	FW: IESO OFA FHP and Existing Credit Facility key provisions and Expected Advancements - Agreements
Date:	Wednesday, January 03, 2018 2:59:35 PM
Attachments:	(Signed) Amendment 5.Final.pdf Amendmen #6 (Executed).pdf (Executed) OPA Amending Agreement No 7.pdf OFA-OPA Amending Agreement No. 8 (Executed).PDF OPA IESO Amendment No 9 (Executed).pdf OFA IESO Amending Agreement No. to Jan 1, 2005 Credit Facility Nov 6,2017 - OFA signed.pdf

---

Hello Faran,
Agreement for the Existing Credit Facility along with ten amendments.
Amending agreements 5 through 10
2 of 2 emails.
Thanks,
Will

From: Faran Ali
Sent: Wednesday, January 03, 2018 1:46 PM
To: William Tan
Cc: Siva Nathan ; San Rajaratnam
Subject: RE: IESO OFA FHP and Existing Credit Facility key provisions and Expected Advancements - Agreements

Hi William
As discussed, kindly provide both the FHP Credit Facility Agreement and the updated Agreement for the Existing Credit Facility, including any amendments.
Thanks
Faran

From: William Tan
Sent: Wednesday, January 03, 2018 1:42 PM
To: Faran Ali <Faran.Ali@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>; San Rajaratnam <San.Rajaratnam@ofina.on.ca>
Subject: RE: IESO OFA FHP and Existing Credit Facility key provisions and Expected Advancements - Agreements

Hello Faran,
Just to clarify, do you require both the FHP Credit Facility Agreement or the Agreement for the Existing Credit Facility?
Thanks,
Will

From: Faran Ali
Sent: Wednesday, January 03, 2018 11:19 AM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>; San Rajaratnam <San.Rajaratnam@ofina.on.ca>
Subject: FW: IESO OFA FHP and Existing Credit Facility key provisions and Expected Advancements - Agreements

Hi William
We are in process of providing audit confirmation to IESO auditors. In this regard, can you please

send me the loan agreement for IESO for the under mentioned new provisions.
For the purpose of OFA year-end audit (April 1, 2017 to March 31, 2018) we provide loan agreements/borrowing notices to OFA auditors, so if you or any other member of your group happens to have any other agreements/borrowing notices, kindly email it to us, or let me know who should I be contacting to receive loan agreements, for this period.
Thank you
Faran Ali
Financial Reporting Leader

From: Siva Nathan
Sent: Wednesday, November 15, 2017 7:22 PM
To: Robert Bozinoski <Robert.Bozinoski@ofina.on.ca>; San Rajaratnam <San.Rajaratnam@ofina.on.ca>; Faran Ali <Faran.Ali@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: Fw: IESO OFA FHP and Existing Credit Facility key provisions and Expected Advancements
FYI

From: William Tan
Sent: 15 November 2017 16:46
To: Siva Nathan; John Psinas; Alfonso Soriano; Jensen Chong; Risa Thau; Nurudin Kaba; Carlos Yep; George Sakura
Cc: Opal Kandelas; Sarah Harris; Ken Kandeepan; James Devine; Mike Manning
Subject: IESO OFA FHP and Existing Credit Facility key provisions and Expected Advancements
Dear all,
We have executed the following credit facilities:

1) $2B OFA-IESO Credit Facility in relation to the Ontario Fair Hydro Plan (FHP).

The FHP Credit Facility has the following key provisions:

- Revolving Credit Facility with a maximum limit at any time of C$2 billion;
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- Notice Period: For an advance or a rollover, IESO is required to provide two business day prior notice given not later than 10:00 a.m.;
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2) **Amending Agreement to reduce limit on Existing IESO-OFA $975M Revolving Credit Facility to $475M (with an Effective Date of November 21, end of day).**

Once effective, the existing Credit Facility will have the following key provisions:

- Revolving Credit Facility with a maximum limit at any time of $475M;
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NEXT DRAW FROM IESO

In relation to the next IESO draw on November 21st, the following transactions will occur:

November 17, 2017 -Three Notices to be received from IESO:

1) **Existing IESO-OFA $975M Revolving Credit Facility for "RRRP Program"**: IESO will send Election Notice instructions to rollover $10,649,081.37 + estimated new advance $2 million (IESO will pay accrued interest of $11,670.23 for Oct 20 to Nov 21 period to OFA).
2) **Existing IESO-OFA $975M Revolving Credit Facility for RPP Program:** IESO to send Election Notice to NOT rollover $825,639,102.00 (IESO will pay accrued interest of $904,809.97 for Oct 20 to Nov 21 period to OFA).
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NOTE: In the Borrowing Notice for the $2B OFA-IESO FHP Credit Facility, IESO will specify that instead of repaying (by funds transfer) the maturing $825,639,102.00 under the existing IESO-OFA Revolving $975M Credit Facility, it will instead use the $825,639,102.00 to fund a portion of the 'new' $1.05B advance under the $2B OFA-IESO FHP Credit Facility. As a result, for the Advance under $2B OFA-IESO FHP Credit Facility, the OFA will only transferring net amount of approximately $225 million (that is the difference between $1.05B and $825,639,102.00).

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(i) Existing IESO-OFA $975M Revolving Credit Facility for RRRP Program: amount of new advance proceeds of approximately $2 million;
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November 21, 2017 - Anticipated end of day balances:

1) **Existing IESO-OFA $475M Revolving Credit Facility for RPP Program**: $12,649,081.37 advanced under the existing credit facility (with a new facility limit of $475M effective end of day);
2) **$2B OFA-IESO FHP Credit Facility**: Approximately $1.05 billion advanced under the FHP Credit Facility.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
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AMENDING AGREEMENT NO.5

This Amending Agreement made as of the 13th day of July 2007.

BETWEEN:

ONTARIO POWER AUTHORITY, a corporation established under the *Electricty Act, 1998* ("**OPA**")

-and-

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* ("**OFA**")

WHEREAS:

A. The parties entered into a Credit Agreement dated January 1, 2005 (the "Original Agreement").

B. Pursuant to the amending agreements dated February 14, 2005, October 11, 2005 (titled, "Amending Agreement No.3") and September 27, 2006 (titled, "Amending Agreement No. 4") the parties amended the Original Agreement (as so amended, the "Agreement").

C. The parties wish to further amend the Agreement pursuant to the terms of this Amending Agreement.

NOW THEREFORE IN CONSIDERATION of the mutual agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Section 3.1 of the Agreement is hereby amended by deleting the date "November 30, 2006" substituting therefor the date "November 30, 2010".
2. Section 5.1(b) of the Agreement is hereby amended by deleting the date "December 31, 2006" and substituting therefor the date "December 31, 2010".

IN ALL OTHER RESPECTS, the said Agreement is confirmed by the parties as further amended by the terms of this Amending Agreement.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

ONTARIO FINANCING AUTHORITY

Per: _____
Name: Gadi Mayman
Title: Chief Excecutive Officer

ONTARIO POWER AUTHORITY

Per: _____
Name: Jan Carr
Title: Chief Executive Officer

AMENDING AGREEMENT NO.6

This Amending Agreement made as of the 9th day of November 2010.

BETWEEN:

ONTARIO POWER AUTHORITY, a corporation established under the *Electricty Act, 1998* ("**OPA**")

-and-

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* ("**OFA**")

WHEREAS:

A. The parties entered into a Credit Agreement dated January 1, 2005 (the "Original Agreement").

B. Pursuant to the amending agreements dated February 14, 2005, October 11, 2005 (titled, "Amending Agreement No.3"), September 27, 2006 (titled, "Amending Agreement No. 4") and July 13, 2007 (titled, "Amending Agreement No.5") the parties amended the Original Agreement (as so amended, the "Agreement").

C. The parties wish to further amend the Agreement pursuant to the terms of this Amending Agreement.

NOW THEREFORE IN CONSIDERATION of the mutual agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Section 2.4 of the Agreement is deleted and replaced by the following:

   "Subject to Sections 2.9 and 5.1, the OPA shall repay each Advance on the applicable Repayment Date and, in any event, shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder on December 31, 2013."

2. Section 3.1 of the Agreement is deleted and replaced by the following:

   "The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the OPA under the Operating Facility from time to time on any Business Day prior to November 30, 2013."

3. Section 5.1(b) of the Agreement is deleted and replaced by the following:

   "failure to pay the principal amount of any Advance on the applicable Repayment Date or the Advances Outstanding, all interest accrued thereon and all other amounts owing under this Agreement on December 31, 2013;"

IN ALL OTHER RESPECTS, the said Agreement is confirmed by the parties.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

ONTARIO FINANCING AUTHORITY

Per: _____
Name: Gadi Mayman
Title: Chief Executive Officer

ONTARIO POWER AUTHORITY

Per: _____
Name: Colin Andersen
Title: Chief Executive Officer

AMENDING AGREEMENT NO.7

This Amending Agreement made as of the 20th day of December 2013.

BETWEEN:

ONTARIO POWER AUTHORITY, a corporation established under the *Electricty Act, 1998* (**"OPA"**)

-and-

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* (**"OFA"**)

WHEREAS:

A. The parties entered into a Credit Agreement dated January 1, 2005 (the "Original Agreement").

B. Pursuant to the amending agreements dated February 14, 2005, October 11, 2005 (titled, "Amending Agreement No.3"), September 27, 2006 (titled, "Amending Agreement No. 4"), July 13, 2007 (titled, "Amending Agreement No. 5") and November 9, 2010 (titled, "Amending Agreement No. 6") the parties amended the Original Agreement (as so amended, the "Agreement").

C. The parties wish to further amend the Agreement pursuant to the terms of this Amending Agreement.

NOW THEREFORE IN CONSIDERATION of the mutual agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. The first sentence of the Recital in the Agreement is deleted and replaced by the following:

   "The OPA has requested an operating line of credit from the OFA in the amount of $975 million and the OFA has agreed to provide such a line of credit to the OPA."

2. Section 2.3 of the Agreement is deleted and replaced by the following:

   "The OPA shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 423/04 made under the Electricity Act, 1998, subject to the following conditions:

   (1) effective as of December 31, 2013, the proceeds of Advances may be used only for liquidity purposes and to temporarily fund corporate requirements; and,

   (2) with the exception of funds borrowed solely for the purposes of funding the payment of amounts payable by the OPA under section 25.33 of the Electricity Act, 1998, the OPA is expected to recover or repay such proceeds over a period of no more than 12 months from the date of the Advance."

3. Section 2.4 of the Agreement is deleted and replaced by the following:

   "Subject to Sections 2.9 and 5.1, the OPA shall repay each Advance on the applicable Repayment Date and, in any event, shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder on December 31, 2016."

4. Section 3.1 of the Agreement is deleted and replaced by the following:

   "The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the OPA under the Operating Facility from time to time on any Business Day prior to November 30, 2016."

5. Section 5.1(b) of the Agreement is deleted and replaced by the following:

   "failure to pay the principal amount of any Advance on the applicable Repayment Date or the Advances Outstanding, all interest accrued thereon and all other amounts owing under this Agreement on December 31, 2016;"

6. Schedule 1 of the Agreement, Form of Borrowing Notice, is deleted and replaced by the Form of Borrowing Notice attached hereto as Schedule 1.

7. Schedule 2 of the Agreement, Form of Election Notice, is deleted and replaced by the Form of Election Notice attached hereto as Schedule 2.

8. Schedule 3 of the Agreement, OPA Grid Note, is deleted and replaced by the OPA Grid Note attached hereto as Schedule 3.

IN ALL OTHER RESPECTS, the said Agreement is confirmed by the parties.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

ONTARIO FINANCING AUTHORITY

Per: _____
Name: Michael D. Manning
Title: Executive Director
Capital Markets Division

ONTARIO POWER AUTHORITY

Per: _____
Name: Colin Andersen
Title: Chief Executive Officer

SCHEDULE 1 TO AMENDING AGREEMENT NO.7

SCHEDULE 1

FORM OF BORROWING NOTICE

Via Fax: (416) 204-7920

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7AIY7

Date:

Attention: Cash Management

Dear Sirs:

The undersigned, Ontario Power Authority ("OPA"), refer to the credit agreement dated January 1, 2005 (as amended, supplemented or restated from time to time, the **"Agreement"**, the terms defined therein being used herein as therein defined) between the OPA and the OFA, and gives you notice pursuant to Section 3.2 of the Agreement that the OPA requests an Advance under the Agreement, and, in that connection, sets forth below the information relating to such Advance (the **"Proposed Advance"**) as required by Section 3.2 of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The aggregate amount of the Proposed Advance is $_____;
(c) The Repayment Date of the Proposed Advance is _____. [not more than 3 months after the date of the Proposed Advance.]

The OPA hereby certifies that:

The representations and warranties of the OPA contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The OPA has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

ONTARIO POWER AUTHORITY

Per: _____

Name:

Authorized Signatory

*To be confirmed by telephone call to OFA Cash Management (416) 325-8108.

SCHEDULE 2 TO AMENDING AGREEMENT NO. 7

SCHEDULE 2

FORM OF ELECTION NOTICE

Via Fax: (416) 204-7920

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7AIY7

Date:

Attention: Cash Management

Dear Sirs:

The undersigned, Ontario Power Authority ("OPA"), refer to the credit agreement dated January 1, 2005 (as amended, supplemented or restated from time to time, the" Agreement", the terms defined therein being used herein as therein defined) between the OPA and the OFA, and gives you notice pursuant to Section 3.3 of the Agreement that the OPA elects to continue all or a portion of an Advance for an additional term, and in that connection, sets forth below the information relating to the election as required by Section 3.3(3) of the Agreement:

(a) The date of the proposed election, being a Business Day is _____;
(b) The aggregate amount of the proposed election is $_____;
i. previous principle amount $_____
ii. interest $_____
(c) The new Repayment Date applicable to such Advance is _____. [not more than 3 months after the current Repayment date for the Advance.]

The OPA hereby certifies that:

The representations and warranties of the OPA contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The OPA has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

ONTARIO POWER AUTHORITY

Per:_____

Name:

Authorized Signatory

*To be confirmed by telephone call to OFA Cash Management (416) 325-8108.

SCHEDULE 3 TO AMENDING AGREEMENT NO. 7

SCHEDULE 3

ONTARIO POWER AUTHORITY GRID NOTE

Principal Amount: Up to $975,000,000 Date:

FOR VALUE RECEIVED, ONTARIO POWER AUTHORITY (the **"Company"**), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY** (**"OFA"**) at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the Company, all as recorded by the OFA on the grid (the **"Grid"**) attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Credit Agreement (as defined below).

OFA shall and is unconditionally and absolutely authorized and directed by the Company to record on the Grid (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the grid promissory note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Credit Agreement dated January 1, 2005 as amended, supplemented or restated from time to time, between the Borrower and the OFA (the **"Credit Agreement"**). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Credit Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Credit Agreement.

This Note is not transferable or negotiable without the prior written consent of the Company.

The Company waives presentment for payment and notice of non-payment.

This Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the Company has executed this Note.

ONTARIO POWER AUTHORITY

By: K Marshall
KIMBERLY MARSHALL
VICE-PRESIDENT, BUSINESS STRATEGIES & SOLUTIONS

By:
COLIN ANDERSEN
CHIEF EXECUTIVE OFFICER

AMENDING AGREEMENT NO. 8

This Amending Agreement made as of the 19th day of December 2014.

BETWEEN:

ONTARIO POWER AUTHORITY, a corporation established under the *Electricity Act, 1998* ("**OPA**")
(as Borrower)

-and-

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* ("**OFA**")
(as Lender)

WHEREAS the parties entered into a Credit Agreement dated January 1, 2005 (the "Original Agreement").

AND WHEREAS pursuant to the amending agreements dated February 14, 2005, October 11, 2005 (titled, "Amending Agreement No.3"), September 27, 2006 (titled, "Amending Agreement No. 4"), July 13, 2007 (titled, "Amending Agreement No. 5"), November 9, 2010 (titled, "Amending Agreement No. 6") and December 20, 2013 (titled, "Amending Agreement No. 7") the parties amended the Original Agreement (as so amended, the "Agreement").

AND WHEREAS OPA and OFA now wish to further amend the Agreement in anticipation of the amalgamation, effective January 1, 2015, of the OPA and the Independent Electricity System Operator to continue as a corporation without share capital under Part II of the *Electricity Act, 1998* with the name "Independent Electricity System Operator pursuant to Schedule 7 of the *Building Opportunity and Securing Our Future Act (Budget Measures), 2014.*") which received Royal Assent on July 24, 2014.

NOW THEREFORE IN CONSIDERATION of the mutual agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Except as otherwise expressly provided herein or unless the context otherwise requires, capitalized terms not otherwise defined in this Amending Agreement (including in the recitals to this Amending Agreement) have the respective meanings given to those terms in the Agreement, and the following terms shall have the meanings assigned to them below:

   (a) "Act" means *Building Opportunity and Securing Our Future Act (Budget Measures), 2014* (S.O. 2014 c.7), as amended;

   (b) "Amalgamation" means the amalgamation of the OPA and Pre-Amalgamation IESO effective January 1, 2015 to continue as a corporation without share capital under Part II of the Electricity Act with the name "Independent Electricity System Operator" pursuant to Schedule 7 of the Act;

(c) "Amending Agreement" means this Amending Agreement No. 8;

(d) "Electricity Act" means the *Electricity Act, 1998* (S.O. 1998. c. 15), as amended;

(e) "New IESO" means the corporation without share capital under Part II of the Electricity Act with the name "Independent Electricity System Operator" continued upon the Amalgamation;

(f) "OPA" means the Ontario Power Authority, which will, upon the Amalgamation, amalgamate with Pre-Amalgamation IESO to continue as New IESO;

(g) "Pre-Amalgamation IESO" means the Independent Electricity System Operator, which will, upon the Amalgamation, amalgamate with the OPA to continue as New IESO; and

(h) "Regulation" means O. Reg. 280/14 made under the *Electricity Act, 1998*, as such regulation may be amended or replaced from time to time.

2. Section 2.3 Use of Proceeds - of the Agreement is deleted and replaced by the following:

Up to the effective time of the Amalgamation, the OPA shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 423/04 made under the Electricity Act, subject to the following conditions:

(1) effective as of December 31, 2013, the proceeds of Advances may be used only for liquidity purposes and to temporarily fund corporate requirements; and,

(2) with the exception of funds borrowed solely for the purposes of funding the payment of amounts payable by the OPA under section 25.33 of the Electricity Act, the OPA is expected to recover or repay such proceeds over a period of no more than 12 months from the date of the Advance.

From and after the effective time of the Amalgamation: (a) New IESO shall use the proceeds of Advances only as authorized by the Regulation, and, to the extent not inconsistent with the Regulation, for purposes and requirements in relation to the operations and activities of the OPA prior to the Amalgamation, to the extent those operations and activities are carried on by New IESO following the Amalgamation; and (b) the following conditions will apply:

(1) the proceeds of Advances may be used only for liquidity purposes and to temporarily fund corporate requirements; and

(2) with the exception of funds borrowed solely for the purposes of funding the payment of amounts payable by New IESO under section 25.33 of the Electricity Act, New IESO is expected to recover or repay such proceeds over a period of no more than 12 months from the date of the Advance.

3. Schedule 1 of the Agreement, Form of Borrowing Notice, is deleted and replaced by the Form of Borrowing Notice attached hereto as Schedule 1.

4. Schedule 2 of the Agreement, Form of Election Notice, is deleted and replaced by the Form of Election Notice attached hereto as Schedule 2.

5. The OPA agrees New IESO shall deliver to OFA a certificate of an officer of New IESO, in form satisfactory to OFA, certifying, as at the effective time of the Amalgamation:

(i) that: (A) all the representations and warranties of New IESO in this Agreement (as amended) are true and correct and (B) no default or Event of Default shall have occurred or be continuing and no event or condition shall have occurred which, with the lapse of time or the giving of notice or both, would constitute an Event of Default; and

(ii) as to incumbency of the officers and directors of New IESO.

6. As soon as reasonably possible following the Amalgamation, but in any event by no later than March 31, 2015, New IESO shall execute and deliver to the OFA a confirmation of New IESO's assumption of the Agreement, as amended by this Amending Agreement, and of the OPA Grid Note, in form satisfactory to OFA, together with a certificate of incumbency in respect of the officers of New IESO.

IN ALL OTHER RESPECTS, the said Agreement is confirmed by the parties.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

ONTARIO FINANCING AUTHORITY

Per: _____
Name: Michael D. Manning
Title: Executive Director
Capital Markets Division

ONTARIO POWER AUTHORITY

Per: _____
Name: Kimberly Marshall
Title: VP, Corporate Services; CFO and Treasurer

SCHEDULE 1 TO AMENDING AGREEMENT NO. 8

FORM OF BORROWING NOTICE***

Via Fax: (416) 204-7920

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7AIY7

Date:

Attention: Cash Management

Dear Sirs:

The undersigned, Ontario Power Authority ("OPA") refer to the credit agreement dated January 1, 2005 (as amended, supplemented or restated from time to time, the **"Agreement"**, the terms defined therein being used herein as therein defined) between the OPA and the OFA, and gives you notice pursuant to Section 3.2 of the Agreement that the OPA requests an Advance under the Agreement, and, in that connection, sets forth below the information relating to such Advance (the **"Proposed Advance")** as required by Section 3.2 of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The aggregate amount of the Proposed Advance is $_____;
(c) The Repayment Date of the Proposed Advance is _____. [not more than 3 months after the date of the Proposed Advance.]

Use of Funds

The undersigned herby certifies that the funds requested under this notice will be used for the following purposes:

(1) *<indicate amount and purpose of funds requested>*
(2) *<indicate amount and purpose of funds requested>*

The OPA hereby certifies that:

The representations and warranties of the OPA contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The OPA has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

ONTARIO POWER AUTHORITY

Per: _____

Name:

Authorized Signatory

Per: _____

Name:

Authorized Signatory

*To be confirmed by telephone call to OFA Cash Management (416) 325-8108.

***[Note: In all Borrowing Notices delivered from and after the effective time of the Amalgamation (as defined in Amending Agreement No. 8 to which this Form is attached as Schedule 1), replace all references to "Ontario Power Authority" with "Independent Electricity System Operator" and replace all references to "OPA" with "IESO."]

SCHEDULE 2 TO AMENDING AGREEMENT NO. 8

FORM OF ELECTION NOTICE***

Via Fax: (416) 204-7920

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7AIY7

Date:

Attention: Cash Management

Dear Sirs:

The undersigned, Ontario Power Authority ("OPA"), refers to the credit agreement dated January 1, 2005 (as amended, supplemented or restated from time to time, the" Agreement", the terms defined therein being used herein as therein defined) between the OPA and the OFA, and gives you notice pursuant to Section 3.3 of the Agreement that the OPA elects to continue all or a portion of an Advance for an additional term, and in that connection, sets forth below the information relating to the election as required by Section 3.3(3) of the Agreement:

(a) The date of the proposed election, being a Business Day is _____;
(b) The aggregate amount of the proposed election is $_____;
i. previous principal amount $_____
ii. interest $_____
(c) The new Repayment Date applicable to such Advance is _____. [not more than 3 months after the current Repayment date for the Advance.]

The OPA hereby certifies that:

The representations and warranties of the OPA contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The OPA has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

ONTARIO POWER AUTHORITY

Per:_____

Name:

Authorized Signatory

*To be confirmed by telephone call to OFA Cash Management (416) 325-8108.

***[Note: In all Election Notices delivered from and after the effective time of the Amalgamation (as defined in Amending Agreement No. 8 to which this Form is attached as Schedule 2), replace all references to "Ontario Power Authority" with "Independent Electricity System Operator" and replace all references to "OPA" with "IESO."]

AMENDING AGREEMENT NO. 9

This Amending Agreement No. 9 (this "**Amending Agreement**") is made as of the 30 day of November, 2016

BETWEEN:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, a statutory corporation without share capital existing under the *Electricity Act, 1998* ("**IESO**") (as Borrower)

-and-

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* ("**OFA**" and together with the IESO, the "**Parties**")
(as Lender)

WHEREAS the Ontario Power Authority ("OPA") and the OFA entered into a Credit Agreement dated January 1, 2005 (the "**Original Agreement**");

AND WHEREAS pursuant to the amending agreements dated February 14, 2005, October 11, 2005 (titled, "Amending Agreement No. 3"), September 27, 2006 (titled, "Amending Agreement No. 4"), July 13, 2007 (titled, "Amending Agreement No. 5"), November 9, 2010 (titled, "Amending Agreement No. 6"), December 20, 2013 (titled, "Amendding Agreement No. 7") and December 19, 2014 (titled, "Amending Agreement No. 8"), the parties amended the Original Agreement (as so amended, the "**Agreement**");

AND WHEREAS effective January 1, 2015, the OPA and the Independent Electricity System Operator amalgamated and continued as a corporation without share capital under Part II of the *Electricity Act, 1998* (the "**Amalgamation**") with the name Independent Electricity Sytem Operator;

AND WHEREAS under the Amalgamation the obligations of the OPA became obligations of the amalgamated corporation and the Parties wish to amend the Agreement to reflect the name of the amalgamated corporation;

AND WHEREAS the Parties now wish to further amend the Agreement pursuant to the terms of this Amending Agreement;

AND WHEREAS pursuant to Section 7.3 of the Agreement, the Agreement may only be amended or otherwise modified by written agreement executed by each of the OFA and the IESO.

NOW THEREFORE IN CONSIDERATION of the mutual agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree to the following amendments, effective as of the date first written above.

Except as expressly provided herein or unless the context otherwise requires, capitalized terms not otherwise defined in this Amending Agreement have the respective meanings given to those terms in the Agreement.

1. The following definition is added to Section 1.1 of the Agreement:

   "IESO" means the Independent Electricity System Operator, a statutory corporation without share capital existing under Part II of the *Electricity Act, 1998.*

2. Section 1.6 is added to the Agreement as follows:

   "**Section 1.6 References to OPA**

   For the purposes of this Agreement, all references to the "Ontario Power Authority" or "OPA" in this Agreement shall be interpreted as referring to the IESO.

3. Section 2.4 of the Agreement is deleted in its entirety and replaced by the following:

   "Subject to Sections 2.9 and 5.1, the IESO shall repay each Advance on the applicable Repayment Date and, in any event, shall repay all Advances Oustanding, together with all accrued interest and all other amounts owing hereunder on December 31, 2019."

4. Section 3.1 of the Agreement is deleted in its entirety and replaced by the following:

   "The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO under the Operating Facility from time to time on any Business Day prior to November 30, 2019."

5. Section 3.2(1) of the Agreement is deleted in its entirety and replaced by the following:

   "Subject to Section 3.3(3), each Advance shall be made on two Business Days' prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each such notice of an Advance (each, a "**Borrowing Notice**") shall be given substantially in the form of Schedule 1, shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance, (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall be no earlier than 28 days and not later than 95 days after the date of the requested Advance. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2."

6. Section 3.3(1) of the Agreement is deleted in its entirety and replaced by the following:

   "The IESO may elect to continue all or a portion of the principal amount of any Advance for a further period of a minimum of 28 days and up to a maximum of 95 days beginning on the then current Repayment Date in accordance with Section 3.3(2)."

7. Section 3.3(2) of the Agreement is deleted in its entirety and replaced by the following:

   "Each election to continue an Advance for a further period shall be made on one Business Day's prior notice, given, in each case, not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each such notice (each, an "**Election Notice**") shall be given substantially in the form of Schedule 2, shall be irrevocable and binding upon the IESO and shall specify (a) the requested date of the proposed election, (b) the aggregate principal election amount, and (c) the new Repayment Date, which shall be no earlier than 28 days and not later than 95 days after the current Repayment Date. If the IESO fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date."

8. Section 5.1(b) of the Agreement is deleted in its entirety and replaced by the following:

"failure to pay the principal amount of any Advance on the applicable Repayment Date or the Advances Oustanding, all interest accrued thereon and all other amounts owing under this Agreement on December 31, 2019;"

9. The address and contact information of the OPA provided in Section 7.1 of the Agreement is deleted and replaced by the following:

   If to the IESO, to it at:

   Independent Electricity System Operator
   120 Adelaide Street West, Suite 1600
   Toronto, ON M5H 1T1

   Attention: Chief Financial Officer
   Telephone: 416-969-6232
   Fascimile: 905-403-6913

10. Schedule 1 of the Agreement, Form of Borrowing Notice, is deleted in its entirety and replaced by the Form of Borrowing Notice attached hereto as Schedule 1.

11. Schedule 2 of the Agreement, Form of Election Notice, is deleted in its entirety and replaced by the Form of Election Notice attached hereto as Schedule 2.

12. Schedule 3 of the Agreement, IESO Grid Note, is deleted in its entirety and replaced by the IESO Grid Note attached hereto as Schedule 3.

IN ALL OTHER RESPECTS, the said Agreement is confirmed by the Parties.

IN WITNESS WHEREOF the Parties have executed this Amending Agreement as of the date first written above.

ONTARIO FINANCING AUTHORITY

Per: _____
Name: Michael D. Manning
Title: Executive Director
Capital Markets Division

I have authorit to bind the corporation.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services;
Chief Financial Officer; Treasurer

I have authorit to bind the corporation.

SCHEDULE 1 TO AMENDING AGREEMENT NO. 9

FORM OF BORROWING NOTICE

Delivered Via Fax: 416-204-7920

Ontario Financing Authority ("**OFA**")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("**IESO**"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "**Agreement**", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "**Proposed Advance**"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The aggregate amount of the Proposed Advance is **$**_____;
(c) The Repayment Date of the Proposed Advance is _____. [no earlier than 28 days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The undersigned herby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purposes:

(1) [indicate amount and purpose of funds requested]
(2) [indicate amount and purpose of funds requested]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:

Authorized Signatory

SCHEDULE 2 TO AMENDING AGREEMENT NO. 9

FORM OF ELECTION NOTICE

Delivered Via Fax: 416-204-7920

Ontario Financing Authority ("**OFA**")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("**IESO**"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "**Agreement**", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue all or a portion of an Advance for an additional term, and in connection with such election, sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day is _____;
(b) The aggregate amount of the proposed election is $_____;
    i. previous principal amount $_____
    ii. interest $_____
(c) The new Repayment Date applicable to such Advance is _____. [no earlier than 28 days and not later than 95 days after the current Repayment Date for the Advance.]

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per:_____
Name:

Authorized Signatory

SCHEDULE 3 TO AMENDING AGREEMENT NO. 9

SCHEDULE 3

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $975,000,000 Date: November 30, 2016

FOR VALUE RECEIVED, INDEPENDENT ELECTRICTY SYSTEM OPERATOR (the **"Company"**), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY ("OFA")** at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the Company, all as recorded by the OFA on the grid (the **"Grid"**) attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Credit Agreement (as defined below).

OFA shall and is unconditionally and absolutely authorized and directed by the Company to record on the Grid (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the grid promissory note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Credit Agreement dated January 1, 2005 as amended, supplemented or restated from time to time, between the Borrower and the OFA (the **"Credit Agreement"**). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Credit Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Credit Agreement.

This Note is not transferable or negotiable without the prior written consent of the Company.

The Company waives presentment for payment and notice of non-payment.

This Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the Company has executed this Note.

INDEPENDENT ELECTRICTY SYSTEM OPERARTOR

By: _____

Name: Bruce Campbell
Title: President & CEO

By: _____

Name: Kimberly Marshall
Title: VP, Corporate Services; CFO; Treasurer

ONTARIO FINANCING AUTHORITY
LINE OF CREDIT GRID NOTE

Borrower: Independent Electricity System Operator

Program: Regulated Price Plan Variance

Schedule of loan transactions to: 21-Nov-2016

Loan Limit: $975,000,000.00

Loan Advanced to: 21-Nov-2016

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days
19-Aug-2016	$94,951,024.00	0.8100%	19-Sep-2016	31	$65,321.10	$49,331,879.98	$49,266,558.88	$65,321.10	19-Sep-2016	31
19-Sep-2016	$45,684,465.12	0.8100%	19-Oct-2016	30	$30,414.59	$30,283,150.31	$30,252,735.72	$30,414.59	19-Oct-2016	30
19-Oct-2016	$15,431,729.40	0.7900%	21-Nov-2016	33	$11,022.06	$11,022.06	$0.00	$11,022.06	21-Nov-2016	33
21-Nov-2016	$64,793,065.20	0.7800%	21-Dec-2016	30	$41,538.57	$64,834,603.77	$64,793,065.20	$41,538.57	21-Dec-2016	30
21-Nov-2016	$15,431,729.40	0.7800%	21-Dec-2016	30	$9,893.22	$15,441,622.62	$15,431,729.40	$9,893.22	21-Dec-2016	30

AMENDING AGREEMENT NO. 10

This Amending Agreement No. 10 (this "**Amending Agreement**") is made as of the 21st day of November, 2017 (the "**Effective Date**")

BETWEEN:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, a statutory corporation without share capital existing under Part II of the *Electricity Act, 1998* ("**IESO**")

-and-

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* ("**OFA**")

(together, the "**Parties**")

WHEREAS the Ontario Power Authority ("**OPA**") and the OFA entered into a credit agreement dated January 1, 2005 (the "**Original Agreement**");

AND WHEREAS effective January 1, 2015, the OPA and the then existing Independent Electricity System Operator amalgamated and continued as a corporation without share capital under Part II of the *Electricity Act, 1998* with the name "Independent Electricity System Operator" (**"IESO"**), and the obligations of the OPA became obligations of the IESO;

AND WHEREAS pursuant to the amending agreements dated February 14, 2005, October 11, 2005 (titled, "Amending Agreement No. 3"), September 27, 2006 (titled, "Amending Agreement No. 4"), July 13, 2007 (titled, "Amending Agreement No. 5"), November 9, 2010 (titled, "Amending Agreement No. 6"), December 20, 2013 (titled, "Amending Agreement No. 7"), December 19, 2014 (titled, "Amending Agreement No. 8") and November 30, 2016 (titled, "Amending Agreement No. 9"), the OPA or IESO (as applicable) and the OFA amended the Original Agreement (as so amended, the "**Credit Agreement**", the terms defined therein being used herein as therein defined);

AND WHEREAS the Parties have now agreed to: (i) at the request of the IESO, decrease the total principal amount available under the Credit Agreement from $975,000,000 to a total principal amount of up to $475,000,000; (ii) amend the use of proceeds under the Credit Agreement; (iii) amend the Form of Election Notice and related provisions under the Credit Agreement; and (iv) make other amendments required as a consequence of the implementation of the OFHP (as defined below);

AND WHEREAS pursuant to Section 7.3 of the Credit Agreement, the Credit Agreement may only be amended or otherwise modified by written agreement executed by the Parties.

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby

acknowledged, and subject to the terms and conditions hereafter set out, the Parties agree that, as of the Effective Time (as defined below):

1. The definition of "Advances" in Section 1.1 of the Credit Agreement is deleted and replaced by the following:

   "**Advances**" means advances made by the OFA to the IESO under Article 3 and "Advance" means any one of such advances, and in the case of an election by the IESO under Section 3.3, includes a "Continued Advance", as defined in Section 3.3(1), as applicable."

2. The definition of "**Commitment**" in Section 1.1 of the Credit Agreement is amended by deleting "$975,000,000" and substituting "$475,000,000" therefor.

3. The definition of "**Permitted Liens**" is amended by deleting the word "and" at the end of subsection (i); replacing the "." at the end of subsection (j) and replacing it with "; and" ; and adding the following subsection (k):

   "(k) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

4. The following definitions are added to Section 1.1 of the Credit Agreement:

   "Clean Energy Adjustment" has the same meaning as that term is defined in the OFHP.

   "**Continued Advance"** has the meaning specified in Section 3.3(1).

   "**Current Repayment Date**" has the meaning specified in Section 3.3(2).

   "**New Repayment Date**" has the meaning specified in Section 3.3(2).

   "OFHP" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

5. Section 2.3 "Use of Proceeds" of the Credit Agreement is deleted in its entirety (with the exception of the title of the section, which exception also applies regarding the amendments made under sections 6, 7 and 8 hereof) and replaced by the following:

   "The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the *Electricity Act, 1998,* as such regulation may be amended or replaced from time to time, provided that Advances may be used only for liquidity purposes."

6. Section 3.2 "Procedures for Advances" of the Credit Agreement is deleted in its entirety and replaced by the following:

"(1) Subject to Section 3.3(5), each Advance shall be made subject to two Business Days' prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each notice of an Advance (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1, other than a Borrowing Notice that is included in an Election Notice as permitted by Section 3.3(3). Each Borrowing Notice shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance; (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall be no earlier than 28 days and not later than 95 days after the date of the requested Advance. Each Borrowing Notice shall also certify the use of proceeds of the Advance which shall in any case be in accordance with Section 2.3. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, the IESO shall execute and deliver to the OFA a grid promissory note in respect of Advances substantially in the form of Schedule 3 (the **"Grid Note"**). The IESO authorizes the OFA to record on the Grid Note (a) the date and amount of each Advance or Continued Advance; (b) the applicable rate of interest for each Advance or Continued Advance; (c) the Repayment Date of each Advance or Continued Advance; (d) the date and amount of each payment of interest and each payment of principal or portion thereof in respect of each Advance or Continued Advance; and (e) Advances Outstanding. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such Advances and repayments; provided that the failure of the OFA to record any amount, rate or date shall not affect the obligation of the IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement."

7. Section 3.3 "Elections Regarding Advances" of the Credit Agreement is deleted in its entirety and replaced by the following:

"(1) The IESO may elect to continue all or a portion of the principal amount of any Advance and any amount of interest on such Advance (together, the "**Continued Advance**") for a further period of at least 28 days and up to a maximum of 95 days beginning on the then current Repayment Date in accordance with Section 3.3(2).

(2) Each notice to continue an Advance for a further period (an "**Election Notice**") shall be provided by the IESO to the OFA at least two Business Days prior to the Repayment Date of the Advance (the "**Current Repayment Date**"), and in each case, not later than 10:00 a.m. (Toronto time). Each such Election Notice shall be given substantially in the form of Schedule 2 and shall be irrevocable and binding upon the IESO and shall specify: (a) the Current Repayment Date; (b) the new aggregate total amount of the proposed Continued Advance; (c) the amount of interest or principal, if any, to be paid or re-paid by the IESO with respect to such Advance on the Current Repayment Date; and (d) the new Repayment Date of the proposed Continued Advance, which shall be no earlier than 28 days and not later than 95 days after the Current Repayment Date (the "**New Repayment Date**"). If the IESO fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date.

(3) An Election Notice with respect to a proposed Continued Advance may include a Borrowing Notice for a further Advance proposed to be made on the Current Repayment

Date. The Repayment Date of such further Advance shall be the New Repayment Date of the Continued Advance that is specified in the Election Notice. Such Borrowing Notice shall be given substantially in the form of Schedule 2.

(4) The calculation of interest on a Continued Advance shall be determined in the same manner as an Advance under Section 3.4 and shall be recorded on the grid promissory note in respect of Advances in accordance with Section 3.2(2).

(5) Any portion of an Advance not continued for a further period in accordance with Section 3.3(2) shall be repayable on the applicable Repayment Date."

8. Section 5.2 "Acceleration of Maturity; Recission and Annulement" of the Credit Agreement is deleted in its entirety and replaced by the following:

"If an Event of Default occurs and is continuing, then and in every such case the OFA may at its option, in addition to any other remedy available to the OFA at law, by written notice to the IESO, take any or all of the following actions:

(a) suspend the right of the IESO to request any further Advance until the Event of Default has been cured to the OFA's satisfaction or, if the Event of Default is not cured within three (3) Business Days after the date on which written notice of such Event of Default shall have been given to the IESO by the OFA, declare all amounts owing hereunder including all interest accrued to be due and payable immediately, by a notice in writing to the IESO, and upon any such declaration all such amounts shall become immediately due and payable.

(b) invoke the Intercept pursuant to section 5.7 of this Agreement to require payment of any amount due and payable under this Agreement."

9. Section 5.7 "Intercept" is added to the Credit Agreement, stating as follows:

"Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of November 6th , 2017 herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the *Capital Investment Plan Act, 1993* (the "**Intercept Letter**"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("**Appropriated Funds**"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("**Intercept**").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail."

10. Section 7.9 "Entire Agreement' is added to the Credit Agreement, stating as follows:

"Section 7.9 Entire Agreement

This Agreement as amended from time to time and including the schedules hereto and any other agreements expressly referred to herein, constitutes the whole agreement between the Parties with respect to the matters dealt with in it, and it supersedes any prior agreement, undertakings, discussions and the like respecting the matters dealt with in this Agreement and entered into by the Parties before the date the OFA signs this Agreement."

11. Schedule 1 of the Credit Agreement, Form of Borrowing Notice, is deleted in its entirety and replaced by the Form of Borrowing Notice attached hereto as Schedule 1.

12. Schedule 2 of the Credit Agreement, Form of Election Notice, is deleted in its entirety and replaced by the Form of Election Notice attached hereto as Schedule 2.

13. Schedule 3 of the Credit Agreement, IESO Grid Note, is deleted in its entirety and replaced by the Form of Grid Note attached hereto as Schedule 3.

14. For the purposes of this Amending Agreement and its coming into effect:

a. "**Effective Time**" means the time on the Effective Date by which the Transfers of Funds (defined below) have been completed; or such other time as the Parties may subsequently agree to in writing as being the "Effective Time";

b. "**Transfers of Funds**" means those transfers of funds to be completed between the Parties on the Effective Date, being:

   i. the First Advance as defined under section 3.2(3) of the credit agreement between the Parties in relation to the IESO's role in the implementation of the OFHP dated November 6, 2017; and,

   ii. the completion of all Advances described in the Election Notice to be provided by the IESO to the OFA no later than November 17, 2017 (such terms having the meanings defined in the Credit Agreement) that are to be funded under the Credit Agreement on the Effective Date; and,

   iii. the repayment by the IESO of all Advances Outstanding (as defined in the Credit Agreement) exceeding $475 million; and,

   iv. the payment by the IESO to OFA of the interest then owing under the Credit Agreement.

15. The Parties shall endeavour to complete and exchange all usual documentation relating to the Transfers of Funds, and to any other related matters occurring on the Effective Date, prior to 5:00 p.m. on the Effective Date, and in any case no later than the next business day.

16. After the Effective Time, and prior to any further Advances under the Credit Agreement, the IESO shall execute and deliver to the OFA a new grid promissory note in the principal amount of up to $475,000,000 substantially in the form attached hereto as Schedule 3 (the **"Grid Note"**) and indicating a total principal amount of Advances Outstanding as of the Effective Time. Upon receipt of the new Grid Note delivered hereunder, the OFA will cancel and return the grid promissory note dated November 30, 2016 to the IESO.

17. This Amending Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Amending Agreement.

IN ALL OTHER RESPECTS, the Credit Agreement is confirmed by the Parties.

[*signature page follows*]

IN WITNESS WHEREOF the Parties hereto have executed and delivered this Amending Agreement on the dates set out below, which shall come into effect as of the Effective Time as defined herein.

ONTARIO FINANCING AUTHORITY

Per: _____ Date: November 6, 2017.

Name: Michael D. Manning
Title: Executive Director & Chief
Investment Officer
Capital Markets Division

I have authority to bind the corporation.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____ Date: November_____, 2017.

Name: Kimberly Marshall
Title: Vice President, Corporate Services;
Chief Financial Officer; Treasurer

I have authority to bind the corporation.

SCHEDULE 1 TO AMENDING AGREEMENT NO. 10

FORM OF BORROWING NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "**Agreement**", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "**Proposed Advance**"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The principal amount of the Proposed Advance is $_____;
(c) The Repayment Date of the Proposed Advance is _____. [Not earlier than 28 days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:

Authorized Signatory

SCHEDULE 2 TO AMENDING AGREEMENT NO. 10

FORM OF ELECTION NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is _____;

(b) The aggregate amount of the proposed Continued Advance is $_____, which is comprised of:

i. principal amount (or portion thereof) of Advance which is to be continued $_____; and
ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date $_____;

(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): $ _____

(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _____. [Insert date no earlier than 28 days and not later than 95 days after the Current Repayment Date for the Advance.]

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: $_____

The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:
Authorized Signatory

SCHEDULE 3 TO AMENDING AGREEMENT NO. 10

FORM OF GRID NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $475,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICTY SYSTEM OPERATOR (the **"IESO"**), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY ("OFA")** at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Credit Agreement (as defined below). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Credit Agreement.

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the credit agreement dated January 1, 2005 as amended, supplemented or restated from time to time, between the Borrower and the OFA (the **"Credit Agreement"**).

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Credit Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Name:
Authorized Signatory

Line of Credit Grid Note

Entity : Independent Electricity System Operator
Loan Limit: $475,000,000

Project:
Schedule of loan transactions to:
Loan Advanced to:

New Loan and/or Rollover					Actual Repayment					
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days

From:	Opal Kandelas
To:	Sarah Harris
Subject:	FW: IESO Security Agreement (November 7th Rating Agency Draft).docx
Date:	Monday, November 20, 2017 3:11:41 PM
Attachments:	IESO Security Agreement (November 7th Rating Agency Draft).docx

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From: John Kim
Sent: Friday, November 17, 2017 5:33 PM
To: Opal Kandelas
Subject: IESO Security Agreement (November 7th Rating Agency Draft).docx

Hi Opal,

I just got this draft security agreement.

Also, my understanding is that TD granted the requested amendment as we did with the OFA facilities.

Thanks,

John

Draft Date: November 7, 2017

SECURITY AGREEMENT

THIS AGREEMENT made as of the ____ day of _____, 2017,

BETWEEN:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, a statutory corporation without share capital established by the *Electricity Act, 1998*, SO, 1998,

(hereinafter referred to as the "**Grantor**"),

IN FAVOUR OF:

[FINANCING ENTITY], a trust formed under the laws of the Province of Ontario,

(hereinafter referred to as the "**Secured Party**"),

WHEREAS under Regulation 206/17 made under the *Ontario Fair Hydro Plan Act, 2017* (the "**Regulation**"), the Grantor is required to pay to the Secured Party the Carrying Costs of the Secured Party during the period beginning on April 1, 2017 and ending on June 30, 2021 (the "**Statutory Obligation**");

AND WHEREAS the Grantor (together with the Secured Party, collectively referred to as the "**Parties**") has agreed to enter into a security agreement in favour of the Secured Party to secure payment of the Statutory Obligation;

NOW THEREFORE THIS AGREEMENT WITNESSES that, for and in consideration of the premises, mutual covenants and conditions herein contained and such other lawful and valuable consideration the receipt of sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

1. INTERPRETATION

1.1 Defined Terms

In this Agreement, unless there is something in the context or subject matter inconsistent therewith,

(a) "**Account**" shall have the meaning attributed to such term in the PPSA;

(b) "**Business Day**" means any day other than a Saturday or a Sunday on which banks generally are open for business in Toronto, Ontario;

(c) "**Carrying Costs**" shall have the meaning attributed to the term "carrying costs" in the Regulation;

(d) "**Collateral**" shall have the meaning attributed to such term in Section 2.1;

(e) **"Electricity Vendor"** shall mean a licensed distributor and a licensed retailer, each as defined in the Ontario Fair Hydro Act.

(f) "**Money**" shall have the meaning attributed to such term in the PPSA;

(g) "**Permitted Liens**" means liens approved in writing by the Secured Party;

(h) "**PPSA**" means the *Personal Property Security Act* (Ontario), as amended from time to time, and any regulations thereto;

(i) "**Proceeds**" means "proceeds", as defined in the PPSA, of the Collateral;

(j) **"Receiver"** shall have the meaning attributed to such term in Section 6.2 of this Agreement;

(k) "**Regulation**" shall have the meaning attributed to such term in the recitals hereto;

(l) "**Statutory Obligation**" shall have the meaning attributed to such term in the recitals hereto.

1.2 Other Usages

References to "this Agreement", "hereof", "herein", "hereto" and like references refer to this Security Agreement and not to any particular Article, Section or other subdivision of this Agreement.

1.3 Plural and Singular

Where the context so requires, the words importing the singular number shall include the plural and vice versa.

1.4 Headings

The division of this Agreement into Articles and Sections and the insertion of headings in this Agreement are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

1.5 Applicable Law

This Agreement and all documents delivered pursuant hereto shall be governed by and construed and interpreted in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein and the Parties do hereby attorn to the non-exclusive jurisdiction of the courts of the Province of Ontario.

1.6 Prohibited Provisions

In the event that any provision or any part of any provision hereof is deemed to be invalid by reason of the operation of any law or by reason of the interpretation placed thereon by a court,

this Agreement shall be construed as not containing such provision or such part of such provision and the invalidity of such provision or such part shall not affect the validity of any other provision or the remainder of such provision hereof, and all other provisions hereof which are otherwise lawful and valid shall remain in full force and effect.

1.7 Time of the Essence

Time shall in all respects be of the essence of this Agreement.

1.8 Recitals and Schedules

Each and every one of the recitals and schedules which are referred to in this Agreement and attached to this Agreement shall form an integral part of this Agreement.

2. SECURITY INTEREST

2.1 Grant of Security Interest

As general and continuing security for the payment of the Statutory Obligation, the Grantor hereby grants a security interest to the Secured Party in the following (collectively, the "**Collateral**"):

(a) all Accounts, which are now due, owing or accruing or growing due to, or which may hereafter become due, owing or accruing or growing due, to the Grantor by an Electricity Vendor;

(b) all Proceeds and renewals of the foregoing, in whatever form, together with all substitutions therefore.

Whenever used elsewhere in this Agreement, the expression "**security interest**" refers to the security interest created in this Section 2.1.

2.2 Attachment of Security Interest

The Grantor acknowledges and agrees that (i) value has been given, (ii) the Grantor has rights in such of the Collateral as constitutes present property of the Grantor, and (iii) the security interest shall attach to existing Collateral upon execution of this Agreement by the Grantor and to each item of after-acquired Collateral at the time that the Grantor acquires any rights therein.

3. COVENANTS OF THE GRANTOR

3.1 Covenants

The Grantor hereby covenants and agrees with the Secured Party as follows:

(a) To promptly pay all taxes, assessments, rates, levies, payroll deductions, vacation pay, workers' compensation assessments, and any other charges which could result in the creation of a statutory lien or deemed trust in respect of the Collateral.

(b) To defend the Collateral against the claims and demands of all other persons claiming the same or an interest therein and to promptly notify the Secured Party of any such claim or demand.

(c) To do, make, execute and deliver such further and other assignments, transfers, deeds, agreements and other documents as may be required by the Secured Party to establish in favour of the Secured Party the security interest intended to be created hereby.

3.2 Performance of Covenants by the Secured Party

The Secured Party may, in its sole discretion and upon notice to and at the expense of the Grantor, perform any covenant of the Grantor under this Agreement that the Grantor fails to perform and that the Secured Party is capable of performing, provided that the Secured Party will not be obligated to perform any such covenant on behalf of the Grantor and no such performance by the Secured Party will require the Secured Party further to perform the Grantor's covenants nor operate as a derogation of the rights and remedies of the Secured Party under this Agreement.

4. DEALING WITH COLLATERAL

4.1 Grantor's Rights

Until the Secured Party is entitled to exercise its rights and remedies under Section 6.2, the Grantor shall be entitled to deal with the Collateral in the ordinary course of business, provided however, that no such action shall be taken which would impair the effectiveness of the security interests created hereby, the provisions of this Agreement or any other written agreement between the Secured Party and the Grantor.

4.2 General Restrictions

The Grantor shall not, without the prior written consent of the Secured Party:

(a) sell, lease or otherwise dispose of the Collateral or any part thereof except in the ordinary course of business; or

(b) enter into or grant, create, assume or suffer to exist any mortgage, charge, hypothec, assignment, pledge, lien or other security interest or encumbrance affecting any of the Collateral except the Permitted Liens.

4.3 Release by the Secured Party

The Secured Party may, at its discretion, at any time release from the security interest created by this Agreement any part or parts of the Collateral or any other security or any surety for the Statutory Obligation either with or without sufficient consideration therefor without thereby releasing any other part of the Collateral or any person from this Agreement.

5. REPRESENTATIONS AND WARRANTIES

5.1 Representations and Warranties

The Grantor hereby represents and warrants to the Secured Party, the matters set out below:

(a) **Incorporation and Qualifications** – The Grantor is a statutory corporation amalgamated under the laws of the Province of Ontario, with requisite power and authority to own its properties, to conduct its business as such properties are currently owned and such business is presently conducted by it, and to execute, deliver and carry out the terms of this Agreement.

(b) **Corporate Authority and Power** – The Grantor has the requisite power and authority to execute and deliver this Agreement and to carry out its terms. The execution, delivery and performance of all obligations under this Agreement have been duly authorized by all necessary action on the part of the Grantor under all applicable laws.

(c) **Non-Conflict** – Neither the execution nor the performance of this Agreement requires the approval of any regulatory agency having jurisdiction over the Grantor nor is this Agreement in contravention of or in conflict with the by-laws or resolutions of the directors or shareholders of the Grantor or of the provisions of any agreement to which the Grantor is a party or by which any of its property may be bound or of any statute, regulation, by-law, ordinance or other law, or to the best of its knowledge of any judgement, decree, award, ruling or order to which the Grantor or any of its property may be subject, other than approvals that have been obtained.

(d) **Ownership of Collateral Free of Liens** – The Grantor is the owner of or has rights in the existing Collateral free and clear of any liens other than Permitted Liens.

(e) **Grantor Information** – Schedule A sets forth (a) the Grantor's jurisdiction of incorporation, (b) the location of the Grantor's registered office and business operations and records, and (c) the Grantor's exact legal name (in English and French).

(f) **Enforceability** – This Agreement constitutes a valid and legally binding obligation of the Grantor enforceable against it in accordance with its terms, subject to general equitable principles, including the fact that the availability of equitable remedies, such as injunctive relief and specific performance, is in the discretion of the court.

5.2 Reliance and Survival

All representations and warranties of the Grantor made in this Agreement shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit. The Secured Party shall be deemed to have relied upon each such representation and

warranty notwithstanding any investigation made by or on behalf of the Secured Party at any time.

6. ENFORCEMENT

6.1 Enforceability of Security

The security hereby constituted shall become enforceable only upon the failure of the Grantor to pay the Statutory Obligations when due, and then only to the extent of the Statutory Obligations not then paid when due. The Grantor acknowledges that it has no right in any circumstance to accelerate payment of the Statutory Obligations, to apply proceeds of Collateral on account of Statutory Obligations not yet due, or to reserve or hold proceeds of Collateral on account of Statutory Obligations not yet due.

6.2 Remedies

At any time that the security hereby constituted shall have become enforceable, the Secured Party may give notice of its intention to its exercise rights and remedies hereunder. At any time ten Business Days following the giving of such notice, and unless the amounts due and owing on account of the carrying Costs at the time of the Notice have been paid, the Secured Party shall have the following rights, powers and remedies:

(a) to appoint any person to be an agent or any person to be a receiver, manager or receiver and manager (herein called the "**Receiver**") of the Collateral and to remove any Receiver so appointed and to appoint another if the Secured Party so desires; it being agreed that any Receiver appointed pursuant to the provisions of this Agreement shall have all of the powers of the Secured Party hereunder;

(b) to make payments to parties having prior charges or encumbrances on the Collateral;

(c) to preserve, protect and maintain the Collateral;

(d) to enjoy and exercise all powers necessary or incidental to the performance of all functions provided for in this Agreement;

(e) to sell or dispose of all or any part of the Collateral whether by public or private sale or otherwise and on any terms so long as every aspect of the disposition is commercially reasonable, including without limitation, terms that provide time for payment on credit;

(f) to enjoy and exercise in respect of the Collateral all of the rights and remedies of a secured party under the PPSA;

(g) to notify the account debtors or obligors under any Accounts which constitute part of the Collateral of the assignment of such Accounts to the Secured Party and to direct such account debtors or obligors to make payment of all amounts due or to become due to the Grantor thereunder directly to the Secured Party and to give valid and binding receipts and discharges therefor and in respect thereof and,

upon such notification and at the expense of the Grantor, to enforce collection of any such Accounts, and to adjust, settle or compromise the amount or payment thereof, in the same manner and to the same extent as the Grantor might have done; and

(h) to commence, continue or defend proceedings in any court of competent jurisdiction in the name of the Secured Party, the Receiver or the Grantor for the purpose of exercising any of the rights, powers and remedies set out in this Section, including the institution of proceedings for the appointment of a receiver, manager or receiver and manager of the Collateral.

6.3 Special Rules re Accounts

At any time that the Secured Party is entitled to exercise its rights and remedies under Section 6.2,

(a) all Money or other form of payment received by the Grantor in respect of the Collateral shall be received in trust for the benefit of the Secured Party hereunder, shall be segregated from other funds of the Grantor and shall be forthwith paid over to the Secured Party in the same form as so received (with any necessary endorsement) to be held as cash collateral and applied as provided by Section 6.8; and

(b) the Grantor shall not adjust, settle or compromise the amount or payment of any Collateral.

6.4 Receiver as Agent

The Receiver shall be deemed to be the agent of the Grantor for the purpose of establishing liability for the acts or omissions of the Receiver and the Secured Party shall not be liable for such acts or omissions and, without restricting the generality of the foregoing, the Grantor hereby irrevocably authorizes the Secured Party to give instructions to the Receiver relating to the performance of its duties as set out herein.

6.5 Expenses of Enforcement

The Grantor shall pay to the Receiver the remuneration of the Receiver and all costs and expenses (including, without limitation, legal fees and disbursements on a full indemnity basis) properly incurred by the Receiver pursuant to its appointment and the exercise of its powers hereunder, and shall pay to the Secured Party and the Receiver as required all amounts of Money (including interest thereon) borrowed or advanced by either of them pursuant to the powers set out herein, and the obligations of the Grantor to the Secured Party and the Receiver pursuant to this Section 6.5 shall be payable on demand.

6.6 Indulgences and Releases

Either the Secured Party or the Receiver may grant extensions of time and other indulgences, take and give up securities, accept compositions, grant releases and discharges, release any part of the Collateral to third parties and otherwise deal with the Grantor, debtors of the Grantor,

sureties and others and with the Collateral and other security as the Secured Party or the Receiver may see fit without prejudice to the right of the Secured Party and the Receiver to repossess, hold, collect and realize the Collateral.

6.7 No Liability for Failure to Exercise Remedies

The Secured Party and the Receiver shall not be liable or accountable to the Grantor or to any other person for any failure to exercise any of the rights, powers and remedies set out in this Agreement, and shall not be bound to commence, continue or defend proceedings for the purpose of preserving or protecting any rights of the Secured Party, the Receiver, the Grantor or any other party in respect of the same.

6.8 Proceeds of Disposition

All Moneys received by the Secured Party or by the Receiver pursuant to Section 6.2 shall be promptly applied as follows:

(a) first, in payment of all costs and expenses incurred by the Secured Party in the exercise of all or any of the powers granted to it under this Agreement and in payment of all of the remuneration of the Receiver and all costs and expenses properly incurred by the Receiver in the exercise of all or any of the powers granted to it under this Agreement, including, without limitation, the remuneration, costs and expenses referred to in Section 6.5;

(b) second, in payment of all amounts of Money borrowed or advanced by either of the Secured Party or the Receiver pursuant to the powers set out in this Agreement and any interest thereon;

(c) third, in payment of the Statutory Obligation, provided that if there are not sufficient Moneys to fully pay and perform the Statutory Obligation, the Secured Party may apply the Moneys available to such part or parts thereof as the Secured Party, in its sole discretion, may determine; and

(d) fourth, in payment of any surplus in accordance with applicable law.

6.9 Grantor Liable for Deficiency

If the Moneys received by the Secured Party or the Receiver pursuant to Section 6.2 are not sufficient to pay the claims set out in Section 6.8, the Grantor shall immediately pay the Secured Party the amount of such deficiency.

6.10 Restriction on Grantor

Upon notification of the account debtors or obligors under any Accounts which constitute part of the Collateral of the assignment of such Accounts to the Secured Party or the appointment of a Receiver in respect of the Collateral, all the powers, functions, rights and privileges of the Grantor or any officer, director, servant or agent of the Grantor with respect to the Collateral shall, to the extent permitted by applicable law, be suspended unless specifically continued by the written consent of the Secured Party; however, all other powers, functions, rights and

privileges of the Grantor or any officer, director, servant or agent of the Grantor shall be unaffected by such events.

6.11 Rights Cumulative

All rights and remedies of the Secured Party set out in this Agreement shall be cumulative and no right or remedy contained herein is intended to be exclusive but each shall be in addition to every other right or remedy contained herein or in any existing or future security document or now or hereafter existing at law or in equity or by statute.

7. GENERAL

7.1 Waiver

Any default by the Grantor in the observance or performance of any covenant or condition required to be observed or performed by the Grantor hereunder, may only be waived by the Secured Party in writing, provided that no such waiver by the Secured Party shall extend to or be taken in any manner to affect any subsequent breach or default or the rights resulting therefrom.

7.2 The Secured Party as Attorney

At any time that the Secured Party is entitled to exercise its rights and remedies under Section 6.2, the Grantor hereby irrevocably appoints the Secured Party and any person further designated by the Secured Party to be the attorney of the Grantor for and in the name of the Grantor to execute and do any deeds, documents, transfers, demands, assignments, assurances, consents and things which the Grantor is obliged to sign, execute or do hereunder and, to commence, continue and defend any proceedings authorized to be taken hereunder and generally to use the name of the Grantor in the exercise of all or any of the powers hereby conferred on the Secured Party. These powers are coupled with an interest, have been given for valuable consideration (the receipt and adequacy of which is acknowledged), survive, and do not terminate upon, the bankruptcy, dissolution, winding up or insolvency of the Grantor, and are irrevocable until the Statutory Obligation has been satisfied in full and this Agreement is terminated and the security interest created herein has been released. This power of attorney extends to and is binding upon the Grantor's successors and permitted assigns. The Grantor authorizes the Secured Party to delegate in writing to another person any power and authority of the Secured Party under this power of attorney as may be necessary or desirable in the opinion of the Secured Party, and to revoke or suspend such delegation.

7.3 Further Assurances

The Grantor shall do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered, such further acts, deeds, mortgages, transfers and assurances as the Secured Party shall reasonably require for the better assuring, charging, assigning and conferring unto the Secured Party a security interest in the Collateral, or which the Grantor may hereafter become bound to charge in favour of the Secured Party, for the purpose of accomplishing and effecting the intention of this Agreement.

7.4 Amalgamation of the Grantor

The Grantor acknowledges and agrees that in the event that it amalgamates with any other persons, then (i) the Collateral and the security interest shall extend to and include all of the property and undertaking that any of the amalgamating corporations then owns, all of the property and undertaking that the amalgamated corporation thereafter acquires, all of the property and undertaking in which any of the amalgamating corporations then has any interest, and all of the property and undertaking in which the amalgamated corporation thereafter acquires any interest, and (ii) all references herein to the Grantor shall extend to and include the amalgamated corporation.

7.5 Continuing Security

The security interest constituted hereby shall be deemed to be a continuing security for the Statutory Obligation until the Statutory Obligation is paid and performed in full.

7.6 Notices

All notices and other communications provided for herein shall be in writing and shall be personally delivered to an officer or other responsible employee of the addressee or sent by facsimile, charges prepaid, at or to the applicable address or facsimile number, as the case may be, of the party set opposite its name below or at or to such other address or addresses or facsimile number or numbers as either party may from time to time designate to the other party in such manner. Any communication which is personally delivered as aforesaid shall be deemed to have been validly and effectively given on the date of such delivery if such date is a Business Day and such delivery was made during normal business hours of the recipient; otherwise, it shall be deemed to have been validly and effectively given on the Business Day next following such date of delivery. Any communication which is transmitted by facsimile as aforesaid shall be deemed to have been validly and effectively given on the date of transmission if such date is a Business Day and such transmission was made during normal business hours of the recipient; otherwise, it shall be deemed to have been validly and effectively given on the Business Day next following such date of transmission.

In the case of the Grantor:

Independent Electricity System Operator
[Address]

Attention: ■
Email: ■
Facsimile: ■

In the case of the Secured Party:

[Financing Entity]
c/o Ontario Power Generation Inc., as Manager
700 University Avenue
Toronto, Ontario
M5G 1X6

Attention: ■
Email: ■
Facsimile: ■

7.7 Assignment

The Secured Party may from time to time upon notice to, but without the consent of the Grantor, assign or transfer this Agreement to any other person. The Grantor shall not be entitled to assign or transfer this Agreement or any of the Grantor's rights, duties or obligations hereunder without the prior written consent of the Secured Party.

7.8 Successors and Assigns

This Agreement shall enure to the benefit of the Secured Party and its successors and assigns and shall be binding upon the Grantor and its successors and permitted assigns.

7.9 Amendments

This Agreement may not be amended or otherwise modified except by an instrument in writing executed by the Parties.

7.10 Entire Agreement

This Agreement and the agreements referred to herein and any document, agreement or instrument delivered pursuant to such agreements constitute the entire agreement between the Parties and supersede any prior agreements, undertakings, declarations, representations and undertakings, both written and verbal, in respect of the subject matter hereof.

7.11 Receipt of Agreement and Financing Statement.

The Grantor hereby acknowledges receipt of an executed copy of this Agreement and of the financing statement registered under the PPSA evidencing the security interest created hereby.

7.12 Counterpart

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which taken together shall be deemed to constitute one and the same instrument, and it shall not be necessary in making proof of this Agreement to produce or account for more than one such counterpart.

7.13 Delivery by Facsimile or Electronic Transmission

This Agreement may be executed and delivered by facsimile or electronic transmission and each of the Parties may rely on such facsimile or electronic signature as though such facsimile signature were an original signature.

[NEXT PAGE IS SIGNATURE PAGE]

IN WITNESS WHEREOF the Parties have duly executed this Agreement as of the date first written above.

[FINANCING ENTITY], by its Manager,
ONTARIO POWER GENERATION INC., as Secured Party

By: _____
Name:
Title:

By: _____
Name:
Title:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR
as Grantor

By: _____
Name:
Title:

By: _____
Name:
Title:

SCHEDULE A

GRANTOR INFORMATION

1. **Grantor's exact legal name: Independent Electricity System Operator**

   ■ [French]

2. **Grantor's jurisdiction of incorporation: Ontario**

3. **Grantor's registered office address: ■**

4. **Location of Grantor's business operations and records: ■**

From:	Opal Kandelas
To:	Sarah Harris
Subject:	FW: IESO Security Agreement (November 7th Rating Agency Draft).docx
Date:	Monday, November 20, 2017 3:11:41 PM
Attachments:	IESO Security Agreement (November 7th Rating Agency Draft).docx

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From: John Kim
Sent: Friday, November 17, 2017 5:33 PM
To: Opal Kandelas
Subject: IESO Security Agreement (November 7th Rating Agency Draft).docx

Hi Opal,

I just got this draft security agreement.

Also, my understanding is that TD granted the requested amendment as we did with the OFA facilities.

Thanks,

John

Draft Date: November 7, 2017

SECURITY AGREEMENT

THIS AGREEMENT made as of the ____ day of _____, 2017,

BETWEEN:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, a statutory corporation without share capital established by the *Electricity Act, 1998*, SO, 1998,

(hereinafter referred to as the "**Grantor**"),

IN FAVOUR OF:

[FINANCING ENTITY], a trust formed under the laws of the Province of Ontario,

(hereinafter referred to as the "**Secured Party**"),

WHEREAS under Regulation 206/17 made under the *Ontario Fair Hydro Plan Act, 2017* (the "**Regulation**"), the Grantor is required to pay to the Secured Party the Carrying Costs of the Secured Party during the period beginning on April 1, 2017 and ending on June 30, 2021 (the "**Statutory Obligation**");

AND WHEREAS the Grantor (together with the Secured Party, collectively referred to as the "**Parties**") has agreed to enter into a security agreement in favour of the Secured Party to secure payment of the Statutory Obligation;

NOW THEREFORE THIS AGREEMENT WITNESSES that, for and in consideration of the premises, mutual covenants and conditions herein contained and such other lawful and valuable consideration the receipt of sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

1. INTERPRETATION

1.1 Defined Terms

In this Agreement, unless there is something in the context or subject matter inconsistent therewith,

(a) "**Account**" shall have the meaning attributed to such term in the PPSA;

(b) "**Business Day**" means any day other than a Saturday or a Sunday on which banks generally are open for business in Toronto, Ontario;

(c) "**Carrying Costs**" shall have the meaning attributed to the term "carrying costs" in the Regulation;

(d) "**Collateral**" shall have the meaning attributed to such term in Section 2.1;

(e) **"Electricity Vendor"** shall mean a licensed distributor and a licensed retailer, each as defined in the Ontario Fair Hydro Act.

(f) "**Money**" shall have the meaning attributed to such term in the PPSA;

(g) "**Permitted Liens**" means liens approved in writing by the Secured Party;

(h) "**PPSA**" means the *Personal Property Security Act* (Ontario), as amended from time to time, and any regulations thereto;

(i) "**Proceeds**" means "proceeds", as defined in the PPSA, of the Collateral;

(j) **"Receiver"** shall have the meaning attributed to such term in Section 6.2 of this Agreement;

(k) "**Regulation**" shall have the meaning attributed to such term in the recitals hereto;

(l) "**Statutory Obligation**" shall have the meaning attributed to such term in the recitals hereto.

1.2 Other Usages

References to "this Agreement", "hereof", "herein", "hereto" and like references refer to this Security Agreement and not to any particular Article, Section or other subdivision of this Agreement.

1.3 Plural and Singular

Where the context so requires, the words importing the singular number shall include the plural and vice versa.

1.4 Headings

The division of this Agreement into Articles and Sections and the insertion of headings in this Agreement are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

1.5 Applicable Law

This Agreement and all documents delivered pursuant hereto shall be governed by and construed and interpreted in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein and the Parties do hereby attorn to the non-exclusive jurisdiction of the courts of the Province of Ontario.

1.6 Prohibited Provisions

In the event that any provision or any part of any provision hereof is deemed to be invalid by reason of the operation of any law or by reason of the interpretation placed thereon by a court,

this Agreement shall be construed as not containing such provision or such part of such provision and the invalidity of such provision or such part shall not affect the validity of any other provision or the remainder of such provision hereof, and all other provisions hereof which are otherwise lawful and valid shall remain in full force and effect.

1.7 Time of the Essence

Time shall in all respects be of the essence of this Agreement.

1.8 Recitals and Schedules

Each and every one of the recitals and schedules which are referred to in this Agreement and attached to this Agreement shall form an integral part of this Agreement.

2. SECURITY INTEREST

2.1 Grant of Security Interest

As general and continuing security for the payment of the Statutory Obligation, the Grantor hereby grants a security interest to the Secured Party in the following (collectively, the "**Collateral**"):

(a) all Accounts, which are now due, owing or accruing or growing due to, or which may hereafter become due, owing or accruing or growing due, to the Grantor by an Electricity Vendor;

(b) all Proceeds and renewals of the foregoing, in whatever form, together with all substitutions therefore.

Whenever used elsewhere in this Agreement, the expression "**security interest**" refers to the security interest created in this Section 2.1.

2.2 Attachment of Security Interest

The Grantor acknowledges and agrees that (i) value has been given, (ii) the Grantor has rights in such of the Collateral as constitutes present property of the Grantor, and (iii) the security interest shall attach to existing Collateral upon execution of this Agreement by the Grantor and to each item of after-acquired Collateral at the time that the Grantor acquires any rights therein.

3. COVENANTS OF THE GRANTOR

3.1 Covenants

The Grantor hereby covenants and agrees with the Secured Party as follows:

(a) To promptly pay all taxes, assessments, rates, levies, payroll deductions, vacation pay, workers' compensation assessments, and any other charges which could result in the creation of a statutory lien or deemed trust in respect of the Collateral.

(b) To defend the Collateral against the claims and demands of all other persons claiming the same or an interest therein and to promptly notify the Secured Party of any such claim or demand.

(c) To do, make, execute and deliver such further and other assignments, transfers, deeds, agreements and other documents as may be required by the Secured Party to establish in favour of the Secured Party the security interest intended to be created hereby.

3.2 Performance of Covenants by the Secured Party

The Secured Party may, in its sole discretion and upon notice to and at the expense of the Grantor, perform any covenant of the Grantor under this Agreement that the Grantor fails to perform and that the Secured Party is capable of performing, provided that the Secured Party will not be obligated to perform any such covenant on behalf of the Grantor and no such performance by the Secured Party will require the Secured Party further to perform the Grantor's covenants nor operate as a derogation of the rights and remedies of the Secured Party under this Agreement.

4. DEALING WITH COLLATERAL

4.1 Grantor's Rights

Until the Secured Party is entitled to exercise its rights and remedies under Section 6.2, the Grantor shall be entitled to deal with the Collateral in the ordinary course of business, provided however, that no such action shall be taken which would impair the effectiveness of the security interests created hereby, the provisions of this Agreement or any other written agreement between the Secured Party and the Grantor.

4.2 General Restrictions

The Grantor shall not, without the prior written consent of the Secured Party:

(a) sell, lease or otherwise dispose of the Collateral or any part thereof except in the ordinary course of business; or

(b) enter into or grant, create, assume or suffer to exist any mortgage, charge, hypothec, assignment, pledge, lien or other security interest or encumbrance affecting any of the Collateral except the Permitted Liens.

4.3 Release by the Secured Party

The Secured Party may, at its discretion, at any time release from the security interest created by this Agreement any part or parts of the Collateral or any other security or any surety for the Statutory Obligation either with or without sufficient consideration therefor without thereby releasing any other part of the Collateral or any person from this Agreement.

5. REPRESENTATIONS AND WARRANTIES

5.1 Representations and Warranties

The Grantor hereby represents and warrants to the Secured Party, the matters set out below:

(a) **Incorporation and Qualifications** – The Grantor is a statutory corporation amalgamated under the laws of the Province of Ontario, with requisite power and authority to own its properties, to conduct its business as such properties are currently owned and such business is presently conducted by it, and to execute, deliver and carry out the terms of this Agreement.

(b) **Corporate Authority and Power** – The Grantor has the requisite power and authority to execute and deliver this Agreement and to carry out its terms. The execution, delivery and performance of all obligations under this Agreement have been duly authorized by all necessary action on the part of the Grantor under all applicable laws.

(c) **Non-Conflict** – Neither the execution nor the performance of this Agreement requires the approval of any regulatory agency having jurisdiction over the Grantor nor is this Agreement in contravention of or in conflict with the by-laws or resolutions of the directors or shareholders of the Grantor or of the provisions of any agreement to which the Grantor is a party or by which any of its property may be bound or of any statute, regulation, by-law, ordinance or other law, or to the best of its knowledge of any judgement, decree, award, ruling or order to which the Grantor or any of its property may be subject, other than approvals that have been obtained.

(d) **Ownership of Collateral Free of Liens** – The Grantor is the owner of or has rights in the existing Collateral free and clear of any liens other than Permitted Liens.

(e) **Grantor Information** – Schedule A sets forth (a) the Grantor's jurisdiction of incorporation, (b) the location of the Grantor's registered office and business operations and records, and (c) the Grantor's exact legal name (in English and French).

(f) **Enforceability** – This Agreement constitutes a valid and legally binding obligation of the Grantor enforceable against it in accordance with its terms, subject to general equitable principles, including the fact that the availability of equitable remedies, such as injunctive relief and specific performance, is in the discretion of the court.

5.2 Reliance and Survival

All representations and warranties of the Grantor made in this Agreement shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit. The Secured Party shall be deemed to have relied upon each such representation and

warranty notwithstanding any investigation made by or on behalf of the Secured Party at any time.

6. ENFORCEMENT

6.1 Enforceability of Security

The security hereby constituted shall become enforceable only upon the failure of the Grantor to pay the Statutory Obligations when due, and then only to the extent of the Statutory Obligations not then paid when due. The Grantor acknowledges that it has no right in any circumstance to accelerate payment of the Statutory Obligations, to apply proceeds of Collateral on account of Statutory Obligations not yet due, or to reserve or hold proceeds of Collateral on account of Statutory Obligations not yet due.

6.2 Remedies

At any time that the security hereby constituted shall have become enforceable, the Secured Party may give notice of its intention to its exercise rights and remedies hereunder. At any time ten Business Days following the giving of such notice, and unless the amounts due and owing on account of the carrying Costs at the time of the Notice have been paid, the Secured Party shall have the following rights, powers and remedies:

(a) to appoint any person to be an agent or any person to be a receiver, manager or receiver and manager (herein called the "**Receiver**") of the Collateral and to remove any Receiver so appointed and to appoint another if the Secured Party so desires; it being agreed that any Receiver appointed pursuant to the provisions of this Agreement shall have all of the powers of the Secured Party hereunder;

(b) to make payments to parties having prior charges or encumbrances on the Collateral;

(c) to preserve, protect and maintain the Collateral;

(d) to enjoy and exercise all powers necessary or incidental to the performance of all functions provided for in this Agreement;

(e) to sell or dispose of all or any part of the Collateral whether by public or private sale or otherwise and on any terms so long as every aspect of the disposition is commercially reasonable, including without limitation, terms that provide time for payment on credit;

(f) to enjoy and exercise in respect of the Collateral all of the rights and remedies of a secured party under the PPSA;

(g) to notify the account debtors or obligors under any Accounts which constitute part of the Collateral of the assignment of such Accounts to the Secured Party and to direct such account debtors or obligors to make payment of all amounts due or to become due to the Grantor thereunder directly to the Secured Party and to give valid and binding receipts and discharges therefor and in respect thereof and,

upon such notification and at the expense of the Grantor, to enforce collection of any such Accounts, and to adjust, settle or compromise the amount or payment thereof, in the same manner and to the same extent as the Grantor might have done; and

(h) to commence, continue or defend proceedings in any court of competent jurisdiction in the name of the Secured Party, the Receiver or the Grantor for the purpose of exercising any of the rights, powers and remedies set out in this Section, including the institution of proceedings for the appointment of a receiver, manager or receiver and manager of the Collateral.

6.3 Special Rules re Accounts

At any time that the Secured Party is entitled to exercise its rights and remedies under Section 6.2,

(a) all Money or other form of payment received by the Grantor in respect of the Collateral shall be received in trust for the benefit of the Secured Party hereunder, shall be segregated from other funds of the Grantor and shall be forthwith paid over to the Secured Party in the same form as so received (with any necessary endorsement) to be held as cash collateral and applied as provided by Section 6.8; and

(b) the Grantor shall not adjust, settle or compromise the amount or payment of any Collateral.

6.4 Receiver as Agent

The Receiver shall be deemed to be the agent of the Grantor for the purpose of establishing liability for the acts or omissions of the Receiver and the Secured Party shall not be liable for such acts or omissions and, without restricting the generality of the foregoing, the Grantor hereby irrevocably authorizes the Secured Party to give instructions to the Receiver relating to the performance of its duties as set out herein.

6.5 Expenses of Enforcement

The Grantor shall pay to the Receiver the remuneration of the Receiver and all costs and expenses (including, without limitation, legal fees and disbursements on a full indemnity basis) properly incurred by the Receiver pursuant to its appointment and the exercise of its powers hereunder, and shall pay to the Secured Party and the Receiver as required all amounts of Money (including interest thereon) borrowed or advanced by either of them pursuant to the powers set out herein, and the obligations of the Grantor to the Secured Party and the Receiver pursuant to this Section 6.5 shall be payable on demand.

6.6 Indulgences and Releases

Either the Secured Party or the Receiver may grant extensions of time and other indulgences, take and give up securities, accept compositions, grant releases and discharges, release any part of the Collateral to third parties and otherwise deal with the Grantor, debtors of the Grantor,

sureties and others and with the Collateral and other security as the Secured Party or the Receiver may see fit without prejudice to the right of the Secured Party and the Receiver to repossess, hold, collect and realize the Collateral.

6.7 No Liability for Failure to Exercise Remedies

The Secured Party and the Receiver shall not be liable or accountable to the Grantor or to any other person for any failure to exercise any of the rights, powers and remedies set out in this Agreement, and shall not be bound to commence, continue or defend proceedings for the purpose of preserving or protecting any rights of the Secured Party, the Receiver, the Grantor or any other party in respect of the same.

6.8 Proceeds of Disposition

All Moneys received by the Secured Party or by the Receiver pursuant to Section 6.2 shall be promptly applied as follows:

(a) first, in payment of all costs and expenses incurred by the Secured Party in the exercise of all or any of the powers granted to it under this Agreement and in payment of all of the remuneration of the Receiver and all costs and expenses properly incurred by the Receiver in the exercise of all or any of the powers granted to it under this Agreement, including, without limitation, the remuneration, costs and expenses referred to in Section 6.5;

(b) second, in payment of all amounts of Money borrowed or advanced by either of the Secured Party or the Receiver pursuant to the powers set out in this Agreement and any interest thereon;

(c) third, in payment of the Statutory Obligation, provided that if there are not sufficient Moneys to fully pay and perform the Statutory Obligation, the Secured Party may apply the Moneys available to such part or parts thereof as the Secured Party, in its sole discretion, may determine; and

(d) fourth, in payment of any surplus in accordance with applicable law.

6.9 Grantor Liable for Deficiency

If the Moneys received by the Secured Party or the Receiver pursuant to Section 6.2 are not sufficient to pay the claims set out in Section 6.8, the Grantor shall immediately pay the Secured Party the amount of such deficiency.

6.10 Restriction on Grantor

Upon notification of the account debtors or obligors under any Accounts which constitute part of the Collateral of the assignment of such Accounts to the Secured Party or the appointment of a Receiver in respect of the Collateral, all the powers, functions, rights and privileges of the Grantor or any officer, director, servant or agent of the Grantor with respect to the Collateral shall, to the extent permitted by applicable law, be suspended unless specifically continued by the written consent of the Secured Party; however, all other powers, functions, rights and

privileges of the Grantor or any officer, director, servant or agent of the Grantor shall be unaffected by such events.

6.11 Rights Cumulative

All rights and remedies of the Secured Party set out in this Agreement shall be cumulative and no right or remedy contained herein is intended to be exclusive but each shall be in addition to every other right or remedy contained herein or in any existing or future security document or now or hereafter existing at law or in equity or by statute.

7. GENERAL

7.1 Waiver

Any default by the Grantor in the observance or performance of any covenant or condition required to be observed or performed by the Grantor hereunder, may only be waived by the Secured Party in writing, provided that no such waiver by the Secured Party shall extend to or be taken in any manner to affect any subsequent breach or default or the rights resulting therefrom.

7.2 The Secured Party as Attorney

At any time that the Secured Party is entitled to exercise its rights and remedies under Section 6.2, the Grantor hereby irrevocably appoints the Secured Party and any person further designated by the Secured Party to be the attorney of the Grantor for and in the name of the Grantor to execute and do any deeds, documents, transfers, demands, assignments, assurances, consents and things which the Grantor is obliged to sign, execute or do hereunder and, to commence, continue and defend any proceedings authorized to be taken hereunder and generally to use the name of the Grantor in the exercise of all or any of the powers hereby conferred on the Secured Party. These powers are coupled with an interest, have been given for valuable consideration (the receipt and adequacy of which is acknowledged), survive, and do not terminate upon, the bankruptcy, dissolution, winding up or insolvency of the Grantor, and are irrevocable until the Statutory Obligation has been satisfied in full and this Agreement is terminated and the security interest created herein has been released. This power of attorney extends to and is binding upon the Grantor's successors and permitted assigns. The Grantor authorizes the Secured Party to delegate in writing to another person any power and authority of the Secured Party under this power of attorney as may be necessary or desirable in the opinion of the Secured Party, and to revoke or suspend such delegation.

7.3 Further Assurances

The Grantor shall do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered, such further acts, deeds, mortgages, transfers and assurances as the Secured Party shall reasonably require for the better assuring, charging, assigning and conferring unto the Secured Party a security interest in the Collateral, or which the Grantor may hereafter become bound to charge in favour of the Secured Party, for the purpose of accomplishing and effecting the intention of this Agreement.

7.4 Amalgamation of the Grantor

The Grantor acknowledges and agrees that in the event that it amalgamates with any other persons, then (i) the Collateral and the security interest shall extend to and include all of the property and undertaking that any of the amalgamating corporations then owns, all of the property and undertaking that the amalgamated corporation thereafter acquires, all of the property and undertaking in which any of the amalgamating corporations then has any interest, and all of the property and undertaking in which the amalgamated corporation thereafter acquires any interest, and (ii) all references herein to the Grantor shall extend to and include the amalgamated corporation.

7.5 Continuing Security

The security interest constituted hereby shall be deemed to be a continuing security for the Statutory Obligation until the Statutory Obligation is paid and performed in full.

7.6 Notices

All notices and other communications provided for herein shall be in writing and shall be personally delivered to an officer or other responsible employee of the addressee or sent by facsimile, charges prepaid, at or to the applicable address or facsimile number, as the case may be, of the party set opposite its name below or at or to such other address or addresses or facsimile number or numbers as either party may from time to time designate to the other party in such manner. Any communication which is personally delivered as aforesaid shall be deemed to have been validly and effectively given on the date of such delivery if such date is a Business Day and such delivery was made during normal business hours of the recipient; otherwise, it shall be deemed to have been validly and effectively given on the Business Day next following such date of delivery. Any communication which is transmitted by facsimile as aforesaid shall be deemed to have been validly and effectively given on the date of transmission if such date is a Business Day and such transmission was made during normal business hours of the recipient; otherwise, it shall be deemed to have been validly and effectively given on the Business Day next following such date of transmission.

In the case of the Grantor:

Independent Electricity System Operator
[Address]

Attention: ■
Email: ■
Facsimile: ■

In the case of the Secured Party:

[Financing Entity]
c/o Ontario Power Generation Inc., as Manager
700 University Avenue
Toronto, Ontario
M5G 1X6

Attention: ■
Email: ■
Facsimile: ■

7.7 Assignment

The Secured Party may from time to time upon notice to, but without the consent of the Grantor, assign or transfer this Agreement to any other person. The Grantor shall not be entitled to assign or transfer this Agreement or any of the Grantor's rights, duties or obligations hereunder without the prior written consent of the Secured Party.

7.8 Successors and Assigns

This Agreement shall enure to the benefit of the Secured Party and its successors and assigns and shall be binding upon the Grantor and its successors and permitted assigns.

7.9 Amendments

This Agreement may not be amended or otherwise modified except by an instrument in writing executed by the Parties.

7.10 Entire Agreement

This Agreement and the agreements referred to herein and any document, agreement or instrument delivered pursuant to such agreements constitute the entire agreement between the Parties and supersede any prior agreements, undertakings, declarations, representations and undertakings, both written and verbal, in respect of the subject matter hereof.

7.11 Receipt of Agreement and Financing Statement.

The Grantor hereby acknowledges receipt of an executed copy of this Agreement and of the financing statement registered under the PPSA evidencing the security interest created hereby.

7.12 Counterpart

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which taken together shall be deemed to constitute one and the same instrument, and it shall not be necessary in making proof of this Agreement to produce or account for more than one such counterpart.

7.13 Delivery by Facsimile or Electronic Transmission

This Agreement may be executed and delivered by facsimile or electronic transmission and each of the Parties may rely on such facsimile or electronic signature as though such facsimile signature were an original signature.

[NEXT PAGE IS SIGNATURE PAGE]

IN WITNESS WHEREOF the Parties have duly executed this Agreement as of the date first written above.

[FINANCING ENTITY], by its Manager,
ONTARIO POWER GENERATION INC., as Secured Party

By: _____
Name:
Title:

By: _____
Name:
Title:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR
as Grantor

By: _____
Name:
Title:

By: _____
Name:
Title:

SCHEDULE A

GRANTOR INFORMATION

1. **Grantor's exact legal name: Independent Electricity System Operator**

   ■ [French]

2. **Grantor's jurisdiction of incorporation: Ontario**

3. **Grantor's registered office address: ■**

4. **Location of Grantor's business operations and records: ■**

From:	Sarah Harris
To:	Opal Kandelas
Subject:	FW: IESO / OEFC - $120MM and $160MM Credit Facility Discussion
Date:	Friday, November 10, 2017 1:12:07 PM

Boardroom 1443 phone #:

(416) 212-3446

From: Gavin He
Sent: Friday, November 10, 2017 12:46 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: Opal Kandelas <Opal.Kandelas@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM Credit Facility Discussion

Hi Sarah,

I am not aware of anyone else who is calling in, so I think Opal can call into the boardroom directly.

Regards,

Gavin He

From: Sarah Harris
Sent: Friday, November 10, 2017 12:15 PM
To: Gavin He <Gavin.He@ofina.on.ca>
Cc: Opal Kandelas <Opal.Kandelas@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM Credit Facility Discussion

Hi Gavin,

Opal would like to participate in this meeting. Do you know if anyone else is calling in at a call in number, or should she call into the boardroom?

Thanks,

Sarah

-----Original Appointment-----
From: Gavin He
Sent: Friday, November 10, 2017 9:43 AM
To: Gavin He; Lisa Stein; Ryan Blackbyrne
Cc: Sarah Harris; Jean-Francois Beaupre; William Tan; John Kim

Subject: IESO / OEFC - $120MM and $160MM Credit Facility Discussion
When: Friday, November 10, 2017 2:30 PM-3:00 PM (UTC-05:00) Eastern Time (US & Canada).
Where: Boardroom 1443

Hi all,

I am just setting up a quick meeting to discuss the questions on the IESO credit facility agreements:

<< Message: RE: IESO / OEFC - $120MM and $160MM >>

Thanks,

Gavin He

From:	Sarah Harris on behalf of Gavin He
To:	Opal Kandelas; Lisa Stein; Ryan Blackbyrne
Cc:	Sarah Harris; Jean-Francois Beaupre; William Tan; John Kim
Subject:	FW: IESO / OEFC - $120MM and $160MM Credit Facility Discussion
Attachments:	RE IESO OEFC - $120MM and $160MM.msg

-----Original Appointment-----
From: Gavin He
Sent: Friday, November 10, 2017 9:43 AM
To: Gavin He; Lisa Stein; Ryan Blackbyrne
Cc: Sarah Harris; Jean-Francois Beaupre; William Tan; John Kim
Subject: IESO / OEFC - $120MM and $160MM Credit Facility Discussion
When: Friday, November 10, 2017 2:30 PM-3:00 PM (UTC-05:00) Eastern Time (US & Canada).
Where: Boardroom 1443

Hi all,

I am just setting up a quick meeting to discuss the questions on the IESO credit facility agreements:

Thanks,
Gavin He

From: Gavin He []
To: Lisa Stein [Lisa.Stein@ofina.on.ca]; Ryan Blackbyrne [Ryan.Blackbyrne@ofina.on.ca]
CC: Sarah Harris [Sarah.Harris@ofina.on.ca]; Jean-Francois Beaupre [Jean-Francois.Beaupre@ofina.on.ca]; William Tan [William.Tan@ofina.on.ca]
Subject: RE: IESO / OEFC - $120MM and $160MM
Date: Thursday, November 09, 2017 18:49:52

Hi Lisa/Ryan,

Thank you very much for the responses and that's helpful!

I will go back to IESO to verify what's their rationale to for the request. But before I go back, I just want to make sure that I understand the concerns/suggestions from our side first.

The change we made for the OFA credit facility agreement was to allow IESO to take liens related to FHP in the event if IESO can't pay OFA back the loan, correct? What was the reason for this change? And wouldn't the same reason apply for the loans that IESO has with OEFC? And if IESO can't pay back the loans to OEFC, should they still be able to take any liens related to FHP, or not? But if they were able to do so under the OFA credit facility agreement, are there any reasons that they cannot do the same under the OEFC credit facility agreement?

I understand that the $120M and $160M credit facilities are not for FHP purposes, but I think this is a separate question from whether they can take liens related to FHP if IESO can't pay OEFC back the loans? Similarly, I believe the existing $475M IESO credit facility with OFA was not for the FHP purpose, but the agreement was amended by the amendment #10 to include the FHP lien clause in the actual agreement, right? So I am just a bit confused about this process and trying to find out whether we should apply a consistent approach for OEFC's credit facilities before I push this back to IESO.

Also, a separate question on the $160M credit facility agreement. Since it was amended to be used for FHP purpose previously, do we need to amend that now since a separate facility agreement was created specifically for FHP purposes? Or that amendment automatically expires when the $2B FHP credit facility was created, and for sure we don't need to update anything in the $160M credit facility agreement to that effect?

Thanks,
Gavin He

From: Lisa Stein
Sent: Thursday, November 09, 2017 12:49 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

I also recommend asking the IESO for the exact details of the proposed amendments.

From: Ryan Blackbyrne

Sent: Thursday, November 09, 2017 12:19 PM
To: Gavin He <Gavin.He@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: IESO / OEFC - $120MM and $160MM

Hi Gavin,

Thank you for your note. After reviewing your note and the attached agreements we had a few comments:

- We understand that the $160M credit facility agreement will not be used for FHP purposes, although an amendment was made earlier in 2017 to allow advances for the purposes of FHP.
- It is our assumption that the $160M credit facility agreement was amended in April, 2017, pursuant to Reg. 280/14 as a potential temporary option for FHP funding requirements until such time as a separate facility agreement was created specifically for FHP purposes (i.e. the $2B OFA-IESO credit facility)
- There is an existing $120M loan agreement, maturing June 30, 2020, which is not a credit facility, but a fixed term loan. No amendments were made here in relation to FHP, as it is non-revolving and used for capital purposes.
- Since the $160M credit facility agreement will not be used for FHP purposes, it is not clear to us why the change to definition of Permitted Liens is required, and how not making this change would prevent IESO from performing its obligations under the OFHP Act. Please clarify.
- Kindly confirm with Anthony why IESO believes these amendments are necessary in respect of the $160M credit facility and $120M loan agreement.

We look forward to hearing back from you. Happy to discuss further as always.

Thank You,

Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M7A 1Y7
416-325-8143
ryan.blackbyrne@ofina.on.ca

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Tuesday, November 07, 2017 4:07 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan

<William.Tan@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>
Subject: IESO - OEFC Nov 7

Ryan,

As discussed with Will today, I understand you will be co-ordinating the proposed 2 amendments to the existing IESO-OEFC credit facilities.

For starters, there are no expected changes being asked to the existing agreement's key business content (e.g. amounts, dates, interest, notices etc.), rather given that IESO-OFA have just finished two new agreements pertaining to the new fair hydro program, ….I suggest we just copy and paste the salient sections from these agreements that would now be relevant to the OEFC agreements for fair hydro namely;

1.DRAFT
The definition of "Permitted Liens" is amended by deleting the word "and" at the end of subsection (xx); replacing the "." at the end of subsection (xx) and replacing it with "; and" ; and adding the following subsection (xx):
"(xx) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

2.DRAFT
The OFA agreements had required an intercept provision, …..not sure if the same applies to OEFC if yes:

"Section 5.7 Intercept
(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of November 6th , 2017 herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the Capital Investment Plan Act, 1993 (the "Intercept Letter"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("Appropriated Funds"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("Intercept").
(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.
(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted

from the Appropriated Funds and paid to the OFA.
(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.
The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail."

3.
If any… other relevant updates that make sense to do now……I do not anticipate any material ones.

We need your support to expedite the above in order to avoid delays in the Fair Hydro implementation.
Regards.

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From: Gavin He
Sent: Thursday, November 09, 2017 8:29 AM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Hi Lisa, Sarah, and William,

Following my email on Tuesday, EFB has drafted the attached note on the IESO's request on the OEFC credit facility, including the background information, our recommendation, and the rationale. Could you please review the accuracy of the note and would you be able to provide me with your feedback before noon today?

Sorry for the short turnaround time, but we all would like to move on this as soon as possible.

Thanks,

Gavin He

From: Lisa Stein
Sent: Wednesday, November 08, 2017 9:55 AM
To: Gavin He <Gavin.He@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Sarah Neville <Sarah.Neville@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Thanks for the update Gavin.

From: Gavin He
Sent: Tuesday, November 07, 2017 4:02 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Sarah Neville <Sarah.Neville@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Hi Lisa/Sarah H.,

We touched based with IESO and they told us that the OEFC agreements do not contemplate a general grant of security by IESO over its assets as is currently under discussion with the OPG Trust relative to the implementation of the OFHP. The changes required to allow for such a grant would be to amend the permitted liens and negative covenant language in the OEFC agreements so as to make it the same as, or very similar to, the language in the two OFA Agreements that were signed recently.

We will get a policy direction soon and will draft a note for you to review once it's ready.

Regards,
Gavin He

From: Lisa Stein
Sent: Monday, November 06, 2017 9:43 AM
To: John Kim <John.Kim@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Sarah Neville <Sarah.Neville@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

No, I don't think the OFA Lending Policy would apply to these OEFC loans. The OFA Lending Policy addresses lending activities to public bodies undertaken where the OFA is acting as an intermediary on behalf of the Province.

From: John Kim
Sent: Sunday, November 05, 2017 1:55 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>; Opal Kandelas

<Opal.Kandelas@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>
Subject: Re: IESO / OEFC - $120MM and $160MM

Hi Sarah,

We will look at this but this is oefc so not sure if the same lending policy applies.

John

Sent from my iPhone

On Nov 5, 2017, at 12:06 PM, Sarah Harris <Sarah.Harris@ofina.on.ca> wrote:

Hi John,

We've received no internal direction on the nature of changes IESO is looking for in relation to existing OEFC credit facility with the IESO and the FHP. I surmise it may have to do with adjusting the agreement to allow FHP permitted liens (which we would need internal approval to do) or similar changes, but do you know if IESO communicated requirements to Gadi or Ron?

Thanks,
Sarah
Sent from my iPhone

Begin forwarded message:

From: Anthony Martinello <Anthony.Martinello@ieso.ca>
Date: November 5, 2017 at 11:02:50 AM EST
To: William Tan <William.Tan@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>, Sarah Harris <Sarah.Harris@ofina.on.ca>, Victor Buza <Victor.Buza@ieso.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Will – unless any concerns, will appreciate if you please begin to draft the two OEFC amendments this week – given that the IESO is targeting to sign the OPG / IESO fair hydro agreement by this month's end,….we need to have the two OEFC's done before this.

Regards.

From: Anthony Martinello
Sent: November 01, 2017 12:56 PM
To: 'William Tan'
Cc: 'Lisa Stein'; 'Sarah Harris'; 'John Kim'; Victor Buza
Subject: IESO / OEFC - $120MM and $160MM

Once we have completed the 2 OFA facilities and the intercept letter – we then have to turn to the 2

outstanding IESO-OEFC credit facilities to contemplate any further amendments too.

Just ensuring that these 2 OEFC facilities are not missed.

Regards.

This e-mail message and any files transmitted with it are intended only for the named recipient(s) above and may contain information that is privileged, confidential and/or exempt from disclosure under applicable law. If you are not the intended recipient(s), any dissemination, distribution or copying of this e-mail message or any files transmitted with it is strictly prohibited. If you have received this message in error, or are not the named recipient(s), please notify the sender immediately and delete this e-mail message.

From:	Sarah Harris on behalf of Gavin He
To:	Opal Kandelas; Lisa Stein; Ryan Blackbyrne
Cc:	Sarah Harris; Jean-Francois Beaupre; William Tan; John Kim
Subject:	FW: IESO / OEFC - $120MM and $160MM Credit Facility Discussion
Attachments:	RE IESO OEFC - $120MM and $160MM.msg

-----Original Appointment-----
From: Gavin He
Sent: Friday, November 10, 2017 9:43 AM
To: Gavin He; Lisa Stein; Ryan Blackbyrne
Cc: Sarah Harris; Jean-Francois Beaupre; William Tan; John Kim
Subject: IESO / OEFC - $120MM and $160MM Credit Facility Discussion
When: Friday, November 10, 2017 2:30 PM-3:00 PM (UTC-05:00) Eastern Time (US & Canada).
Where: Boardroom 1443

Hi all,

I am just setting up a quick meeting to discuss the questions on the IESO credit facility agreements:

Thanks,
Gavin He

From: Gavin He []
To: Lisa Stein [Lisa.Stein@ofina.on.ca]; Ryan Blackbyrne [Ryan.Blackbyrne@ofina.on.ca]
CC: Sarah Harris [Sarah.Harris@ofina.on.ca]; Jean-Francois Beaupre [Jean-Francois.Beaupre@ofina.on.ca]; William Tan [William.Tan@ofina.on.ca]
Subject: RE: IESO / OEFC - $120MM and $160MM
Date: Thursday, November 09, 2017 18:49:52

Hi Lisa/Ryan,

Thank you very much for the responses and that's helpful!

I will go back to IESO to verify what's their rationale to for the request. But before I go back, I just want to make sure that I understand the concerns/suggestions from our side first.

The change we made for the OFA credit facility agreement was to allow IESO to take liens related to FHP in the event if IESO can't pay OFA back the loan, correct? What was the reason for this change? And wouldn't the same reason apply for the loans that IESO has with OEFC? And if IESO can't pay back the loans to OEFC, should they still be able to take any liens related to FHP, or not? But if they were able to do so under the OFA credit facility agreement, are there any reasons that they cannot do the same under the OEFC credit facility agreement?

I understand that the $120M and $160M credit facilities are not for FHP purposes, but I think this is a separate question from whether they can take liens related to FHP if IESO can't pay OEFC back the loans? Similarly, I believe the existing $475M IESO credit facility with OFA was not for the FHP purpose, but the agreement was amended by the amendment #10 to include the FHP lien clause in the actual agreement, right? So I am just a bit confused about this process and trying to find out whether we should apply a consistent approach for OEFC's credit facilities before I push this back to IESO.

Also, a separate question on the $160M credit facility agreement. Since it was amended to be used for FHP purpose previously, do we need to amend that now since a separate facility agreement was created specifically for FHP purposes? Or that amendment automatically expires when the $2B FHP credit facility was created, and for sure we don't need to update anything in the $160M credit facility agreement to that effect?

Thanks,
Gavin He

From: Lisa Stein
Sent: Thursday, November 09, 2017 12:49 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

I also recommend asking the IESO for the exact details of the proposed amendments.

From: Ryan Blackbyrne

Sent: Thursday, November 09, 2017 12:19 PM
To: Gavin He <Gavin.He@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: IESO / OEFC - $120MM and $160MM

Hi Gavin,

Thank you for your note. After reviewing your note and the attached agreements we had a few comments:

- We understand that the $160M credit facility agreement will not be used for FHP purposes, although an amendment was made earlier in 2017 to allow advances for the purposes of FHP.
- It is our assumption that the $160M credit facility agreement was amended in April, 2017, pursuant to Reg. 280/14 as a potential temporary option for FHP funding requirements until such time as a separate facility agreement was created specifically for FHP purposes (i.e. the $2B OFA-IESO credit facility)
- There is an existing $120M loan agreement, maturing June 30, 2020, which is not a credit facility, but a fixed term loan. No amendments were made here in relation to FHP, as it is non-revolving and used for capital purposes.
- Since the $160M credit facility agreement will not be used for FHP purposes, it is not clear to us why the change to definition of Permitted Liens is required, and how not making this change would prevent IESO from performing its obligations under the OFHP Act. Please clarify.
- Kindly confirm with Anthony why IESO believes these amendments are necessary in respect of the $160M credit facility and $120M loan agreement.

We look forward to hearing back from you. Happy to discuss further as always.

Thank You,

Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M7A 1Y7
416-325-8143
ryan.blackbyrne@ofina.on.ca

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Tuesday, November 07, 2017 4:07 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan

<William.Tan@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>
Subject: IESO - OEFC Nov 7

Ryan,

As discussed with Will today, I understand you will be co-ordinating the proposed 2 amendments to the existing IESO-OEFC credit facilities.

For starters, there are no expected changes being asked to the existing agreement's key business content (e.g. amounts, dates, interest, notices etc.), rather given that IESO-OFA have just finished two new agreements pertaining to the new fair hydro program, ….I suggest we just copy and paste the salient sections from these agreements that would now be relevant to the OEFC agreements for fair hydro namely;

1.DRAFT
The definition of "Permitted Liens" is amended by deleting the word "and" at the end of subsection (xx); replacing the "." at the end of subsection (xx) and replacing it with "; and" ; and adding the following subsection (xx):
"(xx) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

2.DRAFT
The OFA agreements had required an intercept provision, …..not sure if the same applies to OEFC if yes:

"Section 5.7 Intercept
(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of November 6th , 2017 herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the Capital Investment Plan Act, 1993 (the "Intercept Letter"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("Appropriated Funds"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("Intercept").
(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.
(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted

from the Appropriated Funds and paid to the OFA.
(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.
The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail."

3.
If any… other relevant updates that make sense to do now……I do not anticipate any material ones.

We need your support to expedite the above in order to avoid delays in the Fair Hydro implementation.
Regards.

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From: Gavin He
Sent: Thursday, November 09, 2017 8:29 AM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Hi Lisa, Sarah, and William,

Following my email on Tuesday, EFB has drafted the attached note on the IESO's request on the OEFC credit facility, including the background information, our recommendation, and the rationale. Could you please review the accuracy of the note and would you be able to provide me with your feedback before noon today?

Sorry for the short turnaround time, but we all would like to move on this as soon as possible.

Thanks,

Gavin He

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Sent: Wednesday, November 08, 2017 9:55 AM
To: Gavin He <Gavin.He@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Sarah Neville <Sarah.Neville@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Thanks for the update Gavin.

From: Gavin He
Sent: Tuesday, November 07, 2017 4:02 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Sarah Neville <Sarah.Neville@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Hi Lisa/Sarah H.,

We touched based with IESO and they told us that the OEFC agreements do not contemplate a general grant of security by IESO over its assets as is currently under discussion with the OPG Trust relative to the implementation of the OFHP. The changes required to allow for such a grant would be to amend the permitted liens and negative covenant language in the OEFC agreements so as to make it the same as, or very similar to, the language in the two OFA Agreements that were signed recently.

We will get a policy direction soon and will draft a note for you to review once it's ready.

Regards,
Gavin He

From: Lisa Stein
Sent: Monday, November 06, 2017 9:43 AM
To: John Kim <John.Kim@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Sarah Neville <Sarah.Neville@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

No, I don't think the OFA Lending Policy would apply to these OEFC loans. The OFA Lending Policy addresses lending activities to public bodies undertaken where the OFA is acting as an intermediary on behalf of the Province.

From: John Kim
Sent: Sunday, November 05, 2017 1:55 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>; Opal Kandelas

<Opal.Kandelas@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>
Subject: Re: IESO / OEFC - $120MM and $160MM

Hi Sarah,

We will look at this but this is oefc so not sure if the same lending policy applies.

John

Sent from my iPhone

On Nov 5, 2017, at 12:06 PM, Sarah Harris <Sarah.Harris@ofina.on.ca> wrote:

Hi John,

We've received no internal direction on the nature of changes IESO is looking for in relation to existing OEFC credit facility with the IESO and the FHP. I surmise it may have to do with adjusting the agreement to allow FHP permitted liens (which we would need internal approval to do) or similar changes, but do you know if IESO communicated requirements to Gadi or Ron?

Thanks,
Sarah
Sent from my iPhone

Begin forwarded message:

From: Anthony Martinello <Anthony.Martinello@ieso.ca>
Date: November 5, 2017 at 11:02:50 AM EST
To: William Tan <William.Tan@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>, Sarah Harris <Sarah.Harris@ofina.on.ca>, Victor Buza <Victor.Buza@ieso.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Will – unless any concerns, will appreciate if you please begin to draft the two OEFC amendments this week – given that the IESO is targeting to sign the OPG / IESO fair hydro agreement by this month's end,….we need to have the two OEFC's done before this.

Regards.

From: Anthony Martinello
Sent: November 01, 2017 12:56 PM
To: 'William Tan'
Cc: 'Lisa Stein'; 'Sarah Harris'; 'John Kim'; Victor Buza
Subject: IESO / OEFC - $120MM and $160MM

Once we have completed the 2 OFA facilities and the intercept letter – we then have to turn to the 2

outstanding IESO-OEFC credit facilities to contemplate any further amendments too.

Just ensuring that these 2 OEFC facilities are not missed.

Regards.

This e-mail message and any files transmitted with it are intended only for the named recipient(s) above and may contain information that is privileged, confidential and/or exempt from disclosure under applicable law. If you are not the intended recipient(s), any dissemination, distribution or copying of this e-mail message or any files transmitted with it is strictly prohibited. If you have received this message in error, or are not the named recipient(s), please notify the sender immediately and delete this e-mail message.

From:	Sarah Harris
To:	Opal Kandelas
Subject:	FW: IESO / OEFC - $120MM and $160MM Credit Facility Discussion
Date:	Friday, November 10, 2017 1:12:07 PM

Boardroom 1443 phone #:

(416) 212-3446

From: Gavin He
Sent: Friday, November 10, 2017 12:46 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: Opal Kandelas <Opal.Kandelas@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM Credit Facility Discussion

Hi Sarah,

I am not aware of anyone else who is calling in, so I think Opal can call into the boardroom directly.

Regards,

Gavin He

From: Sarah Harris
Sent: Friday, November 10, 2017 12:15 PM
To: Gavin He <Gavin.He@ofina.on.ca>
Cc: Opal Kandelas <Opal.Kandelas@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM Credit Facility Discussion

Hi Gavin,

Opal would like to participate in this meeting. Do you know if anyone else is calling in at a call in number, or should she call into the boardroom?

Thanks,

Sarah

-----Original Appointment-----
From: Gavin He
Sent: Friday, November 10, 2017 9:43 AM
To: Gavin He; Lisa Stein; Ryan Blackbyrne
Cc: Sarah Harris; Jean-Francois Beaupre; William Tan; John Kim

Subject: IESO / OEFC - $120MM and $160MM Credit Facility Discussion
When: Friday, November 10, 2017 2:30 PM-3:00 PM (UTC-05:00) Eastern Time (US & Canada).
Where: Boardroom 1443

Hi all,

I am just setting up a quick meeting to discuss the questions on the IESO credit facility agreements:

<< Message: RE: IESO / OEFC - $120MM and $160MM >>

Thanks,

Gavin He

From:	Sarah Harris
To:	Opal Kandelas
Subject:	FW: IESO / OEFC - $120MM and $160MM
Date:	Friday, November 10, 2017 10:17:14 AM
Attachments:	IESO-OEFC - FHP LoC_Nov 2017_v2.docx

Hi Opal,
When you have two minutes to speak, I just want bring you up to date. Please let me know when we can chat.
Thanks,
Sarah

From: Gavin He
Sent: Thursday, November 09, 2017 5:50 PM
To: Lisa Stein ; Ryan Blackbyrne
Cc: Sarah Harris ; Jean-Francois Beaupre ; William Tan
Subject: RE: IESO / OEFC - $120MM and $160MM

Hi Lisa/Ryan,
Thank you very much for the responses and that's helpful!
I will go back to IESO to verify what's their rationale to for the request. But before I go back, I just want to make sure that I understand the concerns/suggestions from our side first.
The change we made for the OFA credit facility agreement was to allow IESO to take liens related to FHP in the event if IESO can't pay OFA back the loan, correct? What was the reason for this change? And wouldn't the same reason apply for the loans that IESO has with OEFC? And if IESO can't pay back the loans to OEFC, should they still be able to take any liens related to FHP, or not? But if they were able to do so under the OFA credit facility agreement, are there any reasons that they cannot do the same under the OEFC credit facility agreement?
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Subject: RE: IESO / OEFC - $120MM and $160MM

I also recommend asking the IESO for the exact details of the proposed amendments.

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Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: IESO / OEFC - $120MM and $160MM

Hi Gavin,

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We look forward to hearing back from you. Happy to discuss further as always.

Thank You,

Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
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Subject: IESO - OEFC Nov 7

Ryan,

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the existing IESO-OEFC credit facilities.
For starters, there are no expected changes being asked to the existing agreement's key business content (e.g. amounts, dates, interest, notices etc.), rather given that IESO-OFA have just finished two new agreements pertaining to the new fair hydro program, ….I suggest we just copy and paste the salient sections from these agreements that would now be relevant to the OEFC agreements for fair hydro namely;

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The definition of "Permitted Liens" is amended by deleting the word "and" at the end of subsection (xx); replacing the "." at the end of subsection (xx) and replacing it with "; and" ; and adding the following subsection (xx):
"(xx) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

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3.

If any… other relevant updates that make sense to do now……I do not anticipate any material ones.

We need your support to expedite the above in order to avoid delays in the Fair Hydro implementation.

Regards.

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Thanks for the update Gavin.

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Subject: Re: IESO / OEFC - $120MM and $160MM

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We will look at this but this is oefc so not sure if the same lending policy applies.

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Sent from my iPhone

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To: William Tan <William.Tan@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>, Sarah Harris <Sarah.Harris@ofina.on.ca>, Victor Buza <Victor.Buza@ieso.ca>
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OEFC -- IESO CREDIT FACILITY AGREEMENT & THE PERMITTED LIENS

ISSUE

The IESO has requested OEFC to reopen the existing credit facility agreement between OEFC and IESO to make amendment to the definition of the permitted liens.

CONTEXT

To support IESO's role in the implementation and participation under the *Ontario Fair Hydro Plan Act, 2017* ("OFHP Act"), OFA recently amended the credit facility agreement between OFA and the IESO. One of the amendments to the agreement is to amend the definition of the permitted liens to include any lien arising from the IESO's role and obligations under the OFHP.

The OFA credit facility agreement was amended due to additional roles IESO is taking on under Ontario's Fair Hydro Plan. To fufil its obligation, the IESO will need a general grant of security on any lien arising from the IESO's role and obligations under the OFHP. Therefore, the OFA credit facility agreement was amended to allow for such a general grant of security.

For the same reason, the IESO has requested OEFC to reopen the existing credit facility agreement between OEFC and IESO to make the similar amendment. Specifically, adding a clause in the OEFC credit facility agreement that any lien related to OFHP will not be viewed as negative pledge by OEFC, so those liens can be used to secure the performance of IESO's obligations to OEFC.

RECOMMENDATION

- To maintain a consistent approach with IESO's credit facilities, CEFD staff and IESO are of the view that the exisiting OEFC credit facility should amend the permitted liens and negative covenant language to make it the same as, or very similar to, the language in the two OFA Agreements that were signed recently.
- Although the OEFC credit facility is not used for OFHP's purpose, such change to the permitted liens is still required in order for IESO to meet its role and obligation under the OFHP Act.

BACKGROUND

- Currently, under the existing credit facility agreement between OEFC and the IESO, the definition of the "permitted liens" does not include any lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.
- On November 6, 2017, OFA and IESO signed an updated OFA IESO credit facility agreement with respect to changes related to OFHP. Below are the related changes made to the OFA credit facility:

  Excerpt from the excuted OFA IESO Amending Agreement #10:

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Electricity Finance Branch / Corporate and Electricity Finance Division / Ontario Financing Authority
November 08, 2017

From:	Sarah Harris
To:	Gavin He
Cc:	Lisa Stein; William Tan; Ryan Blackbyrne; Jean-Francois Beaupre
Subject:	FW: IESO / OEFC - $120MM and $160MM
Date:	Thursday, November 09, 2017 8:53:41 AM
Attachments:	IESO-OEFC - FHP LoC_Nov 2017_v2.docx

HI Gavin,
Could you please include Ryan Blackbyrne and Jean-Francois Beaupre on these e-mails. Ryan will be working on OEFC amendments and Jean-Francois will also be reviewing during my pending absence next week.
Thanks,
Sarah

From: Gavin He
Sent: Thursday, November 09, 2017 8:29 AM
To: Lisa Stein ; Sarah Harris ; William Tan
Subject: RE: IESO / OEFC - $120MM and $160MM
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Electricity Finance Branch / Corporate and Electricity Finance Division / Ontario Financing Authority
November 08, 2017

To:	Gavin He
Cc:	Ryan Blackbyrne
Subject:	FW: IESO / OEFC - $120MM and $160MM
Date:	Thursday, November 09, 2017 8:49:48 AM
Attachments:	IESO-OEFC - FHP LoC_Nov 2017_v2.docx

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Electricity Finance Branch / Corporate and Electricity Finance Division / Ontario Financing Authority
November 08, 2017

To:	William Tan; Ryan Blackbyrne; Jean-Francois Beaupre
Cc:	Opal Kandelas
Subject:	FW: IESO / OEFC - $120MM and $160MM
Date:	Wednesday, November 08, 2017 7:11:18 AM

From: Gavin He
Sent: Tuesday, November 07, 2017 4:02 PM
To: Lisa Stein ; Sarah Harris
Cc: William Tan ; Opal Kandelas ; Sarah Neville ; John Kim
Subject: RE: IESO / OEFC - $120MM and $160MM

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> Begin forwarded message:
>
> > **From:** Anthony Martinello <Anthony.Martinello@ieso.ca>
> > **Date:** November 5, 2017 at 11:02:50 AM EST
> > **To:** William Tan <William.Tan@ofina.on.ca>
> > **Cc:** Lisa Stein <Lisa.Stein@ofina.on.ca>, Sarah Harris <Sarah.Harris@ofina.on.ca>, Victor Buza <Victor.Buza@ieso.ca>
> > **Subject: RE: IESO / OEFC - $120MM and $160MM**
> >
> > Will – unless any concerns, will appreciate if you please begin to draft the two OEFC amendments this week – given that the IESO is targeting to sign the OPG / IESO fair hydro agreement by this month's end,….we need to have the two OEFC's done before this.
> > Regards.
> >
> > ---
> >
> > **From:** Anthony Martinello
> > **Sent:** November 01, 2017 12:56 PM
> > **To:** 'William Tan'
> > **Cc:** 'Lisa Stein'; 'Sarah Harris'; 'John Kim'; Victor Buza
> > **Subject:** IESO / OEFC - $120MM and $160MM
> > Once we have completed the 2 OFA facilities and the intercept letter – we

then have to turn to the 2 outstanding IESO-OEFC credit facilities to contemplate any further amendments too.

Just ensuring that these 2 OEFC facilities are not missed.

Regards.

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From:	Sarah Harris
To:	Jean-Francois Beaupre
Subject:	FW: IESO / OEFC - $120MM and $160MM
Date:	Tuesday, November 07, 2017 9:58:48 AM

From: John Kim
Sent: Sunday, November 05, 2017 1:55 PM
To: Sarah Harris
Cc: William Tan ; Lisa Stein ; Opal Kandelas ; Gavin He
Subject: Re: IESO / OEFC - $120MM and $160MM
Hi Sarah,
We will look at this but this is oefc so not sure if the same lending policy applies.
John
Sent from my iPhone

On Nov 5, 2017, at 12:06 PM, Sarah Harris <Sarah.Harris@ofina.on.ca> wrote:

> Hi John,
> We've received no internal direction on the nature of changes IESO is looking for in relation to existing OEFC credit facility with the IESO and the FHP. I surmise it may have to do with adjusting the agreement to allow FHP permitted liens (which we would need internal approval to do) or similar changes, but do you know if IESO communicated requirements to Gadi or Ron?
> Thanks,
> Sarah
> Sent from my iPhone
>
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>
> > **From:** Anthony Martinello <Anthony.Martinello@ieso.ca>
> > **Date:** November 5, 2017 at 11:02:50 AM EST
> > **To:** William Tan <William.Tan@ofina.on.ca>
> > **Cc:** Lisa Stein <Lisa.Stein@ofina.on.ca>, Sarah Harris <Sarah.Harris@ofina.on.ca>, Victor Buza <Victor.Buza@ieso.ca>
> > **Subject: RE: IESO / OEFC - $120MM and $160MM**
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> > Will – unless any concerns, will appreciate if you please begin to draft the two OEFC amendments this week – given that the IESO is targeting to sign the OPG / IESO fair hydro agreement by this month's end,….we need to have the two OEFC's done before this.
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> > **From:** Anthony Martinello
> > **Sent:** November 01, 2017 12:56 PM
> > **To:** 'William Tan'
> > **Cc:** 'Lisa Stein'; 'Sarah Harris'; 'John Kim'; Victor Buza
> > **Subject:** IESO / OEFC - $120MM and $160MM
> > Once we have completed the 2 OFA facilities and the intercept letter – we

then have to turn to the 2 outstanding IESO-OEFC credit facilities to contemplate any further amendments too.

Just ensuring that these 2 OEFC facilities are not missed.

Regards.

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From:	Sarah Harris
To:	Opal Kandelas
Subject:	FW: IESO / OEFC - $120MM and $160MM
Date:	Friday, November 10, 2017 10:17:14 AM
Attachments:	IESO-OEFC - FHP LoC_Nov 2017_v2.docx

Hi Opal,
When you have two minutes to speak, I just want bring you up to date. Please let me know when we can chat.
Thanks,
Sarah

From: Gavin He
Sent: Thursday, November 09, 2017 5:50 PM
To: Lisa Stein ; Ryan Blackbyrne
Cc: Sarah Harris ; Jean-Francois Beaupre ; William Tan
Subject: RE: IESO / OEFC - $120MM and $160MM

Hi Lisa/Ryan,
Thank you very much for the responses and that's helpful!
I will go back to IESO to verify what's their rationale to for the request. But before I go back, I just want to make sure that I understand the concerns/suggestions from our side first.
The change we made for the OFA credit facility agreement was to allow IESO to take liens related to FHP in the event if IESO can't pay OFA back the loan, correct? What was the reason for this change? And wouldn't the same reason apply for the loans that IESO has with OEFC? And if IESO can't pay back the loans to OEFC, should they still be able to take any liens related to FHP, or not? But if they were able to do so under the OFA credit facility agreement, are there any reasons that they cannot do the same under the OEFC credit facility agreement?
I understand that the $120M and $160M credit facilities are not for FHP purposes, but I think this is a separate question from whether they can take liens related to FHP if IESO can't pay OEFC back the loans? Similarly, I believe the existing $475M IESO credit facility with OFA was not for the FHP purpose, but the agreement was amended by the amendment #10 to include the FHP lien clause in the actual agreement, right? So I am just a bit confused about this process and trying to find out whether we should apply a consistent approach for OEFC's credit facilities before I push this back to IESO.
Also, a separate question on the $160M credit facility agreement. Since it was amended to be used for FHP purpose previously, do we need to amend that now since a separate facility agreement was created specifically for FHP purposes? Or that amendment automatically expires when the $2B FHP credit facility was created, and for sure we don't need to update anything in the $160M credit facility agreement to that effect?
Thanks,
Gavin He

From: Lisa Stein
Sent: Thursday, November 09, 2017 12:49 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

I also recommend asking the IESO for the exact details of the proposed amendments.

From: Ryan Blackbyrne
Sent: Thursday, November 09, 2017 12:19 PM
To: Gavin He <Gavin.He@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: IESO / OEFC - $120MM and $160MM

Hi Gavin,

Thank you for your note. After reviewing your note and the attached agreements we had a few comments:

- We understand that the $160M credit facility agreement will not be used for FHP purposes, although an amendment was made earlier in 2017 to allow advances for the purposes of FHP.
- It is our assumption that the $160M credit facility agreement was amended in April, 2017, pursuant to Reg. 280/14 as a potential temporary option for FHP funding requirements until such time as a separate facility agreement was created specifically for FHP purposes (i.e. the $2B OFA-IESO credit facility)
- There is an existing $120M loan agreement, maturing June 30, 2020, which is not a credit facility, but a fixed term loan. No amendments were made here in relation to FHP, as it is non-revolving and used for capital purposes.
- Since the $160M credit facility agreement will not be used for FHP purposes, it is not clear to us why the change to definition of Permitted Liens is required, and how not making this change would prevent IESO from performing its obligations under the OFHP Act. Please clarify.
- Kindly confirm with Anthony why IESO believes these amendments are necessary in respect of the $160M credit facility and $120M loan agreement.

We look forward to hearing back from you. Happy to discuss further as always.

Thank You,

Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M7A 1Y7
416-325-8143
ryan.blackbyrne@ofina.on.ca

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Tuesday, November 07, 2017 4:07 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>
Subject: IESO - OEFC Nov 7

Ryan,

As discussed with Will today, I understand you will be co-ordinating the proposed 2 amendments to

the existing IESO-OEFC credit facilities.
For starters, there are no expected changes being asked to the existing agreement's key business content (e.g. amounts, dates, interest, notices etc.), rather given that IESO-OFA have just finished two new agreements pertaining to the new fair hydro program, ….I suggest we just copy and paste the salient sections from these agreements that would now be relevant to the OEFC agreements for fair hydro namely;

1.DRAFT

The definition of "Permitted Liens" is amended by deleting the word "and" at the end of subsection (xx); replacing the "." at the end of subsection (xx) and replacing it with "; and" ; and adding the following subsection (xx):
"(xx) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

2.DRAFT

The OFA agreements had required an intercept provision, …..not sure if the same applies to OEFC if yes:
"Section 5.7 Intercept
(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of November 6th , 2017 herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the Capital Investment Plan Act, 1993 (the "Intercept Letter"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("Appropriated Funds"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("Intercept").
(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.
(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.
(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail."

3.

If any… other relevant updates that make sense to do now……I do not anticipate any material ones.

We need your support to expedite the above in order to avoid delays in the Fair Hydro implementation.

Regards.

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This message, including any attachments, is meant only for the use of the individual(s) to whom it is intended and may contain information that is privileged/confidential. Any unauthorized use, copying or disclosure is strictly prohibited. If you are not the intended recipient or have received this message in error, please notify us immediately by reply e-mail and permanently delete this message, including any attachments, without reading them, and destroy all copies. Thank you.

From: Gavin He
Sent: Thursday, November 09, 2017 8:29 AM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Hi Lisa, Sarah, and William,

Following my email on Tuesday, EFB has drafted the attached note on the IESO's request on the OEFC credit facility, including the background information, our recommendation, and the rationale. Could you please review the accuracy of the note and would you be able to provide me with your feedback before noon today?

Sorry for the short turnaround time, but we all would like to move on this as soon as possible.

Thanks,

Gavin He

From: Lisa Stein
Sent: Wednesday, November 08, 2017 9:55 AM
To: Gavin He <Gavin.He@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Sarah Neville <Sarah.Neville@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Thanks for the update Gavin.

From: Gavin He
Sent: Tuesday, November 07, 2017 4:02 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Sarah Neville <Sarah.Neville@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>

Subject: RE: IESO / OEFC - $120MM and $160MM

Hi Lisa/Sarah H.,

We touched based with IESO and they told us that the OEFC agreements do not contemplate a general grant of security by IESO over its assets as is currently under discussion with the OPG Trust relative to the implementation of the OFHP. The changes required to allow for such a grant would be to amend the permitted liens and negative covenant language in the OEFC agreements so as to make it the same as, or very similar to, the language in the two OFA Agreements that were signed recently.

We will get a policy direction soon and will draft a note for you to review once it's ready.

Regards,

Gavin He

From: Lisa Stein
Sent: Monday, November 06, 2017 9:43 AM
To: John Kim <John.Kim@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Sarah Neville <Sarah.Neville@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

No, I don't think the OFA Lending Policy would apply to these OEFC loans. The OFA Lending Policy addresses lending activities to public bodies undertaken where the OFA is acting as an intermediary on behalf of the Province.

From: John Kim
Sent: Sunday, November 05, 2017 1:55 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>
Subject: Re: IESO / OEFC - $120MM and $160MM

Hi Sarah,

We will look at this but this is oefc so not sure if the same lending policy applies.

John

Sent from my iPhone

On Nov 5, 2017, at 12:06 PM, Sarah Harris <Sarah.Harris@ofina.on.ca> wrote:

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> Sent from my iPhone
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From: Anthony Martinello <Anthony.Martinello@ieso.ca>
Date: November 5, 2017 at 11:02:50 AM EST
To: William Tan <William.Tan@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>, Sarah Harris <Sarah.Harris@ofina.on.ca>, Victor Buza <Victor.Buza@ieso.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Will – unless any concerns, will appreciate if you please begin to draft the two OEFC amendments this week – given that the IESO is targeting to sign the OPG / IESO fair hydro agreement by this month's end,….we need to have the two OEFC's done before this.
Regards.

From: Anthony Martinello
Sent: November 01, 2017 12:56 PM
To: 'William Tan'
Cc: 'Lisa Stein'; 'Sarah Harris'; 'John Kim'; Victor Buza
Subject: IESO / OEFC - $120MM and $160MM

Once we have completed the 2 OFA facilities and the intercept letter – we then have to turn to the 2 outstanding IESO-OEFC credit facilities to contemplate any further amendments too.
Just ensuring that these 2 OEFC facilities are not missed.
Regards.

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OEFC -- IESO CREDIT FACILITY AGREEMENT & THE PERMITTED LIENS

ISSUE

The IESO has requested OEFC to reopen the existing credit facility agreement between OEFC and IESO to make amendment to the definition of the permitted liens.

CONTEXT

To support IESO's role in the implementation and participation under the *Ontario Fair Hydro Plan Act, 2017* ("OFHP Act"), OFA recently amended the credit facility agreement between OFA and the IESO. One of the amendments to the agreement is to amend the definition of the permitted liens to include any lien arising from the IESO's role and obligations under the OFHP.

The OFA credit facility agreement was amended due to additional roles IESO is taking on under Ontario's Fair Hydro Plan. To fufil its obligation, the IESO will need a general grant of security on any lien arising from the IESO's role and obligations under the OFHP. Therefore, the OFA credit facility agreement was amended to allow for such a general grant of security.

For the same reason, the IESO has requested OEFC to reopen the existing credit facility agreement between OEFC and IESO to make the similar amendment. Specifically, adding a clause in the OEFC credit facility agreement that any lien related to OFHP will not be viewed as negative pledge by OEFC, so those liens can be used to secure the performance of IESO's obligations to OEFC.

RECOMMENDATION

- To maintain a consistent approach with IESO's credit facilities, CEFD staff and IESO are of the view that the exisiting OEFC credit facility should amend the permitted liens and negative covenant language to make it the same as, or very similar to, the language in the two OFA Agreements that were signed recently.
- Although the OEFC credit facility is not used for OFHP's purpose, such change to the permitted liens is still required in order for IESO to meet its role and obligation under the OFHP Act.

BACKGROUND

- Currently, under the existing credit facility agreement between OEFC and the IESO, the definition of the "permitted liens" does not include any lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.
- On November 6, 2017, OFA and IESO signed an updated OFA IESO credit facility agreement with respect to changes related to OFHP. Below are the related changes made to the OFA credit facility:

  Excerpt from the excuted OFA IESO Amending Agreement #10:

  > *The definition of "Permitted Liens" is amended by deleting the word "and" at the end of subsection (i); replacing the "." at the end of subsection (j) and replacing it with "; and" ; and adding the following subsection (k):*
  >
  > > *"(k) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."*

Electricity Finance Branch / Corporate and Electricity Finance Division / Ontario Financing Authority
November 08, 2017

From:	Sarah Harris
To:	Ryan Blackbyrne
Subject:	FW: IESO / OEFC - $120MM and $160MM
Date:	Thursday, November 09, 2017 12:15:37 PM
Attachments:	$160M revolving credit - Original Agreement - April 23, 2010.pdf $160M revolving credit - Amending Agreement no.6 - April 30, 2017.pdf $120M note - Original Agreement - April 1, 1999 .pdf $120M note - Amending Agreementt no.6 - April 30, 2017.pdf

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From: Ryan Blackbyrne
Sent: Thursday, November 09, 2017 11:54 AM
To: Sarah Harris ; Jean-Francois Beaupre
Subject: FW: IESO / OEFC - $120MM and $160MM

Hi Sarah and JF – is it ok to send the below to Gavin? (he requested a response by Noon)

Hi Gavin,

Thank you for your note. After reviewing your note and the attached agreements we had a few comments:

- We understand that the $160M credit facility agreement will not be used for FHP purposes, although an amendment was made earlier in 2017 to allow advances for the purposes of FHP.
- It is our assumption that the $160M credit facility agreement was amended in April, 2017, pursuant to Reg. 280/14 as a potential temporary option for FHP funding requirements until such time as a separate facility agreement was created specifically for FHP purposes (i.e. the $2B OFA-IESO credit facility)
- There is an existing $120M loan agreement, maturing June 30, 2020, which is not a credit facility, but a fixed term loan. No amendments were made here in relation to FHP, as it is non-revolving and used for capital purposes.
- Since the $160M credit facility agreement will not be used for FHP purposes, it is not clear to us why the change to definition of Permitted Liens is required, and how not making this change would prevent IESO from performing its obligations under the OFHP Act. Please clarify.
- Kindly confirm with Anthony why IESO believes these amendments are necessary in respect of the $160M credit facility and $120M loan agreement.

We look forward to hearing back from you. Happy to discuss further as always.

Thank You,

Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M7A 1Y7
416-325-8143
ryan.blackbyrne@ofina.on.ca

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Tuesday, November 07, 2017 4:07 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan

<William.Tan@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>
Subject: IESO - OEFC Nov 7

Ryan,

As discussed with Will today, I understand you will be co-ordinating the proposed 2 amendments to the existing IESO-OEFC credit facilities.

For starters, there are no expected changes being asked to the existing agreement's key business content (e.g. amounts, dates, interest, notices etc.), rather given that IESO-OFA have just finished two new agreements pertaining to the new fair hydro program, ….I suggest we just copy and paste the salient sections from these agreements that would now be relevant to the OEFC agreements for fair hydro namely;

1.DRAFT

The definition of "Permitted Liens" is amended by deleting the word "and" at the end of subsection (xx); replacing the "." at the end of subsection (xx) and replacing it with "; and" ; and adding the following subsection (xx):

"(xx) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

2.DRAFT

The OFA agreements had required an intercept provision, …..not sure if the same applies to OEFC if yes:

"Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of November 6th , 2017 herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the Capital Investment Plan Act, 1993 (the "Intercept Letter"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("Appropriated Funds"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("Intercept").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.
The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail."
3.
If any… other relevant updates that make sense to do now……I do not anticipate any material ones.
We need your support to expedite the above in order to avoid delays in the Fair Hydro implementation.
Regards.

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From: Gavin He
Sent: Thursday, November 09, 2017 8:29 AM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Hi Lisa, Sarah, and William,
Following my email on Tuesday, EFB has drafted the attached note on the IESO's request on the OEFC credit facility, including the background information, our recommendation, and the rationale. Could you please review the accuracy of the note and would you be able to provide me with your feedback before noon today?
Sorry for the short turnaround time, but we all would like to move on this as soon as possible.
Thanks,
Gavin He

From: Lisa Stein
Sent: Wednesday, November 08, 2017 9:55 AM
To: Gavin He <Gavin.He@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Sarah Neville <Sarah.Neville@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Thanks for the update Gavin.

From: Gavin He

Sent: Tuesday, November 07, 2017 4:02 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Sarah Neville <Sarah.Neville@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Hi Lisa/Sarah H.,

We touched based with IESO and they told us that the OEFC agreements do not contemplate a general grant of security by IESO over its assets as is currently under discussion with the OPG Trust relative to the implementation of the OFHP. The changes required to allow for such a grant would be to amend the permitted liens and negative covenant language in the OEFC agreements so as to make it the same as, or very similar to, the language in the two OFA Agreements that were signed recently.

We will get a policy direction soon and will draft a note for you to review once it's ready.

Regards,

Gavin He

From: Lisa Stein
Sent: Monday, November 06, 2017 9:43 AM
To: John Kim <John.Kim@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Sarah Neville <Sarah.Neville@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

No, I don't think the OFA Lending Policy would apply to these OEFC loans. The OFA Lending Policy addresses lending activities to public bodies undertaken where the OFA is acting as an intermediary on behalf of the Province.

From: John Kim
Sent: Sunday, November 05, 2017 1:55 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>
Subject: Re: IESO / OEFC - $120MM and $160MM

Hi Sarah,

We will look at this but this is oefc so not sure if the same lending policy applies.

John

Sent from my iPhone

On Nov 5, 2017, at 12:06 PM, Sarah Harris <Sarah.Harris@ofina.on.ca> wrote:

> Hi John,
> We've received no internal direction on the nature of changes IESO is looking for in relation to existing OEFC credit facility with the IESO and the FHP. I surmise it may have to do with adjusting the agreement to allow FHP permitted liens (which we would need internal approval to do) or similar changes, but do you know if IESO communicated requirements to Gadi or Ron?
> Thanks,
> Sarah

Sent from my iPhone

Begin forwarded message:

From: Anthony Martinello <Anthony.Martinello@ieso.ca>
Date: November 5, 2017 at 11:02:50 AM EST
To: William Tan <William.Tan@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>, Sarah Harris <Sarah.Harris@ofina.on.ca>, Victor Buza <Victor.Buza@ieso.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Will – unless any concerns, will appreciate if you please begin to draft the two OEFC amendments this week – given that the IESO is targeting to sign the OPG / IESO fair hydro agreement by this month's end,….we need to have the two OEFC's done before this.
Regards.

From: Anthony Martinello
Sent: November 01, 2017 12:56 PM
To: 'William Tan'
Cc: 'Lisa Stein'; 'Sarah Harris'; 'John Kim'; Victor Buza
Subject: IESO / OEFC - $120MM and $160MM

Once we have completed the 2 OFA facilities and the intercept letter – we then have to turn to the 2 outstanding IESO-OEFC credit facilities to contemplate any further amendments too.
Just ensuring that these 2 OEFC facilities are not missed.
Regards.

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INDEPENDENT ELECTRICITY SYSTEM OPERATOR

as Borrower

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION

as Lender

REVOLVING CREDIT FACILITY AGREEMENT

Dated: April 23, 2010

THIS CREDIT FACILITY AGREEMENT is made on the 23rd day of April, 2010

between:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")

RECITAL:

IESO has requested a revolving line of credit from OEFC in the amount of up to Sixty Million Dollars for the purpose of replacing the current IESO revolving line of credit with the Toronto-Dominion Bank which is used for liquidity purposes that may also be used to fund corporate requirements. OEFC has agreed to lend such amount to IESO on the terms and conditions set out herein.

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the parties agree as follows:

ARTICLE 1
DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"Advance Date" has the meaning set forth in Section 3.2.

"Advances" means advances made by OEFC to IESO under Article 3 and **"Advance"** means any one of such advances.

"Advances Outstanding" means, at any time, an amount equal to the aggregate principal amount of all Advances outstanding at such time.

"Agreement", "herein", "hereby", "hereof", "hereunder" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression **"Article"** or **"Section"** followed by a number means the specified Article or Section of this Agreement.

"Borrowing Notice" has the meaning specified in Section 3.2.

"Business Day" means any day other than a Saturday, Sunday or a statutory or civic holiday in Toronto, Ontario.

"Commitment" means, at any time, an amount equal to the principal amount of Sixty Million Dollars.

"Consolidated Assets" means, at any time, the book value of IESO and the Subsidiaries, determined as of such time on a consolidated basis in accordance with generally accepted accounting principles.

"Credit Facility" means the revolving credit facility to be made available to IESO by OEFC under this Agreement for the purposes specified in Section 2.3.

"Default" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"Disposition" has the meaning specified in Section 6.1.

"Dollars" or "$" means lawful currency of Canada.

"Event of Default" has the meaning specified in Section 5.1.

"IESO" means Independent Electricity System Operator, a corporation existing under the laws of the Province of Ontario, until a successor corporation shall have succeeded to all of the rights and obligations of Independent Electricity System Operator pursuant to Section 6.1 and thereafter **"IESO"** shall mean such successor corporation (or any successor thereto which shall have become such pursuant to Section 6.1).

"Indebtedness" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) every obligation of such Person for borrowed money;

(b) every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments;

(c) every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) every capital lease obligation of such Person; and

(f) the Swap Termination Value of each Swap Contract of such Person; and

(g) every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"Interest Payment Date" means with respect to each Advance means the first Business Day of each month.

"Interest Rate" means the Province of Ontario's cost of borrowing for a 30 day term, as determined as of the first Business Day of each month by OEFC, plus 0.25 percent per annum.

"Interest Reset Date" has the meaning specified in section 3.3(2)(i).

"Lien" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"Material Subsidiary" means, at any time, a Subsidiary which, together with its subsidiaries, has consolidated assets with a book value of more than Twenty-Five Million Dollars determined as of such time in accordance with generally accepted accounting principles.

"Note" means the note of IESO issued under this Agreement.

"Permitted Liens" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) any obligations or duties, affecting the property of IESO or a Material Subsidiary, to any municipality or governmental, statutory or public authority, with respect to any franchise, grant, license or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by IESO or such Material Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by IESO or such Material Subsidiary;

(d) any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) the right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) any undetermined or inchoate Liens and charges incidental to the current operations of IESO or a Material Subsidiary that have not at the time been filed against IESO or such Material Subsidiary; provided, however, that if any such Lien or charge shall have been filed, IESO or such Material Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) any Lien the validity of which is being contested at the time by IESO or a Material Subsidiary in good faith and the enforcement of which has been stayed;

(h) any easements, rights-of-way and servitudes that in the opinion of IESO will not in the aggregate materially and adversely impair the use or value of the land for the purpose for which it is held or occupied by IESO or a Material Subsidiary;

(i) any Liens and privileges arising out of judgments or awards with respect to which IESO or a Material Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall have secured a stay of execution pending such appeal or proceedings for review; and

(j) pledges of cash or cash equivalents to secure IESO's or a Material Subsidiary's liabilities from time to time under Swap Contracts and pledges of cash or cash equivalents in an aggregate amount not exceeding $25 million at any time to secure IESO's or a Material Subsidiary's liabilities from time to time under commodity swap, commodity option and commodity future contracts entered into in the ordinary course of business for the purpose of directly mitigating risks associated with fluctuations in prices or availability of commodities purchased or to be purchased by IESO or a Material Subsidiary in the ordinary course of business, and not entered into for the purposes of speculation; and

(k) any other Liens of a nature similar to the foregoing which do not in the opinion of IESO, acting reasonably, materially impair the use of the property subject thereto or the operation of the business of IESO or any Material Subsidiary or the value of such property for the purpose of any such business.

"Person" means any individual, corporation, partnership joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"Purchase Money Mortgage" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or part of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"Stated Maturity" when used with respect to any Indebtedness or any installment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such installment of interest is due and payable.

"Subsidiary" means:

(a) a corporation: (i) more than 50% of the voting power or the outstanding Voting Shares of which is owned, directly or indirectly, by IESO or by one or more other Subsidiaries or by IESO and one or more other Subsidiaries; or (ii) in the case of a non-share capital corporation, that the IESO has the power to appoint a majority of the Board of Directors; or

(b) any Person (other than a corporation) in which IESO, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

"Swap Contract" means any agreement whether or not in writing, relating to any transaction or derivative transaction including a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction currency swap, cross-currency rate swap, swaption, currency option or other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.

"Swap Termination Value" means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap contracts:

(a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and

(b) for any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.

"Voting Shares" of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings and Table of Contents.

The division of this Agreement into Articles and Sections the insertion of headings and the provision of a Table of Contents are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and vice versa and words importing gender may include any gender. In this Agreement, (a) the words **"including"** and **"includes"** mean "including (or includes) without limitation", and (b) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" each mean "to but excluding".

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with generally accepted accounting principles. Generally accepted accounting principles refer to accounting principles generally accepted in Canada as recommended in the Handbook of the Canadian Institute of Chartered Accountants at the relevant time applied on a consistent basis.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the following Business Day.

ARTICLE 2
REVOLVING CREDIT FACILITY

Section 2.1 Availability.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO up to the amount of the Commitment. OEFC shall make each Advance in Canadian Dollars.

Section 2.2 Commitment and Facility Limits.

The Advances Outstanding to IESO under the Credit Facility shall not at any time exceed the Commitment. The Credit Facility shall revolve and no payment under the Credit Facility shall reduce the Commitment.

Section 2.3 Use of Proceeds.

IESO shall use the proceeds of Advances for the following purposes for which it is authorized to borrow funds:

(a) to repay the revolving line of credit with the Toronto Dominion Bank;

(b) for liquidity purposes; and

(c) to fund corporate requirements.

Section 2.4 Mandatory Repayment.

Subject to Sections 3.5 and 5.2, IESO, shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder in full on or before April 30, 2013.

Section 2.5 Advances and Payments under this Agreement.

(1) OEFC shall make Advances to IESO under this Agreement to the order of IESO by wire transfer of immediately available funds in accordance with wire transfer instructions given by IESO to OEFC from time to time, or in such other manner as IESO may specify to OEFC from time to time.

(2) IESO shall make any payment required hereunder to be made by it to OEFC, to or to the order of OEFC, by wire transfer of immediately available funds in accordance with wire transfer instruction given by OEFC to IESO from time to time, or in such other manner as OEFC may specify to IESO from time to time. IESO shall make each such payment in Canadian Dollars

Section 2.6 Evidence of Indebtedness.

IESO authorizes OEFC to open and maintain records evidencing IESO's obligations under this Agreement and to record therein all advances, interest rates, accrued interest, payments of principal and interest and the aggregate principal and accrued interest outstanding from time to time under this Agreement. IESO agrees that the records kept by the OEFC in the absence of manifest error, shall be prima facie evidence of the indebtedness of IESO and the matters recorded provided that the failure of the OEFC to record or correctly record any amount or date shall not affect the obligation of IESO to repay the aggregate principal amounts and accrued interest thereon owing under this Agreement.

ARTICLE 3
ADVANCES AND INTEREST

Section 3.1 Advances.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO under the Credit Facility on the first Business Day of each month from and including May 3, 2010 to and including April 1, 2013.

Section 3.2 Procedure for Advances.

(1) Each Advance shall be made subject to four Business Day's prior notice given not later than 10:00 a.m. (Toronto time) by IESO to OEFC. Each notice of an Advance (a **"Borrowing Notice"**) shall be substantially in the form of Schedule 1, shall be irrevocable and binding on IESO and shall specify (a) the requested date of the Advance (the **"Advance Date"**), and (b) the principal amount of the Advance which shall be in a minimum amount of $1,000,000.00 (unless otherwise agreed to by OEFC), and in increments of $1,000,000.00 (or such other increments as may be agreed to by OEFC). OEFC will make the principal amount of each Advance available to IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, IESO shall execute and deliver to OEFC a grid promissory note (the "Note") in respect of Advances substantially in the form of Schedule 2. IESO authorizes OEFC to record on the grid promissory note (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal amount of the grid promissory note. Such notations, in the absence of manifest error, shall be prima facie evidence of the such advances and repayments; provided that the failure of OEFC to record any amount, rate or date shall not affect the obligation of IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement.

(3) In the event that funds are not received by IESO on the Advance Date, IESO and OEFC agree to take all steps necessary to amend the date of the Advance, without amending the Interest Rate that was agreed to with respect to such Advance.

(4) The Note shall at all times rank *pari passu* with all other unsubordinated Indebtedness of IESO, subject to the existence of any Permitted Liens of IESO.

(5) All amounts owing in respect of the Advances shall be paid without exercising any right or set off or counterclaim by IESO.

Section 3.3 Interest on Advances.

(1) IESO shall pay interest on the principal amount of each Advance then outstanding in accordance with this Section 3.3 from and including the date of such Advance until the principal amount of such Advance is repaid in full.

(2) Interest shall accrue on the principal amount of each Advance from and including the date of the Advance to but excluding the first Interest Payment Date following the date of the Advance, at the rate equal to the Interest Rate, and shall be payable on the Interest Payment Date for such Advance. The amount of interest payable on an Advance will be calculated by OEFC by dividing the Interest Rate applicable to the Advance by 365 or 366, as the case may be, and multiplying the result by the principal amount of the Advance then outstanding and further multiplying the result by the number of days in the period from the date of the Advance to the Interest Payment Date.

(i) If an Advance is outstanding on an Interest Payment Date, the interest rate applicable to such Advance shall be reset automatically by OEFC on that date (the "Interest Reset Date"), at the Interest Rate determined as of the Interest Reset Date.

(ii) For each Advance, OEFC shall notify IESO via email of the Interest Rate on the Advance Date and on each Interest Reset Date.

(3) Upon four Business Days prior notice by IESO, OEFC may at its discretion agree to capitalize the interest on any Advance on an Interest Payment Date, which shall be determined in the following manner: each such interest payment due on the Interest Payment Date shall be deemed to form part of the principal amount of the outstanding Advance and interest shall accrue and be payable thereon in accordance with Section 3.3(2). OEFC shall record on the grid forming part of the note: (a) the date and amount of the new Advance; (b) the applicable rate of interest for the Advance; and (c) the outstanding principal amount of the grid promissory note.

(4) Interest shall accrue on the principal amount of each Advance at the Interest Rate as determined from time to time, before as well as after the date such principal amount or interest thereon becomes due hereunder and both before and after default.

Section 3.4 Computations of Interest.

(1) All computations of interest shall be made by OEFC taking into account the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest is payable on the basis of a year of 365 days or 366 days, as the case may be.

(2) For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Agreement for any

period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

Section 3.5 Limit on Rate of Interest.

(1) Notwithstanding any provision contained in this Agreement, IESO shall not be obliged to make any payments of interest or other amounts payable to OEFC hereunder in excess of the amount or rate which would be prohibited by applicable law or would result in the receipt by OEFC of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada), as amended from time to time).

(2) In the event that any such payments are limited or prohibited as provided in Section 3.5(1), OEFC shall have no further obligation to make any Advances available hereunder and the Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, shall become immediately due and payable.

Section 3.6 Conditions Precedent

The obligation of OEFC to make the Advances pursuant to Section 2.1 is subject to the following conditions being met to OEFC's satisfaction at the time of making each Advance:

(a) that the representations and warranties of IESO contained in this Agreement are true and correct as at the date of making the Advance;

(b) that no Event of Default has occurred and is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default;

(c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO; and

(d) that OEFC has received such other documentation which it has reasonably requested to ensure that IESO is in compliance with the terms and conditions of this Agreement, including certified true copies of any necessary resolutions including resolutions authorizing the borrowing and authorized signatories.

ARTICLE 4

COVENANTS OF IESO

Section 4.1 Payment of Advances.

IESO will duly and punctually pay or cause to be paid all amounts owing under this Agreement in accordance with the terms and subject to the conditions of this Agreement.

Section 4.2 Use of Proceeds

The monies advanced under this Agreement shall be used only by IESO for the purposes set out in Section 2.3.

Section 4.3 IESO will Maintain its Corporate Existence.

Subject to Section 6.1, IESO will at all times maintain its corporate existence.

Section 4.4 Maintenance of Properties.

IESO will cause all property owned by IESO or any Material Subsidiary to be maintained and kept in good condition, repair and working order, all as in the judgment of IESO or any Material Subsidiary may be necessary for the proper operation of such property, except as and to the extent that IESO or any Material Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 4.4 shall prevent IESO or any Material Subsidiary from discontinuing the maintenance of any such property or decommissioning any such property if such discontinuance or decommissioning is, in the judgment of IESO or any Material Subsidiary, desirable in the conduct of its business or the business of any such Material Subsidiary, or has been directly or indirectly requested or required by the Province of Ontario.

Section 4.5 Insurance.

IESO will cause all property owned by IESO or any Material Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the nature and to the extent that such property is usually insured by companies operating similar businesses.

Section 4.6 Conduct of Business.

Subject to Section 4.3, IESO will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in a proper, efficient and business-like manner and in accordance with good business practice.

Section 4.7 Negative Pledge.

IESO will not, and will not permit any Material Subsidiary to, create, incur or assume any Lien, charging the interest of IESO or any Material Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, all amounts owing under this Agreement are secured equally and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) the creation, incurrence or assumption of any Purchase Money Mortgage;

(b) the grant of any Lien in the normal course of business to any banks or financial institutions for present or future indebtedness of IESO or any Material Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) any extension, renewal or replacement of any of the Liens referred to in Sections 4.7(a), (b) or (c), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased; and

(e) any Lien charging the interest of IESO or any Material Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 4.7(a), (b) or (c), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 4.6(e) which is outstanding at such time does not exceed 10% of Consolidated Assets at such time.

Section 4.8 Payment of OEFC Expenses.

IESO will, on demand, reimburse and indemnify OEFC for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OEFC in connection with the preservation of rights under or enforcement of this Agreement at

any time during the continuance of a Default or Event of Default. All such costs, charges and expenses shall bear interest at the Province's cost of funds plus 0.25 percent per annum (as determined by OEFC) calculated and payable monthly not in advance from in each case from the date on which OEFC incurs the cost, charge or expense until the date on which IESO reimbursement OEFC therefor. OEFC agrees, acting reasonably, to invoice IESO for any such costs, charges and expense as they are incurred, together with interest at the aforesaid rate (with interest on overdue interest).

Section 4.9 Reporting Requirements.

IESO covenants to provide to OEFC, or at its direction, to the Province of Ontario and the Ontario Financing Authority,

(a) any available information respecting its financial position which may be reasonably requested by OEFC, the Province of Ontario or the Ontario Financing Authority from time to time; and

(b) any additional reports or supporting documentation which may be reasonably requested by the OEFC, the Province of Ontario or the Ontario Financing Authority from time to time.

ARTICLE 5
EVENTS OF DEFAULT AND REMEDIES

Section 5.1 Event of Default.

Wherever used in this Agreement, the term **"Event of Default"** means any of the following:

(a) failure to pay any interest upon any Advance when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) failure to pay the principal amount of the Advances Outstanding, all interest accrued thereon and all other amounts owing under this Agreement on April 30, 2013;

(c) failure on the part of IESO to observe or perform its obligations set forth in Section 6.1;

(d) failure on the part of IESO to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 30 days after

the date on which written notice of such failure shall have been given to IESO by OEFC;

(e) any representation or warranty made by IESO in this Agreement or in any certificate or other document at any time delivered hereunder to OEFC was incorrect or misleading in any material respect;

(f) one or more breaches by IESO of its covenants under one or more evidences of indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $25 million, which breaches:

(i) constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist; or

(ii) have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived or rescinded);

(g) IESO, or any Material Subsidiary:

(i) becomes generally not able to pay its debts as they become due;

(ii) admits in writing its inability to pay its debts generally or makes a general assignment for the benefit of its creditors or files a proposal or other scheme of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) institutes or has instituted against it any proceeding seeking:

(A) to adjudicate it a bankrupt or insolvent;

(B) liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy / insolvency / reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors; or

(C) the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets;

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismisssed or unstayed for a period of 30 days, or any remedy sought in any such proceeding (including the entry of order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

(iv) takes any corporate action to authorize any of the actions in Sections 5.1(g)(i) to (iii); or

(h) if there shall be rendered against IESO or any Material Subsidiary a final judgment or judgments for the payment of money in an aggregate amount in excess of $5 million by a court or courts of competent jurisdiction, and IESO or any Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 5.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case OEFC may declare all amounts owing hereunder to be due and payable immediately, by a notice in writing to IESO, and upon any such declaration all such amounts shall become immediately due and payable.

Section 5.3 Suits for Enforcement by OEFC.

If an Event of Default occurs and is continuing, OEFC may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in OEFC by this Agreement or by law.

Section 5.4 OEFC May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of IESO under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property

of IESO, or if any other judicial proceedings relative to IESO, its creditors or its property are pending, OEFC shall be entitled and empowered, by intention in such proceeding or otherwise:

(a) to file and prove a claim for all amounts owing under this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of OEFC (including any claim for fees and disbursements of OEFC, its agents and counsel as contemplated under Section 4.7) allowed in such judicial proceeding; and

(b) to collect and receive any moneys or other property payable or deliverable on any such claim.

Section 5.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to OEFC is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.6 Delay or Omission not Waiver.

No delay or omission of OEFC to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right or remedy given by this Article 5 or by law to OEFC may be exercised from time to time, and as often as may be deemed expedient, by OEFC.

ARTICLE 6

CONSOLIDATION, AMALGAMATION, MERGER OF IESO

Section 6.1 Certain Requirements in Respect of Merger, etc.

IESO may not and may not cause any Material Subsidiary, in a single transaction or a series of related transactions, amalgamate or consolidate with or merge into any other Person, or permit any other Person to amalgamate or consolidate with or merge into IESO or the Material Subsidiary, or directly or indirectly transfer, sell, lease or otherwise dispose of all or substantially all of its property or assets (a "Disposition") to any Person without the written consent of OEFC.

Section 6.2 Successor Substituted.

Upon any consolidation, amalgamation, merger or Disposition described in, and complying with the provisions of, Section 6.1 in which IESO is not the continuing corporation, the successor Person shall succeed to all of the rights and obligations of IESO under this Agreement, and from time to time may exercise every right and power of IESO under this Agreement.

ARTICLE 7
REPRESENTATIONS AND WARRANTIES OF IESO

Section 7.1 Representations and Warranties of IESO.

IESO represents and warrants to OEFC that:

(a) the borrowing of money (including principal and accrued interest) by IESO and the execution, delivery and performance of this Agreement are within the powers and capacities of IESO and have been duly authorized by all necessary legal action and proper proceedings;

(b) the execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the compliance with the terms and conditions of this Agreement will not conflict with or result in a breach of any of the terms or provisions of the constituting documents or by-laws of IESO, laws of Ontario, including laws of Canada applicable therein, applicable to IESO or any contractual or other obligation binding on IESO; and

(c) this Agreement will, when executed and delivered, constitute the legal, valid and binding obligation of IESO enforceable against it in accordance with its terms.

Section 7.2 Continuation of Representation and Warranties.

The representations and warranties set out in Section 7.1 herein shall survive the execution and delivery of this Agreement, the making of each advance by OEFC, notwithstanding any investigations or examinations which may be made by counsel for OEFC.

ARTICLE 8

GENERAL

Section 8.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy or other means of electronic communication addressed:

If to IESO, to it at:
Independent Electricity System Operator
655 Bay Street, Suite 410
Toronto, ON M5G 2K4
Attention: Chief Financial Officer
Telephone:
Telecopier:

If to OEFC, to it at:

Ontario Electricity Financial Corporation
c/o Ontario Financing Authority
1 Dundas Street West
Suite 1400
Toronto, ON M7A IY7

Attention: Executive Director - Capital Markets Division
Telephone: (416) 325-8930
Telecopier: (416) 325-8111

provided that any Borrowing Notice shall be addressed as indicated on Schedule 1.

Any communication hereunder shall be deemed to have been validly and effectively given if (a) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p. m (Toronto time), otherwise on the next Business Day, (b) transmitted by telecopier other means of electronic communication, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice given in accordance with this Section 8.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 8.1.

Section 8.2 Successors and Assigns.

This Agreement shall be binding on and enure to the benefit of OEFC and IESO and their respective successors and permitted assigns, except that IESO shall not, without the prior written consent of OEFC assign, pledge or hypothecate any rights or obligations with respect to this Agreement.

Section 8.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of OEFC and IESO.

Section 8.4 Waiver.

(1) No waiver of any provisions of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) or this Agreement nor shall such waiver be binding unless executed in writing by the party to be bound by the waiver.

(2) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude another or further exercise of such right or the exercise of any other right.

Section 8.5 Further Assurances.

Each of IESO and OEFC shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement.

Section 8.6 Severability.

In case any provision in this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement shall not in any way be affected or impaired thereby.

Section 8.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 8.8 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF the parties have executed this Agreement as of the 23rd day of April, 2010.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Ted Leonard
Vice President, Finance and Chief Financial Officer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: ~~Michael D. Manning~~ DAVID PETERS
Title: ~~Chief Operating Officer~~ DIRECTOR, DEBT MANAGEMENT
CAPITAL MARKETS DIVISION
ONTARIO FINANCING AUTHORITY

SCHEDULE 1

FORM OF BORROWING NOTICE

Date:

Ontario Electricity Financial Corporation **("OEFC")**
c/o Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A1Y7

Attention: Cash Management
(Fax No. (416-204-7920)

Dear Sirs:

The undersigned, Independent Electricity System Operator ("IESO"), refer to the Revolving Credit Facility Agreement dated •, 2010 (as amended, supplemented or restated from time to time, the **"Agreement"**, the terms defined therein being used herein as therein defined) between IESO and OEFC, and gives you notice pursuant to Section 3.2 of the Agreement that IESO requests an Advance under the Agreement, and, in that connection, sets forth below the information relating to such Advance (the **"Proposed Advance"**) as required by Section 3.2 of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is •;
(b) The aggregate amount of the Proposed Advance is •;

IESO hereby certifies that:

The representations and warranties of IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received previously as Advances under the Agreement have been expended or are being held solely for the purpose for which they were advanced; no part of said funds has been nor any part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Authorized Signature

Per: _____
Authorized Signature

*To be confirmed by telephone call to OEFC Cash Management (416) 325-8108

SCHEDULE 2

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $60,000,000 Date: •

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("**IESO**"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid (**"Grid"**) attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement (as defined below).

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before April 30, 2013.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Revolving Credit Facility Agreement dated as of April 30, 2010 between IESO and OEFC (the "**Agreement**"). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Credit Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment, demand, protest, notice of dishonest and notice of

non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Authorized Signature

Per: _____
Authorized Signature

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID
(Revolving Credit Facility April 30, 2010)

DATE	PRINCIPAL ADVANCED	INTEREST RATE	INTEREST RESET DATE	INTEREST RESET RATE	PRINCIPAL PAYMENT DATE AND AMOUNT	INTEREST PAYMENT DATE AND AMOUNT	UNPAID PRINCIPAL BALANCE	NOTATION MADE BY

AMENDING AGREEMENT NO. 6

This Amending Agreement is effective as of the 30 day of April, 2017.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011, Amending Agreement No. 3 dated April 30, 2013, Amending Agreement No. 4 dated April 30, 2014 and Amending Agreement No. 5 dated December 19, 2014 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $95 million.

AND WHEREAS IESO and OEFC wish to amend the Agreement to increase the revolving line of credit from a principal amount of CDN $95 million to a principal amount of up to CDN $160 million to provide funding for IESO Corporate Requirements (as defined herein);

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for an extension of the mandatory repayment date established in the Agreement to June 30, 2020;

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for the ability for Advances to be made on any business day up to a maximum of 12 times per year;

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. Section 1.1 Definitions of the Agreement is amended as follows:

   i) The definition of "Amalgamation" is deleted.

   ii) The definition of "Commitment" is deleted and replaced with:

   "Commitment" means, at any time, an amount equal to the principal amount of One Hundred and Sixty Million Dollars.

   iii) A definition of "IESO Corporate Requirements" is added as follows:

   "IESO Corporate Requirements" means any borrowing purposes authorized by O. Reg. 280/14 made under the *Electricity Act, 1998* (as such regulation may be amended or

replaced from time to time), other than for funding liquidity requirements relating to the settlement of the Ontario wholesale electricity markets.

iv) A definition of "Ontario's Fair Hydro Plan" is added as follows:

"Ontario's Fair Hydro Plan" means the plan announced March 2, 2017 by the Government of Ontario to affect the Ontario Energy Board's setting of electricity prices for certain Ontario consumers of electricity, which plan is referred to in the Ontario Energy Board's report dated April 20, 2017 and titled "Regulated Price Plan Price Report – May 1, 2017 to April 30, 2018", and including all relevant developments in or changes to such plan from time to time.

v) The definition of "New IESO" is deleted.

vi) The definition of "Note" is deleted and replaced with:

"Note" means the $160 Million Note issued pursuant to Section 2 of Amending Agreement No. 6 dated as of the 30th day of April, 2017.

vii) The definition of "OPA" is deleted.

viii) The definition of "Pre-Amalgamation IESO" is deleted.

2. IESO shall execute and deliver to OEFC a grid promissory note in the form attached as Schedule I hereto which shall be in an aggregate principal amount of up to One Hundred and Sixty Million Dollars (the "$160 Million Note") dated April 30, 2017 and on which shall be recorded the Advances Outstanding under the grid promissory note delivered pursuant to Amending Agreement No. 4. Upon receipt by OEFC of the $160 Million Note dated April 30, 2017, the $95 Million Note dated April 30, 2014 shall be of no further force and effect and shall be returned to the IESO marked "cancelled".

3. Section 2.3 of the Agreement is deleted and replaced by the following:

Section 2.3 Use of Proceeds

IESO shall use the proceeds of Advances for the funding of IESO Corporate Requirements.

4. Section 2.4 of the Agreement is deleted and replaced by the following:

Section 2.4 Mandatory Repayment.

Subject to Sections 3.5 and 5.2 of this Agreement, IESO shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, in full on or before June 30, 2020.

5. Section 3.1 of the Agreement is deleted and replaced by the following:

Section 3.1 Advances.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO under the Credit Facility on any Business Day in a month up to twelve (12) times per annum from and including May 1, 2017 to and including May 29, 2020

6. Paragraph 3.6(c) of the Agreement is deleted and replaced by the following:
   (c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO, provided however that any adverse change in IESO's financial condition related to or resulting from the discharge by IESO of its responsibilities under Ontario's Fair Hydro Plan shall be deemed not to be a material adverse change for the purposes of this Section; and

7. The Form of Borrowing Notice is deleted and replaced with the Form of Borrowing Notice attached hereto as Schedule 1.

8. This Amending Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

SCHEDULE 1

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $160,000,000 Date: 30 April, 2017

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("**IESO**"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid **("Grid")** attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No. 1 dated July 21, 2010, by Amending Agreement No. 2 dated October 14, 2011, by Amending Agreement No. 3 dated April 30, 2013, by Amending Agreement No. 4 dated April 30, 2014, by Amending Agreement No. 5 dated December 19, 2014, and by Amending Agreement No. 6 dated April 30, 2017 (collectively the "Agreement").

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before June 30, 2020.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance or part of an Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be p*rima facie* evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Agreement. All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment, demand, protest, notice of dishonour and notice

of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

(Revolving Credit Facility April 30, 2017)

DATE	PRINCIPAL ADVANCED	RATE	REPAYMENT DATE	INTEREST AMOUNT	AMOUNT OF PAYMENT		UNPAID BALANCE			NOTATION MADE BY
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	REFINANCED (AMOUNT & DATE)	

INDEPENDENT ELECTRICITY MARKET OPERATOR

as Issuer

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION

as Holder

AGREEMENT
PROVIDING FOR ISSUANCE OF A NOTE

April 1, 1999

TABLE OF CONTENTS

ARTICLE 1
DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1	Definitions	1
Section 1.2	Effect of Headings and Table of Contents	8
Section 1.3	Singular, Plural, Gender, Certain Phrases, etc	8
Section 1.4	Accounting	8
Section 1.5	Non-Business Days	8

ARTICLE 2
THE NOTE

Section 2.1	Issue of Note	8
Section 2.2	Terms of the Note	8
Section 2.3	Interest	9
Section 2.4	Prepayment	9
Section 2.5	Public Debt Covenants	10
Section 2.6	Payment	11

ARTICLE 3
COVENANTS OF THE COMPANY

Section 3.1	Payment of the Note	11
Section 3.2	Company will Maintain its Corporate Existence	11
Section 3.3	Maintenance of Properties	11
Section 3.4	Insurance	12
Section 3.5	Conduct of Business	12
Section 3.6	Financial Statements	12
Section 3.7	Other Indebtedness	12
Section 3.8	Negative Pledge	12
Section 3.9	Payment of OEFC's Expenses	13

ARTICLE 4
EVENTS OF DEFAULT AND REMEDIES

Section 4.1	Event of Default	14
Section 4.2	Acceleration of Maturity; Rescission and Annulment	15
Section 4.3	Suits for Enforcement by OEFC	16
Section 4.4	OEFC May File Proof of Claim	16
Section 4.5	Rights and Remedies Cumulative	16
Section 4.6	Delay or Omission not Waiver	16

ARTICLE 5
CONSOLIDATION, AMALGAMATION, MERGER OF COMPANY

Section 5.1 Certain Requirements in Respect of Merger, etc. 17
Section 5.2 Successor Substituted. 18

ARTICLE 6
GENERAL

Section 6.1 Notices. 18
Section 6.2 Successors and Assigns. 19
Section 6.3 Amendments. 19
Section 6.4 Waiver. 19
Section 6.5 Further Assurances. 19
Section 6.6 Severability. 19
Section 6.7 Governing Law. 20
Section 6.8 Counterparts. 20

Schedule 2.2(1) – Form of Note

THIS AGREEMENT is made on the 1st day of April, 1999 between:

A. **INDEPENDENT ELECTRICITY MARKET OPERATOR** (the "**Company**")

B. **ONTARIO ELECTRICITY FINANCIAL CORPORATION** ("**OEFC**").

RECITALS:

1. Pursuant to section 116 of the *Electricity Act, 1998*, the Lieutenant Governor in Council has made an order (the "**Transfer Order**") transferring certain officers, employees, assets, liabilities, rights and obligations of Ontario Hydro to the Company;

2. Pursuant to the Transfer Order, the Company is required to issue certain debt securities to Ontario Hydro as partial payment for such assets and rights; and

3. On April 1, 1999, Ontario Hydro is continued as OEFC.

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the parties agree as follows:

ARTICLE 1
DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"**Agreement**", "**herein**", "**hereby**", "**hereof**", "**hereunder**" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression "**Article**" or "**Section**" followed by a number means the specified Article or Section of this Agreement.

"**Business Day**" means any day other than a Saturday, Sunday or a statutory or civic holiday in Toronto, Ontario.

"**Canadian Dollars**" or "**$**" means lawful currency of Canada.

"**Canadian Prime Rate**" means, at any time, the greater of (i) the average of the rates of interest per annum equal to the per annum rate of interest quoted, published and commonly known as the "prime rate" of each of the Reference

Lenders which each of the Reference Lenders establishes at its main office in Toronto, Ontario as the reference rate of interest in order to determine interest rates for loans in Canadian Dollars to its borrowers in Canada, adjusted automatically with each quoted or published change in such rate, and (ii) the sum of (y) the average of the rates per annum for Canadian Dollar bankers' acceptances having a term of one month that appears on the Reuters CDOR Page as of 10:00 a.m. (Toronto time) on the date of determination, as reported by OEFC (and if such screen is not available, any successor or similar service as may be selected by OEFC), and (z) 0.50%.

"**Capital Stock**" of any Person means any and all shares, or interests, participations or other equivalents (however designated) of shares, in the capital of such Person.

"**Company**" means the Independent Electricity Market Operator, a corporation existing under the laws of the Province of Ontario, until a successor corporation shall have succeeded to all of the rights and obligations of the Independent Electricity Market Operator pursuant to Section 5.1 and thereafter "**Company**" shall mean such successor corporation (or any successor thereto which shall have become such pursuant to Section 5.1).

"**Consolidated Assets**" means, at any time, the book value of the assets of the Company and the Subsidiaries, determined as of such time on a consolidated basis in accordance with generally accepted accounting principles.

"**default**" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"**disposition**" has the meaning specified in Section 5.1.

"**Event of Default**" has the meaning specified in Section 4.1.

"**Indebtedness**" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) Every obligation of such Person for borrowed money;

(b) Every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments, including obligations for borrowed money incurred in connection with the acquisition of property, assets or businesses;

(c) Every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) Every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) Every capital lease obligation of such Person;

(f) The Swap Termination Value of each Swap Contract of such Person; and

(g) Every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"**Lien**" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"**Material Subsidiary**" means, at any time, a Subsidiary which has consolidated assets with a book value of more than $25 million determined as of such time in accordance with generally accepted accounting principles.

"**Note**" means the note of the Company issued under this Agreement.

"**Ontario Yield Price**" means, with respect to the Note or part thereof to be prepaid pursuant to Section 2.4, a price equal to the price of the Note or part thereof to be so prepaid calculated to provide a yield to maturity, compounded semi-annually and calculated in accordance with generally accepted financial practice, equal to the Province of Ontario Yield on the Business Day preceding the date on which such prepayment is to be made by the Company to OEFC in accordance with Section 2.4.

"**Permitted Liens**" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) Any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) Any obligations or duties, affecting the property of the Company or a Subsidiary, to any municipality or governmental, statutory or public

authority, with respect to any franchise, grant, licence or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by the Company or such Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by the Company or such Subsidiary;

(d) Any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) The right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) Any undetermined or inchoate Liens and charges incidental to the current operations of the Company or a Subsidiary that have not at the time been filed against the Company or such Subsidiary; provided, however, that if any such Lien or charge shall have been filed, the Company or such Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) Any Lien the validity of which is being contested at the time by the Company or a Subsidiary in good faith and the enforcement of which has been stayed;

(h) Any easements, rights-of-way and servitudes that in the opinion of the Company will not in the aggregate materially and adversely impair the use or value of the land concerned for the purpose for which it is held by the Company or a Subsidiary;

(i) Any Liens and privileges arising out of judgments or awards with respect to which the Company or a Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall

have secured a stay of execution pending such appeal or proceedings for review;

(j) pledges of cash or cash equivalents to secure the Company's or a Subsidiary's liabilities from time to time under Permitted Swap Contracts; and

(k) Any other Liens of a nature similar to the foregoing which do not in the opinion of the Company, acting reasonably, materially impair the use of the property subject thereto or the operation of the business of the Company or any Subsidiary or the value of such property for the purpose of any such business.

"**Permitted Swap Contract**" means a Swap Contract to which the Company or a Subsidiary is a party, provided that:

(a) The Company or such Subsidiary enters into such Swap Contract in the ordinary course of business for the purpose of directly mitigating risks associated with fluctuations in interest rates or currency exchange rates with respect to Indebtedness of the Company or such Subsidiary and not for the purposes of speculation or taking a "market view";

(b) The notional amount of such Swap Contract does not exceed the payments due with respect to the Indebtedness being hedged thereby;

(c) Such Swap Contract does not contain any "walk-away" provision exonerating the non-defaulting party from its obligation to make payments on any outstanding transaction to the defaulting party; and

(d) Such Swap Contract is in a form approved by the International Swaps & Derivatives Association, Inc. at the time such Swap Contract is entered into or in such other form as shall be customary at such time for the documentation, in accordance with good market practise by regulated financial institutions carrying on business in Canada, of obligations similar to the obligations documented in such Swap Contract.

"**Person**" means any individual, corporation, partnership, joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"**Province of Ontario Yield**" means, with respect to the Note or part thereof to be prepaid pursuant to Section 2.4, the average of the quotations obtained by the Company from two major Canadian investment dealers selected by OEFC, as to the yield to maturity on the Business Day preceding the date on

which such prepayment is to be made by the Company to OEFC in accordance with Section 2.4, compounded semi-annually and calculated in accordance with generally accepted financial practice, which a non-callable Government of Ontario bond would carry if issued in Canadian Dollars in Canada at 100% of its principal amount on such date with a term to maturity approximately equal to the remaining term to maturity, calculated as at the applicable prepayment date, of the Note.

"**Purchase Money Mortgage**" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or part of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"**Reference Lenders**" means, collectively, any two major financial institutions in Canada who, in the ordinary course of business, provide loans in Canadian Dollars to borrowers in Canada, as selected from time to time by OEFC and, in the singular, any one of them.

"**Reuters CDOR Page**" means the display page so designated on the Reuters Monitor Money Rates Service (or such other page as may replace that page on that service for the purpose of displaying rates for Canadian Dollar bankers' acceptances).

"**Senior Debt**" means all Indebtedness of the Company, including the Note, which is not subordinated in right of payment to any other Indebtedness of the Company.

"**Stated Maturity**" when used with respect to any Indebtedness or any instalment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such instalment of interest is due and payable.

"**Subsidiary**" means:

(a) A corporation more than 50% of the voting power of the outstanding Voting Shares of which is owned, directly or indirectly, by the Company or by one or more other Subsidiaries or by the Company and one or more other Subsidiaries, or

(b) Any Person (other than a corporation) in which the Company, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

"Successor Person" has the meaning specified in Section 5.1.

"Swap Contract" means any agreement, whether or not in writing, relating to any transaction that is a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction, currency swap, cross-currency rate swap, swaption, currency option or any other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.

"Swap Termination Value" means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap Contracts:

(a) For any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and

(b) For any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.

"U.S. Dollars" means lawful currency of the United States of America.

"Voting Shares" of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings and Table of Contents.

The division of this Agreement into Articles and Sections, the insertion of headings and the provision of a Table of Contents are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and *vice versa* and words importing gender may include any gender. In this Agreement and the Note, (i) the words **"including"** and **"includes"** mean **"including (or includes) without limitation"**, and (ii) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word **"from"** means **"from and including"** and the words **"to"** and **"until"** each mean **"to but excluding"**.

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with generally accepted accounting principles. Generally accepted accounting principles refer to accounting principles generally accepted in Canada as recommended in the Handbook of the Canadian Institute of Chartered Accountants at the relevant time applied on a consistent basis.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the next succeeding Business Day.

ARTICLE 2
THE NOTE

Section 2.1 Issue of Note.

In consideration of the transfer of certain officers, employees, assets and rights of OEFC to the Company pursuant to the Transfer Order and as partial payment for such assets and rights, the Company issues and delivers the Note to OEFC.

Section 2.2 Terms of the Note.

(1) The Note shall be in substantially the form set out in Schedule 2.2(1), shall be in the aggregate principal amount of $70.3 million, shall be dated as of the

date of this Agreement, shall mature on May 1, 2009, and shall bear interest at the rate of 7.90% per annum (after as well as before default or judgment, with interest on the amounts in default at the same rate).

(2) The Note shall at all times rank pari passu with all other Senior Debt, except Senior Debt that is statutorily preferred and Senior Debt that is secured by a Lien referred to in Sections 3.8(a) to 3.8(f), inclusive.

(3) Interest shall be payable on the Note in accordance with Section 2.3.

(4) The Company may prepay all or part of the Note in accordance with Section 2.4.

(5) All amounts owing in respect of the Note shall be paid without exercising any right of set off or counterclaim by the Company irrespective of whether or not, at the time any such amount is due and payable, amounts are due and payable by OEFC to the Company.

Section 2.3 Interest.

Interest on the Note at the rate specified in Section 2.2(1) shall accrue daily, and shall be payable in equal semi-annual instalments on May 1 and November 1 in each year, the first such payment for the Note to be made for the period from the date of this Agreement to May 1, 1999 and, whenever it is necessary to compute interest in respect of the Note for a period of less than one full year, other than such equal semi-annual instalments, such interest shall be calculated on the basis of the actual number of days elapsed in a year of 365 days or 366 days, as the case may be.

Section 2.4 Prepayment.

(1) If the Company has, upon the number of days notice to OEFC determined in accordance with Section 2.4(2), delivered a notice to OEFC stating the proposed date and the Note or part thereof that the Company wishes to prepay, on such date the Company shall pay to OEFC the greater of:

(a) The principal amount of the Note or part thereof that is to be prepaid, as the case may be; and

(b) The Ontario Yield Price for the Note or such part;

together in each case with all interest accrued on the Note or such part to such date or, if the Company and OEFC agree, such amount as they agree upon.

(2) The Company may, at any time and from time to time, prepay all or part of the Note upon giving OEFC not less than 30 days' prior written notice of such prepayment.

Section 2.5 Public Debt Covenants.

(1) If the Company issues notes, bonds, debentures or other evidences of Senior Debt to the public with a term to maturity of at least 5 years and in an aggregate principal amount of at least 100 million in Canadian Dollars or at least 100 million in U.S. Dollars pursuant to a trust indenture, the Company shall, within 3 Business Days of the first such issuance, give OEFC notice of such issuance and a copy of such trust indenture. Effective upon such issuance, the representations and warranties, the positive and negative covenants of the Company (including any financial covenants but excluding covenants relating to interest rates, interest payment dates, maturity dates of principal, prepayments and manner and place of payments) and the events of default applicable to such Senior Debt as specified in such trust indenture shall automatically become applicable to the Note in lieu of the representations and warranties, covenants or Events of Default, as the case may be, included herein as if the same had been originally included in this Agreement when executed and delivered and this Agreement shall be deemed to be amended as of the date such Senior Debt is issued to the extent necessary to incorporate such representations and warranties, covenants and events of default into this Agreement. The Company, at the request of OEFC, shall promptly execute and deliver an agreement which sets out the terms and provisions of this Agreement, as so amended.

(2) If, at any time or from time to time, the representations or warranties, the positive or negative covenants (including any financial covenants but excluding covenants relating to interest rates, interest payment dates, maturity dates of principal, prepayments and manner and place of payments) or the events of default applicable to the Senior Debt referred to in Section 2.5(1) are amended, modified or restated, the Company shall, within 3 Business Days of such amendment, modification or restatement, give OEFC notice thereof and a copy of the agreement amending or modifying the trust indenture referred to in Section 2.5(1) or a copy of the restatement of such trust indenture, as the case may be. OEFC may, upon notice to the Company given at any time within 90 days of receipt by OEFC of a copy of such agreement or such restatement, elect to have such amendment, modification or restatement apply to the Note and this Agreement (as amended pursuant to Section 2.5(1)). If OEFC so elects, such amendment, modification or restatement shall become applicable to the Note and this Agreement (as so amended) as of the date of such election, as if such amendment, modification or restatement amended, modified or restated this Agreement (as so amended) as of such date and this Agreement shall be deemed to be amended, modified or restated as of such date to the extent necessary to incorporate such representations and warranties, positive and negative covenants (including any financial covenants but excluding covenants

relating to interest rates, interest payment dates, maturity dates of principal, prepayments and manner and place of payments) and events of default. The Company, at the request of OEFC, shall promptly execute and deliver an agreement which sets out the terms of this Agreement, as amended pursuant to Section 2.5(1) and as further amended, modified or restated pursuant to this Section 2.5(2).

Section 2.6 Payment.

All amounts required to be paid by the Company to OEFC pursuant to this Agreement shall be paid to or to the order of OEFC by electronic wire transfer of immediately available funds in accordance with transfer instructions given by OEFC to the Company from time to time, or in any such other manner as OEFC may specify to the Company from time to time.

ARTICLE 3
COVENANTS OF THE COMPANY

Section 3.1 Payment of the Note.

The Company will duly and punctually pay or cause to be paid all amounts owing in respect of the Note or under this Agreement in accordance with the terms and subject to the conditions of the Note and this Agreement.

Section 3.2 Company will Maintain its Corporate Existence.

Subject to Section 5.1, the Company will at all times maintain its corporate existence.

Section 3.3 Maintenance of Properties.

The Company will cause all property owned by the Company or any Subsidiary to be maintained and kept in good condition, repair and working order, all as in the judgment of the Company or any Subsidiary may be necessary for the proper operation of such property, except as and to the extent that the Company or any Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 3.3 shall prevent the Company or any Subsidiary from discontinuing the maintenance of any such property if such discontinuance is, in the judgment of the Company or any Subsidiary, desirable in the conduct of its business or the business of any such Subsidiary.

Section 3.4 Insurance.

The Company will cause all property owned by the Company or any Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the nature and to the extent that such property is usually insured by companies operating similar businesses.

Section 3.5 Conduct of Business.

The Company will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in a proper, efficient and business-like manner and in accordance with good business practice.

Section 3.6 Financial Statements.

The Company will furnish to OEFC:

(a) Within 140 days after the end of each fiscal year, beginning with the fiscal year ended December 31, 1999, audited financial statements of the Company consisting of a consolidated balance sheet of the Company at the end of each such fiscal year and related consolidated statements of income and retained earnings and, commencing with the financial statements relating to the fiscal year of the Company commencing January 1, 2000, changes in financial position for each such fiscal year prepared in accordance with generally accepted accounting principles; and

(b) Within 60 days after the end of each of the first three fiscal quarters of each fiscal year of the Company, unaudited interim consolidated financial statements of the Company for the interim period so ended prepared in accordance with generally accepted accounting principles.

Section 3.7 Other Indebtedness.

The Company covenants that if it shall cause any payment of principal, premium or interest on any of its Indebtedness to be subordinated or postponed to the prior payment of any other Indebtedness it shall in like manner subordinate or postpone such payment to the prior payment of the Note.

Section 3.8 Negative Pledge.

The Company will not, and will not permit any Subsidiary to, create, incur or assume any Lien, charging the interest of the Company or any Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, the Note is secured equally

and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) The creation, incurrence or assumption of any Purchase Money Mortgage;

(b) The grant of any Lien in the normal course of business to any banks or financial institutions for present or future Indebtedness of the Company or any Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) Liens granted by a Subsidiary to the Company;

(e) Any extension, renewal or replacement of any of the Liens referred to in Sections 3.8(a) to (d), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased.; and

(f) Any Lien charging the interest of the Company or any Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 3.8(a) to (d), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 3.8(f) which is outstanding at such time does not exceed 25% of Consolidated Assets at such time.

Section 3.9 Payment of OEFC's Expenses

The Company will, on demand, reimburse OEFC for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OEFC in connection with the preservation of rights under or enforcement of this Agreement at any time during the continuance of a default or Event of Default. All such costs, charges and expenses shall bear interest at the Canadian Prime Rate, payable monthly in arrears from the third Business Day after demand for reimbursement thereof is made by OEFC.

ARTICLE 4
EVENTS OF DEFAULT AND REMEDIES

Section 4.1 Event of Default.

"**Event of Default**", wherever used herein, means any one of the following events:

(a) Failure to pay any interest upon the Note when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) Failure to pay the principal of the Note at its Stated Maturity;

(c) Failure on the part of the Company to observe or perform its obligations set forth in Section 5.1;

(d) Failure on the part of the Company to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 30 days after the date on which written notice of such failure shall have been given to the Company by OEFC;

(e) One or more breaches by the Company or any Subsidiary of its covenants under one or more evidences of Indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $25 million, which breaches:

(i) Constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist, or

(ii) Have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived or rescinded);

(f) The Company or any Material Subsidiary:

(i) Becomes generally not able to pay its debts as they become due;

(ii) Admits in writing its inability to pay its debts generally or makes a general assignment for the benefit of its creditors or files a proposal or other scheme of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) Institutes or has instituted against it any proceeding seeking:

(A) To adjudicate it a bankrupt or insolvent,

(B) Liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors, or

(C) The entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets,

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismissed or unstayed for a period of 30 days, or any of the actions sought in such proceeding (including the entry of an order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

(iv) Takes any corporate action to authorize any of the actions in Sections 4.1(f)(i), (ii) or (iii); or

(g) If there shall be rendered against the Company or any Material Subsidiary a final judgment or judgments for the payment of money in an aggregate amount in excess of $25 million by a court or courts of competent jurisdiction, and the Company or such Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 4.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case OEFC may declare all amounts owing on the Note and all other amounts owing hereunder to be due and payable immediately, by a notice in writing to the Company, and upon any such declaration all such amounts shall become immediately due and payable.

Section 4.3 Suits for Enforcement by OEFC.

If an Event of Default occurs and is continuing, OEFC may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in OEFC by this Agreement or by law.

Section 4.4 OEFC May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of the Company under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property of the Company, or if any other judicial proceedings relative to the Company, its creditors or its property are pending, OEFC (irrespective of whether the principal amount of the Note shall then be due and payable as therein expressed or by declaration or otherwise and irrespective of whether OEFC shall have made any demand on the Company for the payment of any overdue principal or interest) shall be entitled and empowered, by intervention in such proceeding or otherwise:

(a) To file and prove a claim for all amounts owing on the Note or under this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of OEFC (including any claim for fees and disbursements of OEFC, its agents and counsel) allowed in such judicial proceeding; and

(b) To collect and receive any moneys or other property payable or deliverable on any such claim.

Section 4.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to OEFC is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 4.6 Delay or Omission not Waiver.

No delay or omission of OEFC to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right and remedy given

by this Article 4 or by law to OEFC may be exercised from time to time, and as often as may be deemed expedient, by OEFC.

ARTICLE 5
CONSOLIDATION, AMALGAMATION, MERGER OF COMPANY

Section 5.1 Certain Requirements in Respect of Merger, etc.

The Company may not, in a single transaction or a series of related transactions, amalgamate or consolidate with or merge into any other Person, or permit any other Person to amalgamate or consolidate with or merge into the Company, or directly or indirectly transfer, sell, lease or otherwise dispose of all or substantially all of its property or assets (a "**disposition**") to any Person, but may do so if:

(a) The Company shall be the surviving Person, or the Person (if other than the Company) formed by such amalgamation, consolidation or into which the Company is merged or that acquires by disposition all or substantially all of the properties or assets of the Company shall be a corporation, partnership or trust organized and validly existing under the federal laws of Canada or any province or territory thereof and shall expressly assume, by an agreement executed and delivered to OEFC in form satisfactory to OEFC, all of the Company's obligations under this Agreement and the Note and, in the case of an entity organized other than under the laws of the Province of Ontario, shall attorn to the jurisdiction of the courts of the Province of Ontario (the Company or such other Person who becomes such a successor obligor under this Agreement being herein referred to as the "**Successor Person**");

(b) Immediately before and after giving effect to such transaction, no default or Event of Default shall have occurred and be continuing; and

(c) The Successor Person shall have delivered to OEFC a certificate of the Successor Person and an opinion of counsel, each stating that such amalgamation, consolidation, merger or disposition by the Company, and, if an agreement is required to be entered into by the Successor Person in connection with such transaction pursuant to Section 5.1(a), such agreement, comply with Section 5.1(a) and the certificate of the Successor Person shall also state that all conditions precedent in this Section 5.1 relating to such transaction have been satisfied.

Section 5.2 Successor Substituted.

Upon any consolidation, amalgamation, merger or disposition described in, and complying with the provisions of, Section 5.1 in which the Company is not the continuing corporation, the Successor Person shall succeed to all of the rights and obligations of the Company under this Agreement and the Note, and from time to time may exercise every right and power of the Company under this Agreement and the Note.

ARTICLE 6
GENERAL

Section 6.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy addressed:

If to the Company, to it at:

Independent Electricity Market Operator
P.O. Box 1
Suite 410
655 Bay Street
Toronto, Ontario
M5G 2K4

Attention: Douglas Thomas, CA, Treasurer
Telephone: (416) 506-2818
Telecopier: (416) 506-2843

If to OEFC, to it at:

Ontario Electricity Financial Corporation
c/o Ontario Financing Authority
1 Dundas Street West
Suite 1400
Toronto, Ontario
M3A 1Y7

Attention: Executive Director - Capital Markets Division
Telephone: (416) 325-8128
Telecopier: (416) 325-8005

Any such communication shall be deemed to have been validly and effectively given if (i) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p.m. (Toronto time), otherwise on the next Business Day, (ii) transmitted by telecopier, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice given in accordance with this Section 6.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 6.1.

Section 6.2 Successors and Assigns.

Subject to Section 5.1, the Company cannot assign or transfer this Agreement or the Note or any of its rights or obligations under this Agreement or the Note without the prior written consent of OEFC. OEFC cannot assign or transfer this Agreement or the Note or any of its rights or obligations under this Agreement or the Note without the prior written consent of the Company.

Section 6.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of OEFC and the Company.

Section 6.4 Waiver.

(3) No waiver of any provision of the Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) of this Agreement nor shall such waiver be binding unless executed in writing by the party to be bound by the waiver.

(4) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude any other or further exercise of such right or the exercise of any other right.

Section 6.5 Further Assurances.

Each of the Company and OEFC shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement.

Section 6.6 Severability.

In case any provision in this Agreement or in the Note shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement or in the Note shall not in any way be affected or impaired thereby.

Section 6.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 6.8 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF the parties have executed this Agreement.

INDEPENDENT ELECTRICITY MARKET OPERATOR

By: Douglas J. Thomas

By: _____

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By: _____

By: _____

AMENDING AGREEMENT NO. 6

This Amending Agreement is made as of the 30th day of April, 2017

between:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR
("IESO")

- and -

ONTARIO ELECTRICITY FINANCIAL CORPORATION
("OEFC")

WHEREAS IESO and OEFC have entered into an agreement Providing for the Issuance of a Note dated April 1, 1999 (the "Original Agreement");

AND WHEREAS pursuant to amending agreements dated March 23, 2000, April 23, 2009, May 1, 2011, May 1, 2013, and April 30, 2014 the parties amended the Original Agreement (as so amended, the "Agreement");

AND WHEREAS the parties wish to further amend the Agreement to increase the loan advanced to IESO from a principal amount of C$90 million to a principal amount of up to C$120 million and to extend the maturity date of the loan to June 30, 2020, all of which is to be evidenced through the the issuance of a Fifth Refinancing Note.

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and sufficiency of which are hereby acknowledged by each party), the parties agree as follows:

1. **Defined Terms**

Capitalized terms used in this Amending Agreement and not otherwise defined herein have the meanings specified in the Agreement.

2. **Amendments to Agreement**

(a) Definition of "Loan" in the Agreement is deleted.

(b) Article 1a (The Loan) of the Agreement is deleted in its entirety and replaced with the following:

Article 1a $30 Million Advance

Section 1a.1

Effective April 30, 2017, OEFC will make an advance to IESO in the amount of $30 million (the "$30 Million Advance"). IESO directs OEFC to apply, and OEFC agrees to apply, the $30 Million Advance, first to repay Advances Outstanding (as such term is defined in the Revolving Credit Facility Agreement), if any, under the Revolving Credit Facility Agreement, with any amount remaining out of the $30 Million Advance after repaying all Advances Outstanding to be used by IESO for the purpose of funding new IESO capital expenditures.

(c) The following sections are added to the Agreement following Section 2.15:

" Section 2.16 Fifth Refinancing Note

On April 30, 2017, IESO shall execute and deliver to OEFC a promissory note in the form attached as Schedule 1 (the "Fifth Refinancing Note") which shall be in an aggregate principal amount equal to $120 million, dated as of April 30, 2017 and maturing on June 30, 2020 and bearing interest at a per annum rate equal to the Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020, as determined by the Chief Executive Officer of OEFC or the Chief Operating Officer of OEFC, or by a person designated by either of them, plus fifty basis points (0.50%) (after as well as before default or judgment, with interest on the amounts in default at the same rate). Upon receipt of the Fifth Refinancing Note by OEFC, the Fourth Refinancing Note dated April 30, 2014 shall be of no further force or effect and shall be returned by OEFC to IESO marked "cancelled".

For greater clarity, the Fifth Refinancing Note shall evidence the indebtedness of IESO to OEFC in respect of the principal amount of $90 million under the Fourth Refinancing Note ("Part A") and the additional $30 Million Advance ("Part B"), for a total aggregate principal amount of $120 million.

Notwithstanding Section 1.5 herein, the interest rate on the Fifth Refinancing Note shall be set on Monday, May 1, 2017, with interest accruing on Part A commencing on Sunday, April 30, 2017, and interest accruing on Part B commencing on Monday, May 1, 2017.

Section 2.17 Interest on Fifth Refinancing Note

Notwithstanding Section 1.5 herein, interest on the Fifth Refinancing Note at the rate specified in Section 2.16 shall accrue daily and shall be payable in equal semi-annual instalments on June 30 and December 31(each an "Interest Payment Date"), provided however that the calculation of the amount of the first such interest payment for Part A shall be in respect only of the period from and including April 30, 2017 to but excluding June 30, 2017, and for Part B in respect only of the period from May 1, 2017 to but excluding June 30, 2017.

For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under the Fifth Refinancing Note for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period."

3. **Reference to and Effect on the Agreement.**

On and after this date, each reference in the Agreement to "this Agreement" and each reference to the Agreement in any and all other agreements, documents and instruments delivered by IESO and OEFC shall mean and be a reference to the Agreement as amended by this Amending Agreement. On and after this date, each reference in the Agreement to either "the Note" or "the New Note" and each reference to either "the Note" or "the New Note" in any and all other agreements, documents and instruments delivered by IESO and OEFC shall mean and be a reference to the Fifth Refinancing Note.

4. **Governing Law**

This Amending Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

5. **Counterparts**

This Amending Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.

6. **Enurement**

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

IN ALL OTHER RESPECTS, the Agreement is confirmed by the parties.

IN WITNESS WHEREOF the parties have executed and delivered this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

SCHEDULE 1
FORM OF FIFTH REFINANCING NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

NOTE

Aggregate Principal Amount: $120 million, consisting of: a Part A amount of $90 million ("Part A"), whereon interest accrues commencing on April 30, 2017, and a Part B amount of $30 million ("Part B"), whereon interest accrues commencing on May 1, 2017.

Date: April 30, 2017

Interest Rate: (Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020 + 50 basis points)

Due: June 30, 2020

FOR VALUE RECEIVED, the INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO") existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, PROMISES TO PAY to or to the order of ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC") at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of $120 million in lawful money of Canada, with interest on such amount at the rate, calculated in the manner and payable at the times specified in this Note.

The principal amount of this Note together with all interest accrued thereon shall become due and payable on June 30, 2020.

The principal amount of this Note remaining from time to time unpaid and outstanding shall bear interest from the date of this Note both before and after maturity and both before and after default at the rate per annum equal to the Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020, as determined by the Chief Executive Officer of OEFC or the Chief Operating Officer of OEFC, or by a person designated by either of them, plus fifty basis points (0.50%). Interest at such rate shall accrue daily and shall be payable in arrears in equal semi-annual instalments on June 30 and December 31 (each an "Interest Payment Date") commencing June 30, 2017, provided however that the calculation of the amount of the first such interest payment for Part A shall be in respect only of the period from and including April 30, 2017 to but excluding June 30, 2017, and for Part B in respect only of the period from and including May 1, 2017 to but excluding June 30, 2017.

For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Note for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of an agreement providing for the issuance of a note dated April 1, 1999 between the IESO and OEFC and amended by an amending agreement dated March 23, 2000, an amending agreement dated April 23, 2009, an amending agreement dated May 1, 2011, an amending agreement dated May 1, 2013, an amending agreement dated April 30, 2014, and an amending agreement dated April 30, 2017 (as so amended, the "Agreement"), which Agreement provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

From:	Sarah Harris
To:	Ryan Blackbyrne
Subject:	FW: IESO / OEFC - $120MM and $160MM
Date:	Thursday, November 09, 2017 12:15:37 PM
Attachments:	$160M revolving credit - Original Agreement - April 23, 2010.pdf $160M revolving credit - Amending Agreement no.6 - April 30, 2017.pdf $120M note - Original Agreement - April 1, 1999 .pdf $120M note - Amending Agreementt no.6 - April 30, 2017.pdf

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From: Ryan Blackbyrne
Sent: Thursday, November 09, 2017 11:54 AM
To: Sarah Harris ; Jean-Francois Beaupre
Subject: FW: IESO / OEFC - $120MM and $160MM

Hi Sarah and JF – is it ok to send the below to Gavin? (he requested a response by Noon)

Hi Gavin,

Thank you for your note. After reviewing your note and the attached agreements we had a few comments:

- We understand that the $160M credit facility agreement will not be used for FHP purposes, although an amendment was made earlier in 2017 to allow advances for the purposes of FHP.
- It is our assumption that the $160M credit facility agreement was amended in April, 2017, pursuant to Reg. 280/14 as a potential temporary option for FHP funding requirements until such time as a separate facility agreement was created specifically for FHP purposes (i.e. the $2B OFA-IESO credit facility)
- There is an existing $120M loan agreement, maturing June 30, 2020, which is not a credit facility, but a fixed term loan. No amendments were made here in relation to FHP, as it is non-revolving and used for capital purposes.
- Since the $160M credit facility agreement will not be used for FHP purposes, it is not clear to us why the change to definition of Permitted Liens is required, and how not making this change would prevent IESO from performing its obligations under the OFHP Act. Please clarify.
- Kindly confirm with Anthony why IESO believes these amendments are necessary in respect of the $160M credit facility and $120M loan agreement.

We look forward to hearing back from you. Happy to discuss further as always.

Thank You,

Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M7A 1Y7
416-325-8143
ryan.blackbyrne@ofina.on.ca

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Tuesday, November 07, 2017 4:07 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan

<William.Tan@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>
Subject: IESO - OEFC Nov 7

Ryan,

As discussed with Will today, I understand you will be co-ordinating the proposed 2 amendments to the existing IESO-OEFC credit facilities.

For starters, there are no expected changes being asked to the existing agreement's key business content (e.g. amounts, dates, interest, notices etc.), rather given that IESO-OFA have just finished two new agreements pertaining to the new fair hydro program, ….I suggest we just copy and paste the salient sections from these agreements that would now be relevant to the OEFC agreements for fair hydro namely;

1.DRAFT

The definition of "Permitted Liens" is amended by deleting the word "and" at the end of subsection (xx); replacing the "." at the end of subsection (xx) and replacing it with "; and" ; and adding the following subsection (xx):

"(xx) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

2.DRAFT

The OFA agreements had required an intercept provision, …..not sure if the same applies to OEFC if yes:

"Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of November 6th , 2017 herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the Capital Investment Plan Act, 1993 (the "Intercept Letter"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("Appropriated Funds"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("Intercept").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.
The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail."
3.
If any… other relevant updates that make sense to do now……I do not anticipate any material ones.
We need your support to expedite the above in order to avoid delays in the Fair Hydro implementation.
Regards.

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From: Gavin He
Sent: Thursday, November 09, 2017 8:29 AM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Hi Lisa, Sarah, and William,
Following my email on Tuesday, EFB has drafted the attached note on the IESO's request on the OEFC credit facility, including the background information, our recommendation, and the rationale. Could you please review the accuracy of the note and would you be able to provide me with your feedback before noon today?
Sorry for the short turnaround time, but we all would like to move on this as soon as possible.
Thanks,
Gavin He

From: Lisa Stein
Sent: Wednesday, November 08, 2017 9:55 AM
To: Gavin He <Gavin.He@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Sarah Neville <Sarah.Neville@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Thanks for the update Gavin.

From: Gavin He

Sent: Tuesday, November 07, 2017 4:02 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Sarah Neville <Sarah.Neville@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Hi Lisa/Sarah H.,

We touched based with IESO and they told us that the OEFC agreements do not contemplate a general grant of security by IESO over its assets as is currently under discussion with the OPG Trust relative to the implementation of the OFHP. The changes required to allow for such a grant would be to amend the permitted liens and negative covenant language in the OEFC agreements so as to make it the same as, or very similar to, the language in the two OFA Agreements that were signed recently.

We will get a policy direction soon and will draft a note for you to review once it's ready.

Regards,

Gavin He

From: Lisa Stein
Sent: Monday, November 06, 2017 9:43 AM
To: John Kim <John.Kim@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Sarah Neville <Sarah.Neville@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

No, I don't think the OFA Lending Policy would apply to these OEFC loans. The OFA Lending Policy addresses lending activities to public bodies undertaken where the OFA is acting as an intermediary on behalf of the Province.

From: John Kim
Sent: Sunday, November 05, 2017 1:55 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>
Subject: Re: IESO / OEFC - $120MM and $160MM

Hi Sarah,

We will look at this but this is oefc so not sure if the same lending policy applies.

John

Sent from my iPhone

On Nov 5, 2017, at 12:06 PM, Sarah Harris <Sarah.Harris@ofina.on.ca> wrote:

> Hi John,
> We've received no internal direction on the nature of changes IESO is looking for in relation to existing OEFC credit facility with the IESO and the FHP. I surmise it may have to do with adjusting the agreement to allow FHP permitted liens (which we would need internal approval to do) or similar changes, but do you know if IESO communicated requirements to Gadi or Ron?
> Thanks,
> Sarah

Sent from my iPhone

Begin forwarded message:

From: Anthony Martinello <Anthony.Martinello@ieso.ca>
Date: November 5, 2017 at 11:02:50 AM EST
To: William Tan <William.Tan@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>, Sarah Harris <Sarah.Harris@ofina.on.ca>, Victor Buza <Victor.Buza@ieso.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Will – unless any concerns, will appreciate if you please begin to draft the two OEFC amendments this week – given that the IESO is targeting to sign the OPG / IESO fair hydro agreement by this month's end,….we need to have the two OEFC's done before this.
Regards.

From: Anthony Martinello
Sent: November 01, 2017 12:56 PM
To: 'William Tan'
Cc: 'Lisa Stein'; 'Sarah Harris'; 'John Kim'; Victor Buza
Subject: IESO / OEFC - $120MM and $160MM

Once we have completed the 2 OFA facilities and the intercept letter – we then have to turn to the 2 outstanding IESO-OEFC credit facilities to contemplate any further amendments too.
Just ensuring that these 2 OEFC facilities are not missed.
Regards.

This e-mail message and any files transmitted with it are intended only for the named recipient(s) above and may contain information that is privileged, confidential and/or exempt from disclosure under applicable law. If you are not the intended recipient(s), any dissemination, distribution or copying of this e-mail message or any files transmitted with it is strictly prohibited. If you have received this message in error, or are not the named recipient(s), please notify the sender immediately and delete this e-mail message.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

as Borrower

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION

as Lender

REVOLVING CREDIT FACILITY AGREEMENT

Dated: April 23, 2010

THIS CREDIT FACILITY AGREEMENT is made on the 23rd day of April, 2010

between:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")

RECITAL:

IESO has requested a revolving line of credit from OEFC in the amount of up to Sixty Million Dollars for the purpose of replacing the current IESO revolving line of credit with the Toronto-Dominion Bank which is used for liquidity purposes that may also be used to fund corporate requirements. OEFC has agreed to lend such amount to IESO on the terms and conditions set out herein.

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the parties agree as follows:

ARTICLE 1
DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"Advance Date" has the meaning set forth in Section 3.2.

"Advances" means advances made by OEFC to IESO under Article 3 and **"Advance"** means any one of such advances.

"Advances Outstanding" means, at any time, an amount equal to the aggregate principal amount of all Advances outstanding at such time.

"Agreement", "herein", "hereby", "hereof", "hereunder" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression **"Article"** or **"Section"** followed by a number means the specified Article or Section of this Agreement.

"Borrowing Notice" has the meaning specified in Section 3.2.

"Business Day" means any day other than a Saturday, Sunday or a statutory or civic holiday in Toronto, Ontario.

"Commitment" means, at any time, an amount equal to the principal amount of Sixty Million Dollars.

"Consolidated Assets" means, at any time, the book value of IESO and the Subsidiaries, determined as of such time on a consolidated basis in accordance with generally accepted accounting principles.

"Credit Facility" means the revolving credit facility to be made available to IESO by OEFC under this Agreement for the purposes specified in Section 2.3.

"Default" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"Disposition" has the meaning specified in Section 6.1.

"Dollars" or "$" means lawful currency of Canada.

"Event of Default" has the meaning specified in Section 5.1.

"IESO" means Independent Electricity System Operator, a corporation existing under the laws of the Province of Ontario, until a successor corporation shall have succeeded to all of the rights and obligations of Independent Electricity System Operator pursuant to Section 6.1 and thereafter **"IESO"** shall mean such successor corporation (or any successor thereto which shall have become such pursuant to Section 6.1).

"Indebtedness" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) every obligation of such Person for borrowed money;

(b) every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments;

(c) every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) every capital lease obligation of such Person; and

(f) the Swap Termination Value of each Swap Contract of such Person; and

(g) every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"Interest Payment Date" means with respect to each Advance means the first Business Day of each month.

"Interest Rate" means the Province of Ontario's cost of borrowing for a 30 day term, as determined as of the first Business Day of each month by OEFC, plus 0.25 percent per annum.

"Interest Reset Date" has the meaning specified in section 3.3(2)(i).

"Lien" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"Material Subsidiary" means, at any time, a Subsidiary which, together with its subsidiaries, has consolidated assets with a book value of more than Twenty-Five Million Dollars determined as of such time in accordance with generally accepted accounting principles.

"Note" means the note of IESO issued under this Agreement.

"Permitted Liens" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) any obligations or duties, affecting the property of IESO or a Material Subsidiary, to any municipality or governmental, statutory or public authority, with respect to any franchise, grant, license or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by IESO or such Material Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by IESO or such Material Subsidiary;

(d) any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) the right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) any undetermined or inchoate Liens and charges incidental to the current operations of IESO or a Material Subsidiary that have not at the time been filed against IESO or such Material Subsidiary; provided, however, that if any such Lien or charge shall have been filed, IESO or such Material Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) any Lien the validity of which is being contested at the time by IESO or a Material Subsidiary in good faith and the enforcement of which has been stayed;

(h) any easements, rights-of-way and servitudes that in the opinion of IESO will not in the aggregate materially and adversely impair the use or value of the land for the purpose for which it is held or occupied by IESO or a Material Subsidiary;

(i) any Liens and privileges arising out of judgments or awards with respect to which IESO or a Material Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall have secured a stay of execution pending such appeal or proceedings for review; and

(j) pledges of cash or cash equivalents to secure IESO's or a Material Subsidiary's liabilities from time to time under Swap Contracts and pledges of cash or cash equivalents in an aggregate amount not exceeding $25 million at any time to secure IESO's or a Material Subsidiary's liabilities from time to time under commodity swap, commodity option and commodity future contracts entered into in the ordinary course of business for the purpose of directly mitigating risks associated with fluctuations in prices or availability of commodities purchased or to be purchased by IESO or a Material Subsidiary in the ordinary course of business, and not entered into for the purposes of speculation; and

(k) any other Liens of a nature similar to the foregoing which do not in the opinion of IESO, acting reasonably, materially impair the use of the property subject thereto or the operation of the business of IESO or any Material Subsidiary or the value of such property for the purpose of any such business.

"Person" means any individual, corporation, partnership joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"Purchase Money Mortgage" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or part of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"Stated Maturity" when used with respect to any Indebtedness or any installment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such installment of interest is due and payable.

"Subsidiary" means:

(a) a corporation: (i) more than 50% of the voting power or the outstanding Voting Shares of which is owned, directly or indirectly, by IESO or by one or more other Subsidiaries or by IESO and one or more other Subsidiaries; or (ii) in the case of a non-share capital corporation, that the IESO has the power to appoint a majority of the Board of Directors; or

(b) any Person (other than a corporation) in which IESO, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

"Swap Contract" means any agreement whether or not in writing, relating to any transaction or derivative transaction including a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction currency swap, cross-currency rate swap, swaption, currency option or other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.

"Swap Termination Value" means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap contracts:

(a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and

(b) for any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.

"Voting Shares" of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings and Table of Contents.

The division of this Agreement into Articles and Sections the insertion of headings and the provision of a Table of Contents are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and vice versa and words importing gender may include any gender. In this Agreement, (a) the words **"including"** and **"includes"** mean "including (or includes) without limitation", and (b) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" each mean "to but excluding".

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with generally accepted accounting principles. Generally accepted accounting principles refer to accounting principles generally accepted in Canada as recommended in the Handbook of the Canadian Institute of Chartered Accountants at the relevant time applied on a consistent basis.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the following Business Day.

ARTICLE 2
REVOLVING CREDIT FACILITY

Section 2.1 Availability.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO up to the amount of the Commitment. OEFC shall make each Advance in Canadian Dollars.

Section 2.2 Commitment and Facility Limits.

The Advances Outstanding to IESO under the Credit Facility shall not at any time exceed the Commitment. The Credit Facility shall revolve and no payment under the Credit Facility shall reduce the Commitment.

Section 2.3 Use of Proceeds.

IESO shall use the proceeds of Advances for the following purposes for which it is authorized to borrow funds:

(a) to repay the revolving line of credit with the Toronto Dominion Bank;

(b) for liquidity purposes; and

(c) to fund corporate requirements.

Section 2.4 Mandatory Repayment.

Subject to Sections 3.5 and 5.2, IESO, shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder in full on or before April 30, 2013.

Section 2.5 Advances and Payments under this Agreement.

(1) OEFC shall make Advances to IESO under this Agreement to the order of IESO by wire transfer of immediately available funds in accordance with wire transfer instructions given by IESO to OEFC from time to time, or in such other manner as IESO may specify to OEFC from time to time.

(2) IESO shall make any payment required hereunder to be made by it to OEFC, to or to the order of OEFC, by wire transfer of immediately available funds in accordance with wire transfer instruction given by OEFC to IESO from time to time, or in such other manner as OEFC may specify to IESO from time to time. IESO shall make each such payment in Canadian Dollars

Section 2.6 Evidence of Indebtedness.

IESO authorizes OEFC to open and maintain records evidencing IESO's obligations under this Agreement and to record therein all advances, interest rates, accrued interest, payments of principal and interest and the aggregate principal and accrued interest outstanding from time to time under this Agreement. IESO agrees that the records kept by the OEFC in the absence of manifest error, shall be prima facie evidence of the indebtedness of IESO and the matters recorded provided that the failure of the OEFC to record or correctly record any amount or date shall not affect the obligation of IESO to repay the aggregate principal amounts and accrued interest thereon owing under this Agreement.

ARTICLE 3
ADVANCES AND INTEREST

Section 3.1 Advances.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO under the Credit Facility on the first Business Day of each month from and including May 3, 2010 to and including April 1, 2013.

Section 3.2 Procedure for Advances.

(1) Each Advance shall be made subject to four Business Day's prior notice given not later than 10:00 a.m. (Toronto time) by IESO to OEFC. Each notice of an Advance (a **"Borrowing Notice"**) shall be substantially in the form of Schedule 1, shall be irrevocable and binding on IESO and shall specify (a) the requested date of the Advance (the **"Advance Date"**), and (b) the principal amount of the Advance which shall be in a minimum amount of $1,000,000.00 (unless otherwise agreed to by OEFC), and in increments of $1,000,000.00 (or such other increments as may be agreed to by OEFC). OEFC will make the principal amount of each Advance available to IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, IESO shall execute and deliver to OEFC a grid promissory note (the "Note") in respect of Advances substantially in the form of Schedule 2. IESO authorizes OEFC to record on the grid promissory note (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal amount of the grid promissory note. Such notations, in the absence of manifest error, shall be prima facie evidence of the such advances and repayments; provided that the failure of OEFC to record any amount, rate or date shall not affect the obligation of IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement.

(3) In the event that funds are not received by IESO on the Advance Date, IESO and OEFC agree to take all steps necessary to amend the date of the Advance, without amending the Interest Rate that was agreed to with respect to such Advance.

(4) The Note shall at all times rank *pari passu* with all other unsubordinated Indebtedness of IESO, subject to the existence of any Permitted Liens of IESO.

(5) All amounts owing in respect of the Advances shall be paid without exercising any right or set off or counterclaim by IESO.

Section 3.3 Interest on Advances.

(1) IESO shall pay interest on the principal amount of each Advance then outstanding in accordance with this Section 3.3 from and including the date of such Advance until the principal amount of such Advance is repaid in full.

(2) Interest shall accrue on the principal amount of each Advance from and including the date of the Advance to but excluding the first Interest Payment Date following the date of the Advance, at the rate equal to the Interest Rate, and shall be payable on the Interest Payment Date for such Advance. The amount of interest payable on an Advance will be calculated by OEFC by dividing the Interest Rate applicable to the Advance by 365 or 366, as the case may be, and multiplying the result by the principal amount of the Advance then outstanding and further multiplying the result by the number of days in the period from the date of the Advance to the Interest Payment Date.

(i) If an Advance is outstanding on an Interest Payment Date, the interest rate applicable to such Advance shall be reset automatically by OEFC on that date (the "Interest Reset Date"), at the Interest Rate determined as of the Interest Reset Date.

(ii) For each Advance, OEFC shall notify IESO via email of the Interest Rate on the Advance Date and on each Interest Reset Date.

(3) Upon four Business Days prior notice by IESO, OEFC may at its discretion agree to capitalize the interest on any Advance on an Interest Payment Date, which shall be determined in the following manner: each such interest payment due on the Interest Payment Date shall be deemed to form part of the principal amount of the outstanding Advance and interest shall accrue and be payable thereon in accordance with Section 3.3(2). OEFC shall record on the grid forming part of the note: (a) the date and amount of the new Advance; (b) the applicable rate of interest for the Advance; and (c) the outstanding principal amount of the grid promissory note.

(4) Interest shall accrue on the principal amount of each Advance at the Interest Rate as determined from time to time, before as well as after the date such principal amount or interest thereon becomes due hereunder and both before and after default.

Section 3.4 Computations of Interest.

(1) All computations of interest shall be made by OEFC taking into account the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest is payable on the basis of a year of 365 days or 366 days, as the case may be.

(2) For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Agreement for any

period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

Section 3.5 Limit on Rate of Interest.

(1) Notwithstanding any provision contained in this Agreement, IESO shall not be obliged to make any payments of interest or other amounts payable to OEFC hereunder in excess of the amount or rate which would be prohibited by applicable law or would result in the receipt by OEFC of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada), as amended from time to time).

(2) In the event that any such payments are limited or prohibited as provided in Section 3.5(1), OEFC shall have no further obligation to make any Advances available hereunder and the Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, shall become immediately due and payable.

Section 3.6 Conditions Precedent

The obligation of OEFC to make the Advances pursuant to Section 2.1 is subject to the following conditions being met to OEFC's satisfaction at the time of making each Advance:

(a) that the representations and warranties of IESO contained in this Agreement are true and correct as at the date of making the Advance;

(b) that no Event of Default has occurred and is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default;

(c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO; and

(d) that OEFC has received such other documentation which it has reasonably requested to ensure that IESO is in compliance with the terms and conditions of this Agreement, including certified true copies of any necessary resolutions including resolutions authorizing the borrowing and authorized signatories.

ARTICLE 4

COVENANTS OF IESO

Section 4.1 Payment of Advances.

IESO will duly and punctually pay or cause to be paid all amounts owing under this Agreement in accordance with the terms and subject to the conditions of this Agreement.

Section 4.2 Use of Proceeds

The monies advanced under this Agreement shall be used only by IESO for the purposes set out in Section 2.3.

Section 4.3 IESO will Maintain its Corporate Existence.

Subject to Section 6.1, IESO will at all times maintain its corporate existence.

Section 4.4 Maintenance of Properties.

IESO will cause all property owned by IESO or any Material Subsidiary to be maintained and kept in good condition, repair and working order, all as in the judgment of IESO or any Material Subsidiary may be necessary for the proper operation of such property, except as and to the extent that IESO or any Material Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 4.4 shall prevent IESO or any Material Subsidiary from discontinuing the maintenance of any such property or decommissioning any such property if such discontinuance or decommissioning is, in the judgment of IESO or any Material Subsidiary, desirable in the conduct of its business or the business of any such Material Subsidiary, or has been directly or indirectly requested or required by the Province of Ontario.

Section 4.5 Insurance.

IESO will cause all property owned by IESO or any Material Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the nature and to the extent that such property is usually insured by companies operating similar businesses.

Section 4.6 Conduct of Business.

Subject to Section 4.3, IESO will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in a proper, efficient and business-like manner and in accordance with good business practice.

Section 4.7 Negative Pledge.

IESO will not, and will not permit any Material Subsidiary to, create, incur or assume any Lien, charging the interest of IESO or any Material Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, all amounts owing under this Agreement are secured equally and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) the creation, incurrence or assumption of any Purchase Money Mortgage;

(b) the grant of any Lien in the normal course of business to any banks or financial institutions for present or future indebtedness of IESO or any Material Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) any extension, renewal or replacement of any of the Liens referred to in Sections 4.7(a), (b) or (c), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased; and

(e) any Lien charging the interest of IESO or any Material Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 4.7(a), (b) or (c), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 4.6(e) which is outstanding at such time does not exceed 10% of Consolidated Assets at such time.

Section 4.8 Payment of OEFC Expenses.

IESO will, on demand, reimburse and indemnify OEFC for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OEFC in connection with the preservation of rights under or enforcement of this Agreement at

any time during the continuance of a Default or Event of Default. All such costs, charges and expenses shall bear interest at the Province's cost of funds plus 0.25 percent per annum (as determined by OEFC) calculated and payable monthly not in advance from in each case from the date on which OEFC incurs the cost, charge or expense until the date on which IESO reimbursement OEFC therefor. OEFC agrees, acting reasonably, to invoice IESO for any such costs, charges and expense as they are incurred, together with interest at the aforesaid rate (with interest on overdue interest).

Section 4.9 Reporting Requirements.

IESO covenants to provide to OEFC, or at its direction, to the Province of Ontario and the Ontario Financing Authority,

(a) any available information respecting its financial position which may be reasonably requested by OEFC, the Province of Ontario or the Ontario Financing Authority from time to time; and

(b) any additional reports or supporting documentation which may be reasonably requested by the OEFC, the Province of Ontario or the Ontario Financing Authority from time to time.

ARTICLE 5
EVENTS OF DEFAULT AND REMEDIES

Section 5.1 Event of Default.

Wherever used in this Agreement, the term **"Event of Default"** means any of the following:

(a) failure to pay any interest upon any Advance when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) failure to pay the principal amount of the Advances Outstanding, all interest accrued thereon and all other amounts owing under this Agreement on April 30, 2013;

(c) failure on the part of IESO to observe or perform its obligations set forth in Section 6.1;

(d) failure on the part of IESO to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 30 days after

the date on which written notice of such failure shall have been given to IESO by OEFC;

(e) any representation or warranty made by IESO in this Agreement or in any certificate or other document at any time delivered hereunder to OEFC was incorrect or misleading in any material respect;

(f) one or more breaches by IESO of its covenants under one or more evidences of indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $25 million, which breaches:

(i) constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist; or

(ii) have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived or rescinded);

(g) IESO, or any Material Subsidiary:

(i) becomes generally not able to pay its debts as they become due;

(ii) admits in writing its inability to pay its debts generally or makes a general assignment for the benefit of its creditors or files a proposal or other scheme of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) institutes or has instituted against it any proceeding seeking:

(A) to adjudicate it a bankrupt or insolvent;

(B) liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy / insolvency / reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors; or

(C) the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets;

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismisssed or unstayed for a period of 30 days, or any remedy sought in any such proceeding (including the entry of order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

(iv) takes any corporate action to authorize any of the actions in Sections 5.1(g)(i) to (iii); or

(h) if there shall be rendered against IESO or any Material Subsidiary a final judgment or judgments for the payment of money in an aggregate amount in excess of $5 million by a court or courts of competent jurisdiction, and IESO or any Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 5.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case OEFC may declare all amounts owing hereunder to be due and payable immediately, by a notice in writing to IESO, and upon any such declaration all such amounts shall become immediately due and payable.

Section 5.3 Suits for Enforcement by OEFC.

If an Event of Default occurs and is continuing, OEFC may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in OEFC by this Agreement or by law.

Section 5.4 OEFC May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of IESO under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property

of IESO, or if any other judicial proceedings relative to IESO, its creditors or its property are pending, OEFC shall be entitled and empowered, by intention in such proceeding or otherwise:

(a) to file and prove a claim for all amounts owing under this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of OEFC (including any claim for fees and disbursements of OEFC, its agents and counsel as contemplated under Section 4.7) allowed in such judicial proceeding; and

(b) to collect and receive any moneys or other property payable or deliverable on any such claim.

Section 5.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to OEFC is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.6 Delay or Omission not Waiver.

No delay or omission of OEFC to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right or remedy given by this Article 5 or by law to OEFC may be exercised from time to time, and as often as may be deemed expedient, by OEFC.

ARTICLE 6

CONSOLIDATION, AMALGAMATION, MERGER OF IESO

Section 6.1 Certain Requirements in Respect of Merger, etc.

IESO may not and may not cause any Material Subsidiary, in a single transaction or a series of related transactions, amalgamate or consolidate with or merge into any other Person, or permit any other Person to amalgamate or consolidate with or merge into IESO or the Material Subsidiary, or directly or indirectly transfer, sell, lease or otherwise dispose of all or substantially all of its property or assets (a "Disposition") to any Person without the written consent of OEFC.

Section 6.2 Successor Substituted.

Upon any consolidation, amalgamation, merger or Disposition described in, and complying with the provisions of, Section 6.1 in which IESO is not the continuing corporation, the successor Person shall succeed to all of the rights and obligations of IESO under this Agreement, and from time to time may exercise every right and power of IESO under this Agreement.

ARTICLE 7
REPRESENTATIONS AND WARRANTIES OF IESO

Section 7.1 Representations and Warranties of IESO.

IESO represents and warrants to OEFC that:

(a) the borrowing of money (including principal and accrued interest) by IESO and the execution, delivery and performance of this Agreement are within the powers and capacities of IESO and have been duly authorized by all necessary legal action and proper proceedings;

(b) the execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the compliance with the terms and conditions of this Agreement will not conflict with or result in a breach of any of the terms or provisions of the constituting documents or by-laws of IESO, laws of Ontario, including laws of Canada applicable therein, applicable to IESO or any contractual or other obligation binding on IESO; and

(c) this Agreement will, when executed and delivered, constitute the legal, valid and binding obligation of IESO enforceable against it in accordance with its terms.

Section 7.2 Continuation of Representation and Warranties.

The representations and warranties set out in Section 7.1 herein shall survive the execution and delivery of this Agreement, the making of each advance by OEFC, notwithstanding any investigations or examinations which may be made by counsel for OEFC.

ARTICLE 8

GENERAL

Section 8.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy or other means of electronic communication addressed:

If to IESO, to it at:
Independent Electricity System Operator
655 Bay Street, Suite 410
Toronto, ON M5G 2K4
Attention: Chief Financial Officer
Telephone:
Telecopier:

If to OEFC, to it at:

Ontario Electricity Financial Corporation
c/o Ontario Financing Authority
1 Dundas Street West
Suite 1400
Toronto, ON M7A IY7

Attention: Executive Director - Capital Markets Division
Telephone: (416) 325-8930
Telecopier: (416) 325-8111

provided that any Borrowing Notice shall be addressed as indicated on Schedule 1.

Any communication hereunder shall be deemed to have been validly and effectively given if (a) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p. m (Toronto time), otherwise on the next Business Day, (b) transmitted by telecopier other means of electronic communication, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice given in accordance with this Section 8.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 8.1.

Section 8.2 Successors and Assigns.

This Agreement shall be binding on and enure to the benefit of OEFC and IESO and their respective successors and permitted assigns, except that IESO shall not, without the prior written consent of OEFC assign, pledge or hypothecate any rights or obligations with respect to this Agreement.

Section 8.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of OEFC and IESO.

Section 8.4 Waiver.

(1) No waiver of any provisions of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) or this Agreement nor shall such waiver be binding unless executed in writing by the party to be bound by the waiver.

(2) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude another or further exercise of such right or the exercise of any other right.

Section 8.5 Further Assurances.

Each of IESO and OEFC shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement.

Section 8.6 Severability.

In case any provision in this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement shall not in any way be affected or impaired thereby.

Section 8.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 8.8 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF the parties have executed this Agreement as of the 23rd day of April, 2010.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Ted Leonard
Vice President, Finance and Chief Financial Officer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: ~~Michael D. Manning~~ DAVID PETERS
Title: ~~Chief Operating Officer~~ DIRECTOR, DEBT MANAGEMENT
CAPITAL MARKETS DIVISION
ONTARIO FINANCING AUTHORITY

SCHEDULE 1

FORM OF BORROWING NOTICE

Date:

Ontario Electricity Financial Corporation **("OEFC")**
c/o Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A1Y7

Attention: Cash Management
(Fax No. (416-204-7920)

Dear Sirs:

The undersigned, Independent Electricity System Operator ("IESO"), refer to the Revolving Credit Facility Agreement dated •, 2010 (as amended, supplemented or restated from time to time, the **"Agreement"**, the terms defined therein being used herein as therein defined) between IESO and OEFC, and gives you notice pursuant to Section 3.2 of the Agreement that IESO requests an Advance under the Agreement, and, in that connection, sets forth below the information relating to such Advance (the **"Proposed Advance"**) as required by Section 3.2 of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is •;
(b) The aggregate amount of the Proposed Advance is •;

IESO hereby certifies that:

The representations and warranties of IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received previously as Advances under the Agreement have been expended or are being held solely for the purpose for which they were advanced; no part of said funds has been nor any part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Authorized Signature

Per: _____
Authorized Signature

*To be confirmed by telephone call to OEFC Cash Management (416) 325-8108

SCHEDULE 2

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $60,000,000 Date: •

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("**IESO**"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid (**"Grid"**) attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement (as defined below).

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before April 30, 2013.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Revolving Credit Facility Agreement dated as of April 30, 2010 between IESO and OEFC (the "**Agreement**"). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Credit Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment, demand, protest, notice of dishonest and notice of

non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Authorized Signature

Per: _____
Authorized Signature

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID
(Revolving Credit Facility April 30, 2010)

DATE	PRINCIPAL ADVANCED	INTEREST RATE	INTEREST RESET DATE	INTEREST RESET RATE	PRINCIPAL PAYMENT DATE AND AMOUNT	INTEREST PAYMENT DATE AND AMOUNT	UNPAID PRINCIPAL BALANCE	NOTATION MADE BY

AMENDING AGREEMENT NO. 6

This Amending Agreement is effective as of the 30 day of April, 2017.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011, Amending Agreement No. 3 dated April 30, 2013, Amending Agreement No. 4 dated April 30, 2014 and Amending Agreement No. 5 dated December 19, 2014 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $95 million.

AND WHEREAS IESO and OEFC wish to amend the Agreement to increase the revolving line of credit from a principal amount of CDN $95 million to a principal amount of up to CDN $160 million to provide funding for IESO Corporate Requirements (as defined herein);

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for an extension of the mandatory repayment date established in the Agreement to June 30, 2020;

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for the ability for Advances to be made on any business day up to a maximum of 12 times per year;

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. Section 1.1 Definitions of the Agreement is amended as follows:

   i) The definition of "Amalgamation" is deleted.

   ii) The definition of "Commitment" is deleted and replaced with:

   "Commitment" means, at any time, an amount equal to the principal amount of One Hundred and Sixty Million Dollars.

   iii) A definition of "IESO Corporate Requirements" is added as follows:

   "IESO Corporate Requirements" means any borrowing purposes authorized by O. Reg. 280/14 made under the *Electricity Act, 1998* (as such regulation may be amended or

replaced from time to time), other than for funding liquidity requirements relating to the settlement of the Ontario wholesale electricity markets.

iv) A definition of "Ontario's Fair Hydro Plan" is added as follows:

"Ontario's Fair Hydro Plan" means the plan announced March 2, 2017 by the Government of Ontario to affect the Ontario Energy Board's setting of electricity prices for certain Ontario consumers of electricity, which plan is referred to in the Ontario Energy Board's report dated April 20, 2017 and titled "Regulated Price Plan Price Report – May 1, 2017 to April 30, 2018", and including all relevant developments in or changes to such plan from time to time.

v) The definition of "New IESO" is deleted.

vi) The definition of "Note" is deleted and replaced with:

"Note" means the $160 Million Note issued pursuant to Section 2 of Amending Agreement No. 6 dated as of the 30th day of April, 2017.

vii) The definition of "OPA" is deleted.

viii) The definition of "Pre-Amalgamation IESO" is deleted.

2. IESO shall execute and deliver to OEFC a grid promissory note in the form attached as Schedule I hereto which shall be in an aggregate principal amount of up to One Hundred and Sixty Million Dollars (the "$160 Million Note") dated April 30, 2017 and on which shall be recorded the Advances Outstanding under the grid promissory note delivered pursuant to Amending Agreement No. 4. Upon receipt by OEFC of the $160 Million Note dated April 30, 2017, the $95 Million Note dated April 30, 2014 shall be of no further force and effect and shall be returned to the IESO marked "cancelled".

3. Section 2.3 of the Agreement is deleted and replaced by the following:

Section 2.3 Use of Proceeds

IESO shall use the proceeds of Advances for the funding of IESO Corporate Requirements.

4. Section 2.4 of the Agreement is deleted and replaced by the following:

Section 2.4 Mandatory Repayment.

Subject to Sections 3.5 and 5.2 of this Agreement, IESO shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, in full on or before June 30, 2020.

5. Section 3.1 of the Agreement is deleted and replaced by the following:

Section 3.1 Advances.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO under the Credit Facility on any Business Day in a month up to twelve (12) times per annum from and including May 1, 2017 to and including May 29, 2020

6. Paragraph 3.6(c) of the Agreement is deleted and replaced by the following:
   (c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO, provided however that any adverse change in IESO's financial condition related to or resulting from the discharge by IESO of its responsibilities under Ontario's Fair Hydro Plan shall be deemed not to be a material adverse change for the purposes of this Section; and

7. The Form of Borrowing Notice is deleted and replaced with the Form of Borrowing Notice attached hereto as Schedule 1.

8. This Amending Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

SCHEDULE 1

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $160,000,000 Date: 30 April, 2017

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("**IESO**"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid **("Grid")** attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No. 1 dated July 21, 2010, by Amending Agreement No. 2 dated October 14, 2011, by Amending Agreement No. 3 dated April 30, 2013, by Amending Agreement No. 4 dated April 30, 2014, by Amending Agreement No. 5 dated December 19, 2014, and by Amending Agreement No. 6 dated April 30, 2017 (collectively the "Agreement").

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before June 30, 2020.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance or part of an Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be p*rima facie* evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Agreement. All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment, demand, protest, notice of dishonour and notice

of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

(Revolving Credit Facility April 30, 2017)

DATE	PRINCIPAL ADVANCED	RATE	REPAYMENT DATE	INTEREST AMOUNT	AMOUNT OF PAYMENT		UNPAID BALANCE			NOTATION MADE BY
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	REFINANCED (AMOUNT & DATE)	

INDEPENDENT ELECTRICITY MARKET OPERATOR

as Issuer

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION

as Holder

AGREEMENT
PROVIDING FOR ISSUANCE OF A NOTE

April 1, 1999

TABLE OF CONTENTS

ARTICLE 1
DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1	Definitions	1
Section 1.2	Effect of Headings and Table of Contents	8
Section 1.3	Singular, Plural, Gender, Certain Phrases, etc	8
Section 1.4	Accounting	8
Section 1.5	Non-Business Days	8

ARTICLE 2
THE NOTE

Section 2.1	Issue of Note	8
Section 2.2	Terms of the Note	8
Section 2.3	Interest	9
Section 2.4	Prepayment	9
Section 2.5	Public Debt Covenants	10
Section 2.6	Payment	11

ARTICLE 3
COVENANTS OF THE COMPANY

Section 3.1	Payment of the Note	11
Section 3.2	Company will Maintain its Corporate Existence	11
Section 3.3	Maintenance of Properties	11
Section 3.4	Insurance	12
Section 3.5	Conduct of Business	12
Section 3.6	Financial Statements	12
Section 3.7	Other Indebtedness	12
Section 3.8	Negative Pledge	12
Section 3.9	Payment of OEFC's Expenses	13

ARTICLE 4
EVENTS OF DEFAULT AND REMEDIES

Section 4.1	Event of Default	14
Section 4.2	Acceleration of Maturity; Rescission and Annulment	15
Section 4.3	Suits for Enforcement by OEFC	16
Section 4.4	OEFC May File Proof of Claim	16
Section 4.5	Rights and Remedies Cumulative	16
Section 4.6	Delay or Omission not Waiver	16

ARTICLE 5
CONSOLIDATION, AMALGAMATION, MERGER OF COMPANY

Section 5.1 Certain Requirements in Respect of Merger, etc. 17
Section 5.2 Successor Substituted. 18

ARTICLE 6
GENERAL

Section 6.1 Notices. 18
Section 6.2 Successors and Assigns. 19
Section 6.3 Amendments. 19
Section 6.4 Waiver. 19
Section 6.5 Further Assurances. 19
Section 6.6 Severability. 19
Section 6.7 Governing Law. 20
Section 6.8 Counterparts. 20

Schedule 2.2(1) – Form of Note

THIS AGREEMENT is made on the 1st day of April, 1999 between:

A. **INDEPENDENT ELECTRICITY MARKET OPERATOR** (the "**Company**")

B. **ONTARIO ELECTRICITY FINANCIAL CORPORATION** ("**OEFC**").

RECITALS:

1. Pursuant to section 116 of the *Electricity Act, 1998*, the Lieutenant Governor in Council has made an order (the "**Transfer Order**") transferring certain officers, employees, assets, liabilities, rights and obligations of Ontario Hydro to the Company;

2. Pursuant to the Transfer Order, the Company is required to issue certain debt securities to Ontario Hydro as partial payment for such assets and rights; and

3. On April 1, 1999, Ontario Hydro is continued as OEFC.

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the parties agree as follows:

ARTICLE 1
DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"**Agreement**", "**herein**", "**hereby**", "**hereof**", "**hereunder**" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression "**Article**" or "**Section**" followed by a number means the specified Article or Section of this Agreement.

"**Business Day**" means any day other than a Saturday, Sunday or a statutory or civic holiday in Toronto, Ontario.

"**Canadian Dollars**" or "**$**" means lawful currency of Canada.

"**Canadian Prime Rate**" means, at any time, the greater of (i) the average of the rates of interest per annum equal to the per annum rate of interest quoted, published and commonly known as the "prime rate" of each of the Reference

Lenders which each of the Reference Lenders establishes at its main office in Toronto, Ontario as the reference rate of interest in order to determine interest rates for loans in Canadian Dollars to its borrowers in Canada, adjusted automatically with each quoted or published change in such rate, and (ii) the sum of (y) the average of the rates per annum for Canadian Dollar bankers' acceptances having a term of one month that appears on the Reuters CDOR Page as of 10:00 a.m. (Toronto time) on the date of determination, as reported by OEFC (and if such screen is not available, any successor or similar service as may be selected by OEFC), and (z) 0.50%.

"**Capital Stock**" of any Person means any and all shares, or interests, participations or other equivalents (however designated) of shares, in the capital of such Person.

"**Company**" means the Independent Electricity Market Operator, a corporation existing under the laws of the Province of Ontario, until a successor corporation shall have succeeded to all of the rights and obligations of the Independent Electricity Market Operator pursuant to Section 5.1 and thereafter "**Company**" shall mean such successor corporation (or any successor thereto which shall have become such pursuant to Section 5.1).

"**Consolidated Assets**" means, at any time, the book value of the assets of the Company and the Subsidiaries, determined as of such time on a consolidated basis in accordance with generally accepted accounting principles.

"**default**" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"**disposition**" has the meaning specified in Section 5.1.

"**Event of Default**" has the meaning specified in Section 4.1.

"**Indebtedness**" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) Every obligation of such Person for borrowed money;

(b) Every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments, including obligations for borrowed money incurred in connection with the acquisition of property, assets or businesses;

(c) Every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) Every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) Every capital lease obligation of such Person;

(f) The Swap Termination Value of each Swap Contract of such Person; and

(g) Every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"**Lien**" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"**Material Subsidiary**" means, at any time, a Subsidiary which has consolidated assets with a book value of more than $25 million determined as of such time in accordance with generally accepted accounting principles.

"**Note**" means the note of the Company issued under this Agreement.

"**Ontario Yield Price**" means, with respect to the Note or part thereof to be prepaid pursuant to Section 2.4, a price equal to the price of the Note or part thereof to be so prepaid calculated to provide a yield to maturity, compounded semi-annually and calculated in accordance with generally accepted financial practice, equal to the Province of Ontario Yield on the Business Day preceding the date on which such prepayment is to be made by the Company to OEFC in accordance with Section 2.4.

"**Permitted Liens**" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) Any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) Any obligations or duties, affecting the property of the Company or a Subsidiary, to any municipality or governmental, statutory or public

authority, with respect to any franchise, grant, licence or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by the Company or such Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by the Company or such Subsidiary;

(d) Any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) The right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) Any undetermined or inchoate Liens and charges incidental to the current operations of the Company or a Subsidiary that have not at the time been filed against the Company or such Subsidiary; provided, however, that if any such Lien or charge shall have been filed, the Company or such Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) Any Lien the validity of which is being contested at the time by the Company or a Subsidiary in good faith and the enforcement of which has been stayed;

(h) Any easements, rights-of-way and servitudes that in the opinion of the Company will not in the aggregate materially and adversely impair the use or value of the land concerned for the purpose for which it is held by the Company or a Subsidiary;

(i) Any Liens and privileges arising out of judgments or awards with respect to which the Company or a Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall

have secured a stay of execution pending such appeal or proceedings for review;

(j) pledges of cash or cash equivalents to secure the Company's or a Subsidiary's liabilities from time to time under Permitted Swap Contracts; and

(k) Any other Liens of a nature similar to the foregoing which do not in the opinion of the Company, acting reasonably, materially impair the use of the property subject thereto or the operation of the business of the Company or any Subsidiary or the value of such property for the purpose of any such business.

"**Permitted Swap Contract**" means a Swap Contract to which the Company or a Subsidiary is a party, provided that:

(a) The Company or such Subsidiary enters into such Swap Contract in the ordinary course of business for the purpose of directly mitigating risks associated with fluctuations in interest rates or currency exchange rates with respect to Indebtedness of the Company or such Subsidiary and not for the purposes of speculation or taking a "market view";

(b) The notional amount of such Swap Contract does not exceed the payments due with respect to the Indebtedness being hedged thereby;

(c) Such Swap Contract does not contain any "walk-away" provision exonerating the non-defaulting party from its obligation to make payments on any outstanding transaction to the defaulting party; and

(d) Such Swap Contract is in a form approved by the International Swaps & Derivatives Association, Inc. at the time such Swap Contract is entered into or in such other form as shall be customary at such time for the documentation, in accordance with good market practise by regulated financial institutions carrying on business in Canada, of obligations similar to the obligations documented in such Swap Contract.

"**Person**" means any individual, corporation, partnership, joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"**Province of Ontario Yield**" means, with respect to the Note or part thereof to be prepaid pursuant to Section 2.4, the average of the quotations obtained by the Company from two major Canadian investment dealers selected by OEFC, as to the yield to maturity on the Business Day preceding the date on

which such prepayment is to be made by the Company to OEFC in accordance with Section 2.4, compounded semi-annually and calculated in accordance with generally accepted financial practice, which a non-callable Government of Ontario bond would carry if issued in Canadian Dollars in Canada at 100% of its principal amount on such date with a term to maturity approximately equal to the remaining term to maturity, calculated as at the applicable prepayment date, of the Note.

"**Purchase Money Mortgage**" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or part of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"**Reference Lenders**" means, collectively, any two major financial institutions in Canada who, in the ordinary course of business, provide loans in Canadian Dollars to borrowers in Canada, as selected from time to time by OEFC and, in the singular, any one of them.

"**Reuters CDOR Page**" means the display page so designated on the Reuters Monitor Money Rates Service (or such other page as may replace that page on that service for the purpose of displaying rates for Canadian Dollar bankers' acceptances).

"**Senior Debt**" means all Indebtedness of the Company, including the Note, which is not subordinated in right of payment to any other Indebtedness of the Company.

"**Stated Maturity**" when used with respect to any Indebtedness or any instalment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such instalment of interest is due and payable.

"**Subsidiary**" means:

(a) A corporation more than 50% of the voting power of the outstanding Voting Shares of which is owned, directly or indirectly, by the Company or by one or more other Subsidiaries or by the Company and one or more other Subsidiaries, or

(b) Any Person (other than a corporation) in which the Company, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

"Successor Person" has the meaning specified in Section 5.1.

"Swap Contract" means any agreement, whether or not in writing, relating to any transaction that is a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction, currency swap, cross-currency rate swap, swaption, currency option or any other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.

"Swap Termination Value" means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap Contracts:

(a) For any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and

(b) For any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.

"U.S. Dollars" means lawful currency of the United States of America.

"Voting Shares" of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings and Table of Contents.

The division of this Agreement into Articles and Sections, the insertion of headings and the provision of a Table of Contents are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and *vice versa* and words importing gender may include any gender. In this Agreement and the Note, (i) the words **"including"** and **"includes"** mean **"including (or includes) without limitation"**, and (ii) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word **"from"** means **"from and including"** and the words **"to"** and **"until"** each mean **"to but excluding"**.

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with generally accepted accounting principles. Generally accepted accounting principles refer to accounting principles generally accepted in Canada as recommended in the Handbook of the Canadian Institute of Chartered Accountants at the relevant time applied on a consistent basis.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the next succeeding Business Day.

ARTICLE 2
THE NOTE

Section 2.1 Issue of Note.

In consideration of the transfer of certain officers, employees, assets and rights of OEFC to the Company pursuant to the Transfer Order and as partial payment for such assets and rights, the Company issues and delivers the Note to OEFC.

Section 2.2 Terms of the Note.

(1) The Note shall be in substantially the form set out in Schedule 2.2(1), shall be in the aggregate principal amount of $70.3 million, shall be dated as of the

date of this Agreement, shall mature on May 1, 2009, and shall bear interest at the rate of 7.90% per annum (after as well as before default or judgment, with interest on the amounts in default at the same rate).

(2) The Note shall at all times rank pari passu with all other Senior Debt, except Senior Debt that is statutorily preferred and Senior Debt that is secured by a Lien referred to in Sections 3.8(a) to 3.8(f), inclusive.

(3) Interest shall be payable on the Note in accordance with Section 2.3.

(4) The Company may prepay all or part of the Note in accordance with Section 2.4.

(5) All amounts owing in respect of the Note shall be paid without exercising any right of set off or counterclaim by the Company irrespective of whether or not, at the time any such amount is due and payable, amounts are due and payable by OEFC to the Company.

Section 2.3 Interest.

Interest on the Note at the rate specified in Section 2.2(1) shall accrue daily, and shall be payable in equal semi-annual instalments on May 1 and November 1 in each year, the first such payment for the Note to be made for the period from the date of this Agreement to May 1, 1999 and, whenever it is necessary to compute interest in respect of the Note for a period of less than one full year, other than such equal semi-annual instalments, such interest shall be calculated on the basis of the actual number of days elapsed in a year of 365 days or 366 days, as the case may be.

Section 2.4 Prepayment.

(1) If the Company has, upon the number of days notice to OEFC determined in accordance with Section 2.4(2), delivered a notice to OEFC stating the proposed date and the Note or part thereof that the Company wishes to prepay, on such date the Company shall pay to OEFC the greater of:

(a) The principal amount of the Note or part thereof that is to be prepaid, as the case may be; and

(b) The Ontario Yield Price for the Note or such part;

together in each case with all interest accrued on the Note or such part to such date or, if the Company and OEFC agree, such amount as they agree upon.

(2) The Company may, at any time and from time to time, prepay all or part of the Note upon giving OEFC not less than 30 days' prior written notice of such prepayment.

Section 2.5 Public Debt Covenants.

(1) If the Company issues notes, bonds, debentures or other evidences of Senior Debt to the public with a term to maturity of at least 5 years and in an aggregate principal amount of at least 100 million in Canadian Dollars or at least 100 million in U.S. Dollars pursuant to a trust indenture, the Company shall, within 3 Business Days of the first such issuance, give OEFC notice of such issuance and a copy of such trust indenture. Effective upon such issuance, the representations and warranties, the positive and negative covenants of the Company (including any financial covenants but excluding covenants relating to interest rates, interest payment dates, maturity dates of principal, prepayments and manner and place of payments) and the events of default applicable to such Senior Debt as specified in such trust indenture shall automatically become applicable to the Note in lieu of the representations and warranties, covenants or Events of Default, as the case may be, included herein as if the same had been originally included in this Agreement when executed and delivered and this Agreement shall be deemed to be amended as of the date such Senior Debt is issued to the extent necessary to incorporate such representations and warranties, covenants and events of default into this Agreement. The Company, at the request of OEFC, shall promptly execute and deliver an agreement which sets out the terms and provisions of this Agreement, as so amended.

(2) If, at any time or from time to time, the representations or warranties, the positive or negative covenants (including any financial covenants but excluding covenants relating to interest rates, interest payment dates, maturity dates of principal, prepayments and manner and place of payments) or the events of default applicable to the Senior Debt referred to in Section 2.5(1) are amended, modified or restated, the Company shall, within 3 Business Days of such amendment, modification or restatement, give OEFC notice thereof and a copy of the agreement amending or modifying the trust indenture referred to in Section 2.5(1) or a copy of the restatement of such trust indenture, as the case may be. OEFC may, upon notice to the Company given at any time within 90 days of receipt by OEFC of a copy of such agreement or such restatement, elect to have such amendment, modification or restatement apply to the Note and this Agreement (as amended pursuant to Section 2.5(1)). If OEFC so elects, such amendment, modification or restatement shall become applicable to the Note and this Agreement (as so amended) as of the date of such election, as if such amendment, modification or restatement amended, modified or restated this Agreement (as so amended) as of such date and this Agreement shall be deemed to be amended, modified or restated as of such date to the extent necessary to incorporate such representations and warranties, positive and negative covenants (including any financial covenants but excluding covenants

relating to interest rates, interest payment dates, maturity dates of principal, prepayments and manner and place of payments) and events of default. The Company, at the request of OEFC, shall promptly execute and deliver an agreement which sets out the terms of this Agreement, as amended pursuant to Section 2.5(1) and as further amended, modified or restated pursuant to this Section 2.5(2).

Section 2.6 Payment.

All amounts required to be paid by the Company to OEFC pursuant to this Agreement shall be paid to or to the order of OEFC by electronic wire transfer of immediately available funds in accordance with transfer instructions given by OEFC to the Company from time to time, or in any such other manner as OEFC may specify to the Company from time to time.

ARTICLE 3
COVENANTS OF THE COMPANY

Section 3.1 Payment of the Note.

The Company will duly and punctually pay or cause to be paid all amounts owing in respect of the Note or under this Agreement in accordance with the terms and subject to the conditions of the Note and this Agreement.

Section 3.2 Company will Maintain its Corporate Existence.

Subject to Section 5.1, the Company will at all times maintain its corporate existence.

Section 3.3 Maintenance of Properties.

The Company will cause all property owned by the Company or any Subsidiary to be maintained and kept in good condition, repair and working order, all as in the judgment of the Company or any Subsidiary may be necessary for the proper operation of such property, except as and to the extent that the Company or any Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 3.3 shall prevent the Company or any Subsidiary from discontinuing the maintenance of any such property if such discontinuance is, in the judgment of the Company or any Subsidiary, desirable in the conduct of its business or the business of any such Subsidiary.

Section 3.4 Insurance.

The Company will cause all property owned by the Company or any Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the nature and to the extent that such property is usually insured by companies operating similar businesses.

Section 3.5 Conduct of Business.

The Company will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in a proper, efficient and business-like manner and in accordance with good business practice.

Section 3.6 Financial Statements.

The Company will furnish to OEFC:

(a) Within 140 days after the end of each fiscal year, beginning with the fiscal year ended December 31, 1999, audited financial statements of the Company consisting of a consolidated balance sheet of the Company at the end of each such fiscal year and related consolidated statements of income and retained earnings and, commencing with the financial statements relating to the fiscal year of the Company commencing January 1, 2000, changes in financial position for each such fiscal year prepared in accordance with generally accepted accounting principles; and

(b) Within 60 days after the end of each of the first three fiscal quarters of each fiscal year of the Company, unaudited interim consolidated financial statements of the Company for the interim period so ended prepared in accordance with generally accepted accounting principles.

Section 3.7 Other Indebtedness.

The Company covenants that if it shall cause any payment of principal, premium or interest on any of its Indebtedness to be subordinated or postponed to the prior payment of any other Indebtedness it shall in like manner subordinate or postpone such payment to the prior payment of the Note.

Section 3.8 Negative Pledge.

The Company will not, and will not permit any Subsidiary to, create, incur or assume any Lien, charging the interest of the Company or any Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, the Note is secured equally

and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) The creation, incurrence or assumption of any Purchase Money Mortgage;

(b) The grant of any Lien in the normal course of business to any banks or financial institutions for present or future Indebtedness of the Company or any Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) Liens granted by a Subsidiary to the Company;

(e) Any extension, renewal or replacement of any of the Liens referred to in Sections 3.8(a) to (d), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased.; and

(f) Any Lien charging the interest of the Company or any Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 3.8(a) to (d), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 3.8(f) which is outstanding at such time does not exceed 25% of Consolidated Assets at such time.

Section 3.9 Payment of OEFC's Expenses

The Company will, on demand, reimburse OEFC for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OEFC in connection with the preservation of rights under or enforcement of this Agreement at any time during the continuance of a default or Event of Default. All such costs, charges and expenses shall bear interest at the Canadian Prime Rate, payable monthly in arrears from the third Business Day after demand for reimbursement thereof is made by OEFC.

ARTICLE 4
EVENTS OF DEFAULT AND REMEDIES

Section 4.1 Event of Default.

"**Event of Default**", wherever used herein, means any one of the following events:

(a) Failure to pay any interest upon the Note when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) Failure to pay the principal of the Note at its Stated Maturity;

(c) Failure on the part of the Company to observe or perform its obligations set forth in Section 5.1;

(d) Failure on the part of the Company to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 30 days after the date on which written notice of such failure shall have been given to the Company by OEFC;

(e) One or more breaches by the Company or any Subsidiary of its covenants under one or more evidences of Indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $25 million, which breaches:

(i) Constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist, or

(ii) Have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived or rescinded);

(f) The Company or any Material Subsidiary:

(i) Becomes generally not able to pay its debts as they become due;

(ii) Admits in writing its inability to pay its debts generally or makes a general assignment for the benefit of its creditors or files a proposal or other scheme of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) Institutes or has instituted against it any proceeding seeking:

(A) To adjudicate it a bankrupt or insolvent,

(B) Liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors, or

(C) The entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets,

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismissed or unstayed for a period of 30 days, or any of the actions sought in such proceeding (including the entry of an order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

(iv) Takes any corporate action to authorize any of the actions in Sections 4.1(f)(i), (ii) or (iii); or

(g) If there shall be rendered against the Company or any Material Subsidiary a final judgment or judgments for the payment of money in an aggregate amount in excess of $25 million by a court or courts of competent jurisdiction, and the Company or such Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 4.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case OEFC may declare all amounts owing on the Note and all other amounts owing hereunder to be due and payable immediately, by a notice in writing to the Company, and upon any such declaration all such amounts shall become immediately due and payable.

Section 4.3 Suits for Enforcement by OEFC.

If an Event of Default occurs and is continuing, OEFC may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in OEFC by this Agreement or by law.

Section 4.4 OEFC May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of the Company under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property of the Company, or if any other judicial proceedings relative to the Company, its creditors or its property are pending, OEFC (irrespective of whether the principal amount of the Note shall then be due and payable as therein expressed or by declaration or otherwise and irrespective of whether OEFC shall have made any demand on the Company for the payment of any overdue principal or interest) shall be entitled and empowered, by intervention in such proceeding or otherwise:

(a) To file and prove a claim for all amounts owing on the Note or under this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of OEFC (including any claim for fees and disbursements of OEFC, its agents and counsel) allowed in such judicial proceeding; and

(b) To collect and receive any moneys or other property payable or deliverable on any such claim.

Section 4.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to OEFC is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 4.6 Delay or Omission not Waiver.

No delay or omission of OEFC to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right and remedy given

by this Article 4 or by law to OEFC may be exercised from time to time, and as often as may be deemed expedient, by OEFC.

ARTICLE 5
CONSOLIDATION, AMALGAMATION, MERGER OF COMPANY

Section 5.1 Certain Requirements in Respect of Merger, etc.

The Company may not, in a single transaction or a series of related transactions, amalgamate or consolidate with or merge into any other Person, or permit any other Person to amalgamate or consolidate with or merge into the Company, or directly or indirectly transfer, sell, lease or otherwise dispose of all or substantially all of its property or assets (a "**disposition**") to any Person, but may do so if:

(a) The Company shall be the surviving Person, or the Person (if other than the Company) formed by such amalgamation, consolidation or into which the Company is merged or that acquires by disposition all or substantially all of the properties or assets of the Company shall be a corporation, partnership or trust organized and validly existing under the federal laws of Canada or any province or territory thereof and shall expressly assume, by an agreement executed and delivered to OEFC in form satisfactory to OEFC, all of the Company's obligations under this Agreement and the Note and, in the case of an entity organized other than under the laws of the Province of Ontario, shall attorn to the jurisdiction of the courts of the Province of Ontario (the Company or such other Person who becomes such a successor obligor under this Agreement being herein referred to as the "**Successor Person**");

(b) Immediately before and after giving effect to such transaction, no default or Event of Default shall have occurred and be continuing; and

(c) The Successor Person shall have delivered to OEFC a certificate of the Successor Person and an opinion of counsel, each stating that such amalgamation, consolidation, merger or disposition by the Company, and, if an agreement is required to be entered into by the Successor Person in connection with such transaction pursuant to Section 5.1(a), such agreement, comply with Section 5.1(a) and the certificate of the Successor Person shall also state that all conditions precedent in this Section 5.1 relating to such transaction have been satisfied.

Section 5.2 Successor Substituted.

Upon any consolidation, amalgamation, merger or disposition described in, and complying with the provisions of, Section 5.1 in which the Company is not the continuing corporation, the Successor Person shall succeed to all of the rights and obligations of the Company under this Agreement and the Note, and from time to time may exercise every right and power of the Company under this Agreement and the Note.

ARTICLE 6
GENERAL

Section 6.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy addressed:

If to the Company, to it at:

Independent Electricity Market Operator
P.O. Box 1
Suite 410
655 Bay Street
Toronto, Ontario
M5G 2K4

Attention: Douglas Thomas, CA, Treasurer
Telephone: (416) 506-2818
Telecopier: (416) 506-2843

If to OEFC, to it at:

Ontario Electricity Financial Corporation
c/o Ontario Financing Authority
1 Dundas Street West
Suite 1400
Toronto, Ontario
M3A 1Y7

Attention: Executive Director - Capital Markets Division
Telephone: (416) 325-8128
Telecopier: (416) 325-8005

Any such communication shall be deemed to have been validly and effectively given if (i) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p.m. (Toronto time), otherwise on the next Business Day, (ii) transmitted by telecopier, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice given in accordance with this Section 6.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 6.1.

Section 6.2 Successors and Assigns.

Subject to Section 5.1, the Company cannot assign or transfer this Agreement or the Note or any of its rights or obligations under this Agreement or the Note without the prior written consent of OEFC. OEFC cannot assign or transfer this Agreement or the Note or any of its rights or obligations under this Agreement or the Note without the prior written consent of the Company.

Section 6.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of OEFC and the Company.

Section 6.4 Waiver.

(3) No waiver of any provision of the Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) of this Agreement nor shall such waiver be binding unless executed in writing by the party to be bound by the waiver.

(4) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude any other or further exercise of such right or the exercise of any other right.

Section 6.5 Further Assurances.

Each of the Company and OEFC shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement.

Section 6.6 Severability.

In case any provision in this Agreement or in the Note shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement or in the Note shall not in any way be affected or impaired thereby.

Section 6.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 6.8 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF the parties have executed this Agreement.

INDEPENDENT ELECTRICITY MARKET OPERATOR

By: Douglas J. Thomas

By: _____

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By: _____

By: _____

AMENDING AGREEMENT NO. 6

This Amending Agreement is made as of the 30th day of April, 2017

between:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR
("IESO")

- and -

ONTARIO ELECTRICITY FINANCIAL CORPORATION
("OEFC")

WHEREAS IESO and OEFC have entered into an agreement Providing for the Issuance of a Note dated April 1, 1999 (the "Original Agreement");

AND WHEREAS pursuant to amending agreements dated March 23, 2000, April 23, 2009, May 1, 2011, May 1, 2013, and April 30, 2014 the parties amended the Original Agreement (as so amended, the "Agreement");

AND WHEREAS the parties wish to further amend the Agreement to increase the loan advanced to IESO from a principal amount of C$90 million to a principal amount of up to C$120 million and to extend the maturity date of the loan to June 30, 2020, all of which is to be evidenced through the the issuance of a Fifth Refinancing Note.

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and sufficiency of which are hereby acknowledged by each party), the parties agree as follows:

1. **Defined Terms**

Capitalized terms used in this Amending Agreement and not otherwise defined herein have the meanings specified in the Agreement.

2. **Amendments to Agreement**

(a) Definition of "Loan" in the Agreement is deleted.

(b) Article 1a (The Loan) of the Agreement is deleted in its entirety and replaced with the following:

Article 1a $30 Million Advance

Section 1a.1

Effective April 30, 2017, OEFC will make an advance to IESO in the amount of $30 million (the "$30 Million Advance"). IESO directs OEFC to apply, and OEFC agrees to apply, the $30 Million Advance, first to repay Advances Outstanding (as such term is defined in the Revolving Credit Facility Agreement), if any, under the Revolving Credit Facility Agreement, with any amount remaining out of the $30 Million Advance after repaying all Advances Outstanding to be used by IESO for the purpose of funding new IESO capital expenditures.

(c) The following sections are added to the Agreement following Section 2.15:

" Section 2.16 Fifth Refinancing Note

On April 30, 2017, IESO shall execute and deliver to OEFC a promissory note in the form attached as Schedule 1 (the "Fifth Refinancing Note") which shall be in an aggregate principal amount equal to $120 million, dated as of April 30, 2017 and maturing on June 30, 2020 and bearing interest at a per annum rate equal to the Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020, as determined by the Chief Executive Officer of OEFC or the Chief Operating Officer of OEFC, or by a person designated by either of them, plus fifty basis points (0.50%) (after as well as before default or judgment, with interest on the amounts in default at the same rate). Upon receipt of the Fifth Refinancing Note by OEFC, the Fourth Refinancing Note dated April 30, 2014 shall be of no further force or effect and shall be returned by OEFC to IESO marked "cancelled".

For greater clarity, the Fifth Refinancing Note shall evidence the indebtedness of IESO to OEFC in respect of the principal amount of $90 million under the Fourth Refinancing Note ("Part A") and the additional $30 Million Advance ("Part B"), for a total aggregate principal amount of $120 million.

Notwithstanding Section 1.5 herein, the interest rate on the Fifth Refinancing Note shall be set on Monday, May 1, 2017, with interest accruing on Part A commencing on Sunday, April 30, 2017, and interest accruing on Part B commencing on Monday, May 1, 2017.

Section 2.17 Interest on Fifth Refinancing Note

Notwithstanding Section 1.5 herein, interest on the Fifth Refinancing Note at the rate specified in Section 2.16 shall accrue daily and shall be payable in equal semi-annual instalments on June 30 and December 31(each an "Interest Payment Date"), provided however that the calculation of the amount of the first such interest payment for Part A shall be in respect only of the period from and including April 30, 2017 to but excluding June 30, 2017, and for Part B in respect only of the period from May 1, 2017 to but excluding June 30, 2017.

For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under the Fifth Refinancing Note for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period."

3. **Reference to and Effect on the Agreement.**

On and after this date, each reference in the Agreement to "this Agreement" and each reference to the Agreement in any and all other agreements, documents and instruments delivered by IESO and OEFC shall mean and be a reference to the Agreement as amended by this Amending Agreement. On and after this date, each reference in the Agreement to either "the Note" or "the New Note" and each reference to either "the Note" or "the New Note" in any and all other agreements, documents and instruments delivered by IESO and OEFC shall mean and be a reference to the Fifth Refinancing Note.

4. **Governing Law**

This Amending Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

5. **Counterparts**

This Amending Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.

6. **Enurement**

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

IN ALL OTHER RESPECTS, the Agreement is confirmed by the parties.

IN WITNESS WHEREOF the parties have executed and delivered this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

SCHEDULE 1
FORM OF FIFTH REFINANCING NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

NOTE

Aggregate Principal Amount: $120 million, consisting of: a Part A amount of $90 million ("Part A"), whereon interest accrues commencing on April 30, 2017, and a Part B amount of $30 million ("Part B"), whereon interest accrues commencing on May 1, 2017.

Date: April 30, 2017

Interest Rate: (Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020 + 50 basis points)

Due: June 30, 2020

FOR VALUE RECEIVED, the INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO") existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, PROMISES TO PAY to or to the order of ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC") at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of $120 million in lawful money of Canada, with interest on such amount at the rate, calculated in the manner and payable at the times specified in this Note.

The principal amount of this Note together with all interest accrued thereon shall become due and payable on June 30, 2020.

The principal amount of this Note remaining from time to time unpaid and outstanding shall bear interest from the date of this Note both before and after maturity and both before and after default at the rate per annum equal to the Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020, as determined by the Chief Executive Officer of OEFC or the Chief Operating Officer of OEFC, or by a person designated by either of them, plus fifty basis points (0.50%). Interest at such rate shall accrue daily and shall be payable in arrears in equal semi-annual instalments on June 30 and December 31 (each an "Interest Payment Date") commencing June 30, 2017, provided however that the calculation of the amount of the first such interest payment for Part A shall be in respect only of the period from and including April 30, 2017 to but excluding June 30, 2017, and for Part B in respect only of the period from and including May 1, 2017 to but excluding June 30, 2017.

For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Note for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of an agreement providing for the issuance of a note dated April 1, 1999 between the IESO and OEFC and amended by an amending agreement dated March 23, 2000, an amending agreement dated April 23, 2009, an amending agreement dated May 1, 2011, an amending agreement dated May 1, 2013, an amending agreement dated April 30, 2014, and an amending agreement dated April 30, 2017 (as so amended, the "Agreement"), which Agreement provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

From:	Ryan Blackbyrne
To:	Sarah Harris; Jean-Francois Beaupre
Subject:	FW: IESO / OEFC - $120MM and $160MM
Date:	Thursday, November 09, 2017 11:54:17 AM
Attachments:	$160M revolving credit - Original Agreement - April 23, 2010.pdf $160M revolving credit - Amending Agreement no.6 - April 30, 2017.pdf $120M note - Original Agreement - April 1, 1999 .pdf $120M note - Amending Agreementt no.6 - April 30, 2017.pdf

---

Hi Sarah and JF – is it ok to send the below to Gavin? (he requested a response by Noon)

Hi Gavin,

Thank you for the note. After reviewing your note and the attached agreements we had a few comments:

- If it is understood that the OEFC credit facilities are not to be used for OFHP purposes, why do we need to change the language around permitted liens to match the two OFA agreements (which do allow for OFHP related borrowing)?
- If we were to make the recommended changes to the IESO-OEFC agreements would the changes apply to both the $160M and $120M credit facilities? The email I received from Anthony Martinello at IESO earlier in the week (pasted below) suggested that IESO expected amendments to be made to both the IESO-OEFC credit facility agreements. However, after reviewing the attached agreements we noticed that although the $160M and $120M credit facility agreements were amended at the same time (April 30, 2017) the $160M amending agreement made clear references to the Ontario Fair Hydro Plan (and O.Reg 280/14 which was amended to allow for IESO borrowing related to the OFHP) while the $120M amending agreement did not make any references to OFHP at all.

Our concern is that the amendments to O.Reg 280/14 and to the $160M credit facility agreements that were made in the spring of 2017 were made to provide a stop-gap until such time that the $2 billion IESO-OFA credit facility was in place. Now that the $2 billion credit facility that allows for OFHP borrowing is available to IESO, is it still prudent to amend the IESO-OEFC agreements that are not to be used for OFHP purposes, in such a way as to allow for liens arising from IESO's role in OFHP?

Happy to discuss further as always.

Thank You,

Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M7A 1Y7
416-325-8143
ryan.blackbyrne@ofina.on.ca

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Tuesday, November 07, 2017 4:07 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>
Subject: IESO - OEFC Nov 7

Ryan,
As discussed with Will today, I understand you will be co-ordinating the proposed 2 amendments to the existing IESO-OEFC credit facilities.
For starters, there are no expected changes being asked to the existing agreement's key business content (e.g. amounts, dates, interest, notices etc.), rather given that IESO-OFA have just finished two new agreements pertaining to the new fair hydro program, ….I suggest we just copy and paste the salient sections from these agreements that would now be relevant to the OEFC agreements for fair hydro namely;
1.DRAFT
The definition of "Permitted Liens" is amended by deleting the word "and" at the end of subsection (xx); replacing the "." at the end of subsection (xx) and replacing it with "; and" ; and adding the following subsection (xx):
"(xx) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."
2.DRAFT
The OFA agreements had required an intercept provision, …..not sure if the same applies to OEFC if yes:
"Section 5.7 Intercept
(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of November 6th , 2017 herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the Capital Investment Plan Act, 1993 (the "Intercept Letter"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("Appropriated Funds"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("Intercept").
(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.
(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.
(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature

for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.
The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail."
3.
If any… other relevant updates that make sense to do now……I do not anticipate any material ones.
We need your support to expedite the above in order to avoid delays in the Fair Hydro implementation.
Regards.

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From: Gavin He
Sent: Thursday, November 09, 2017 8:29 AM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Hi Lisa, Sarah, and William,
Following my email on Tuesday, EFB has drafted the attached note on the IESO's request on the OEFC credit facility, including the background information, our recommendation, and the rationale. Could you please review the accuracy of the note and would you be able to provide me with your feedback before noon today?
Sorry for the short turnaround time, but we all would like to move on this as soon as possible.
Thanks,
Gavin He

From: Lisa Stein
Sent: Wednesday, November 08, 2017 9:55 AM
To: Gavin He <Gavin.He@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Sarah Neville <Sarah.Neville@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Thanks for the update Gavin.

From: Gavin He
Sent: Tuesday, November 07, 2017 4:02 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>

Cc: William Tan <William.Tan@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Sarah Neville <Sarah.Neville@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Hi Lisa/Sarah H.,

We touched based with IESO and they told us that the OEFC agreements do not contemplate a general grant of security by IESO over its assets as is currently under discussion with the OPG Trust relative to the implementation of the OFHP. The changes required to allow for such a grant would be to amend the permitted liens and negative covenant language in the OEFC agreements so as to make it the same as, or very similar to, the language in the two OFA Agreements that were signed recently.

We will get a policy direction soon and will draft a note for you to review once it's ready.

Regards,

Gavin He

From: Lisa Stein
Sent: Monday, November 06, 2017 9:43 AM
To: John Kim <John.Kim@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Sarah Neville <Sarah.Neville@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

No, I don't think the OFA Lending Policy would apply to these OEFC loans. The OFA Lending Policy addresses lending activities to public bodies undertaken where the OFA is acting as an intermediary on behalf of the Province.

From: John Kim
Sent: Sunday, November 05, 2017 1:55 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>
Subject: Re: IESO / OEFC - $120MM and $160MM

Hi Sarah,

We will look at this but this is oefc so not sure if the same lending policy applies.

John

Sent from my iPhone

On Nov 5, 2017, at 12:06 PM, Sarah Harris <Sarah.Harris@ofina.on.ca> wrote:

> Hi John,
>
> We've received no internal direction on the nature of changes IESO is looking for in relation to existing OEFC credit facility with the IESO and the FHP. I surmise it may have to do with adjusting the agreement to allow FHP permitted liens (which we would need internal approval to do) or similar changes, but do you know if IESO communicated requirements to Gadi or Ron?
>
> Thanks,
>
> Sarah
>
> Sent from my iPhone

Begin forwarded message:

From: Anthony Martinello <Anthony.Martinello@ieso.ca>
Date: November 5, 2017 at 11:02:50 AM EST
To: William Tan <William.Tan@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>, Sarah Harris <Sarah.Harris@ofina.on.ca>, Victor Buza <Victor.Buza@ieso.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Will – unless any concerns, will appreciate if you please begin to draft the two OEFC amendments this week – given that the IESO is targeting to sign the OPG / IESO fair hydro agreement by this month's end,….we need to have the two OEFC's done before this.
Regards.

From: Anthony Martinello
Sent: November 01, 2017 12:56 PM
To: 'William Tan'
Cc: 'Lisa Stein'; 'Sarah Harris'; 'John Kim'; Victor Buza
Subject: IESO / OEFC - $120MM and $160MM

Once we have completed the 2 OFA facilities and the intercept letter – we then have to turn to the 2 outstanding IESO-OEFC credit facilities to contemplate any further amendments too.
Just ensuring that these 2 OEFC facilities are not missed.
Regards.

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INDEPENDENT ELECTRICITY SYSTEM OPERATOR

as Borrower

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION

as Lender

REVOLVING CREDIT FACILITY AGREEMENT

Dated: April 23, 2010

THIS CREDIT FACILITY AGREEMENT is made on the 23rd day of April, 2010

between:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")

RECITAL:

IESO has requested a revolving line of credit from OEFC in the amount of up to Sixty Million Dollars for the purpose of replacing the current IESO revolving line of credit with the Toronto-Dominion Bank which is used for liquidity purposes that may also be used to fund corporate requirements. OEFC has agreed to lend such amount to IESO on the terms and conditions set out herein.

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the parties agree as follows:

ARTICLE 1
DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"Advance Date" has the meaning set forth in Section 3.2.

"Advances" means advances made by OEFC to IESO under Article 3 and **"Advance"** means any one of such advances.

"Advances Outstanding" means, at any time, an amount equal to the aggregate principal amount of all Advances outstanding at such time.

"Agreement", "herein", "hereby", "hereof", "hereunder" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression **"Article"** or **"Section"** followed by a number means the specified Article or Section of this Agreement.

"Borrowing Notice" has the meaning specified in Section 3.2.

"Business Day" means any day other than a Saturday, Sunday or a statutory or civic holiday in Toronto, Ontario.

"Commitment" means, at any time, an amount equal to the principal amount of Sixty Million Dollars.

"Consolidated Assets" means, at any time, the book value of IESO and the Subsidiaries, determined as of such time on a consolidated basis in accordance with generally accepted accounting principles.

"Credit Facility" means the revolving credit facility to be made available to IESO by OEFC under this Agreement for the purposes specified in Section 2.3.

"Default" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"Disposition" has the meaning specified in Section 6.1.

"Dollars" or "$" means lawful currency of Canada.

"Event of Default" has the meaning specified in Section 5.1.

"IESO" means Independent Electricity System Operator, a corporation existing under the laws of the Province of Ontario, until a successor corporation shall have succeeded to all of the rights and obligations of Independent Electricity System Operator pursuant to Section 6.1 and thereafter **"IESO"** shall mean such successor corporation (or any successor thereto which shall have become such pursuant to Section 6.1).

"Indebtedness" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) every obligation of such Person for borrowed money;

(b) every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments;

(c) every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) every capital lease obligation of such Person; and

(f) the Swap Termination Value of each Swap Contract of such Person; and

(g) every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"Interest Payment Date" means with respect to each Advance means the first Business Day of each month.

"Interest Rate" means the Province of Ontario's cost of borrowing for a 30 day term, as determined as of the first Business Day of each month by OEFC, plus 0.25 percent per annum.

"Interest Reset Date" has the meaning specified in section 3.3(2)(i).

"Lien" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"Material Subsidiary" means, at any time, a Subsidiary which, together with its subsidiaries, has consolidated assets with a book value of more than Twenty-Five Million Dollars determined as of such time in accordance with generally accepted accounting principles.

"Note" means the note of IESO issued under this Agreement.

"Permitted Liens" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) any obligations or duties, affecting the property of IESO or a Material Subsidiary, to any municipality or governmental, statutory or public authority, with respect to any franchise, grant, license or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by IESO or such Material Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by IESO or such Material Subsidiary;

(d) any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) the right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) any undetermined or inchoate Liens and charges incidental to the current operations of IESO or a Material Subsidiary that have not at the time been filed against IESO or such Material Subsidiary; provided, however, that if any such Lien or charge shall have been filed, IESO or such Material Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) any Lien the validity of which is being contested at the time by IESO or a Material Subsidiary in good faith and the enforcement of which has been stayed;

(h) any easements, rights-of-way and servitudes that in the opinion of IESO will not in the aggregate materially and adversely impair the use or value of the land for the purpose for which it is held or occupied by IESO or a Material Subsidiary;

(i) any Liens and privileges arising out of judgments or awards with respect to which IESO or a Material Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall have secured a stay of execution pending such appeal or proceedings for review; and

(j) pledges of cash or cash equivalents to secure IESO's or a Material Subsidiary's liabilities from time to time under Swap Contracts and pledges of cash or cash equivalents in an aggregate amount not exceeding $25 million at any time to secure IESO's or a Material Subsidiary's liabilities from time to time under commodity swap, commodity option and commodity future contracts entered into in the ordinary course of business for the purpose of directly mitigating risks associated with fluctuations in prices or availability of commodities purchased or to be purchased by IESO or a Material Subsidiary in the ordinary course of business, and not entered into for the purposes of speculation; and

(k) any other Liens of a nature similar to the foregoing which do not in the opinion of IESO, acting reasonably, materially impair the use of the property subject thereto or the operation of the business of IESO or any Material Subsidiary or the value of such property for the purpose of any such business.

"Person" means any individual, corporation, partnership joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"Purchase Money Mortgage" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or part of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"Stated Maturity" when used with respect to any Indebtedness or any installment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such installment of interest is due and payable.

"Subsidiary" means:

(a) a corporation: (i) more than 50% of the voting power or the outstanding Voting Shares of which is owned, directly or indirectly, by IESO or by one or more other Subsidiaries or by IESO and one or more other Subsidiaries; or (ii) in the case of a non-share capital corporation, that the IESO has the power to appoint a majority of the Board of Directors; or

(b) any Person (other than a corporation) in which IESO, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

"Swap Contract" means any agreement whether or not in writing, relating to any transaction or derivative transaction including a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction currency swap, cross-currency rate swap, swaption, currency option or other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.

"Swap Termination Value" means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap contracts:

(a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and

(b) for any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.

"Voting Shares" of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings and Table of Contents.

The division of this Agreement into Articles and Sections the insertion of headings and the provision of a Table of Contents are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and vice versa and words importing gender may include any gender. In this Agreement, (a) the words **"including"** and **"includes"** mean "including (or includes) without limitation", and (b) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" each mean "to but excluding".

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with generally accepted accounting principles. Generally accepted accounting principles refer to accounting principles generally accepted in Canada as recommended in the Handbook of the Canadian Institute of Chartered Accountants at the relevant time applied on a consistent basis.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the following Business Day.

ARTICLE 2
REVOLVING CREDIT FACILITY

Section 2.1 Availability.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO up to the amount of the Commitment. OEFC shall make each Advance in Canadian Dollars.

Section 2.2 Commitment and Facility Limits.

The Advances Outstanding to IESO under the Credit Facility shall not at any time exceed the Commitment. The Credit Facility shall revolve and no payment under the Credit Facility shall reduce the Commitment.

Section 2.3 Use of Proceeds.

IESO shall use the proceeds of Advances for the following purposes for which it is authorized to borrow funds:

(a) to repay the revolving line of credit with the Toronto Dominion Bank;

(b) for liquidity purposes; and

(c) to fund corporate requirements.

Section 2.4 Mandatory Repayment.

Subject to Sections 3.5 and 5.2, IESO, shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder in full on or before April 30, 2013.

Section 2.5 Advances and Payments under this Agreement.

(1) OEFC shall make Advances to IESO under this Agreement to the order of IESO by wire transfer of immediately available funds in accordance with wire transfer instructions given by IESO to OEFC from time to time, or in such other manner as IESO may specify to OEFC from time to time.

(2) IESO shall make any payment required hereunder to be made by it to OEFC, to or to the order of OEFC, by wire transfer of immediately available funds in accordance with wire transfer instruction given by OEFC to IESO from time to time, or in such other manner as OEFC may specify to IESO from time to time. IESO shall make each such payment in Canadian Dollars

Section 2.6 Evidence of Indebtedness.

IESO authorizes OEFC to open and maintain records evidencing IESO's obligations under this Agreement and to record therein all advances, interest rates, accrued interest, payments of principal and interest and the aggregate principal and accrued interest outstanding from time to time under this Agreement. IESO agrees that the records kept by the OEFC in the absence of manifest error, shall be prima facie evidence of the indebtedness of IESO and the matters recorded provided that the failure of the OEFC to record or correctly record any amount or date shall not affect the obligation of IESO to repay the aggregate principal amounts and accrued interest thereon owing under this Agreement.

ARTICLE 3
ADVANCES AND INTEREST

Section 3.1 Advances.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO under the Credit Facility on the first Business Day of each month from and including May 3, 2010 to and including April 1, 2013.

Section 3.2 Procedure for Advances.

(1) Each Advance shall be made subject to four Business Day's prior notice given not later than 10:00 a.m. (Toronto time) by IESO to OEFC. Each notice of an Advance (a **"Borrowing Notice"**) shall be substantially in the form of Schedule 1, shall be irrevocable and binding on IESO and shall specify (a) the requested date of the Advance (the **"Advance Date"**), and (b) the principal amount of the Advance which shall be in a minimum amount of $1,000,000.00 (unless otherwise agreed to by OEFC), and in increments of $1,000,000.00 (or such other increments as may be agreed to by OEFC). OEFC will make the principal amount of each Advance available to IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, IESO shall execute and deliver to OEFC a grid promissory note (the "Note") in respect of Advances substantially in the form of Schedule 2. IESO authorizes OEFC to record on the grid promissory note (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal amount of the grid promissory note. Such notations, in the absence of manifest error, shall be prima facie evidence of the such advances and repayments; provided that the failure of OEFC to record any amount, rate or date shall not affect the obligation of IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement.

(3) In the event that funds are not received by IESO on the Advance Date, IESO and OEFC agree to take all steps necessary to amend the date of the Advance, without amending the Interest Rate that was agreed to with respect to such Advance.

(4) The Note shall at all times rank *pari passu* with all other unsubordinated Indebtedness of IESO, subject to the existence of any Permitted Liens of IESO.

(5) All amounts owing in respect of the Advances shall be paid without exercising any right or set off or counterclaim by IESO.

Section 3.3 Interest on Advances.

(1) IESO shall pay interest on the principal amount of each Advance then outstanding in accordance with this Section 3.3 from and including the date of such Advance until the principal amount of such Advance is repaid in full.

(2) Interest shall accrue on the principal amount of each Advance from and including the date of the Advance to but excluding the first Interest Payment Date following the date of the Advance, at the rate equal to the Interest Rate, and shall be payable on the Interest Payment Date for such Advance. The amount of interest payable on an Advance will be calculated by OEFC by dividing the Interest Rate applicable to the Advance by 365 or 366, as the case may be, and multiplying the result by the principal amount of the Advance then outstanding and further multiplying the result by the number of days in the period from the date of the Advance to the Interest Payment Date.

(i) If an Advance is outstanding on an Interest Payment Date, the interest rate applicable to such Advance shall be reset automatically by OEFC on that date (the "Interest Reset Date"), at the Interest Rate determined as of the Interest Reset Date.

(ii) For each Advance, OEFC shall notify IESO via email of the Interest Rate on the Advance Date and on each Interest Reset Date.

(3) Upon four Business Days prior notice by IESO, OEFC may at its discretion agree to capitalize the interest on any Advance on an Interest Payment Date, which shall be determined in the following manner: each such interest payment due on the Interest Payment Date shall be deemed to form part of the principal amount of the outstanding Advance and interest shall accrue and be payable thereon in accordance with Section 3.3(2). OEFC shall record on the grid forming part of the note: (a) the date and amount of the new Advance; (b) the applicable rate of interest for the Advance; and (c) the outstanding principal amount of the grid promissory note.

(4) Interest shall accrue on the principal amount of each Advance at the Interest Rate as determined from time to time, before as well as after the date such principal amount or interest thereon becomes due hereunder and both before and after default.

Section 3.4 Computations of Interest.

(1) All computations of interest shall be made by OEFC taking into account the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest is payable on the basis of a year of 365 days or 366 days, as the case may be.

(2) For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Agreement for any

period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

Section 3.5 Limit on Rate of Interest.

(1) Notwithstanding any provision contained in this Agreement, IESO shall not be obliged to make any payments of interest or other amounts payable to OEFC hereunder in excess of the amount or rate which would be prohibited by applicable law or would result in the receipt by OEFC of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada), as amended from time to time).

(2) In the event that any such payments are limited or prohibited as provided in Section 3.5(1), OEFC shall have no further obligation to make any Advances available hereunder and the Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, shall become immediately due and payable.

Section 3.6 Conditions Precedent

The obligation of OEFC to make the Advances pursuant to Section 2.1 is subject to the following conditions being met to OEFC's satisfaction at the time of making each Advance:

(a) that the representations and warranties of IESO contained in this Agreement are true and correct as at the date of making the Advance;

(b) that no Event of Default has occurred and is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default;

(c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO; and

(d) that OEFC has received such other documentation which it has reasonably requested to ensure that IESO is in compliance with the terms and conditions of this Agreement, including certified true copies of any necessary resolutions including resolutions authorizing the borrowing and authorized signatories.

ARTICLE 4

COVENANTS OF IESO

Section 4.1 Payment of Advances.

IESO will duly and punctually pay or cause to be paid all amounts owing under this Agreement in accordance with the terms and subject to the conditions of this Agreement.

Section 4.2 Use of Proceeds

The monies advanced under this Agreement shall be used only by IESO for the purposes set out in Section 2.3.

Section 4.3 IESO will Maintain its Corporate Existence.

Subject to Section 6.1, IESO will at all times maintain its corporate existence.

Section 4.4 Maintenance of Properties.

IESO will cause all property owned by IESO or any Material Subsidiary to be maintained and kept in good condition, repair and working order, all as in the judgment of IESO or any Material Subsidiary may be necessary for the proper operation of such property, except as and to the extent that IESO or any Material Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 4.4 shall prevent IESO or any Material Subsidiary from discontinuing the maintenance of any such property or decommissioning any such property if such discontinuance or decommissioning is, in the judgment of IESO or any Material Subsidiary, desirable in the conduct of its business or the business of any such Material Subsidiary, or has been directly or indirectly requested or required by the Province of Ontario.

Section 4.5 Insurance.

IESO will cause all property owned by IESO or any Material Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the nature and to the extent that such property is usually insured by companies operating similar businesses.

Section 4.6 Conduct of Business.

Subject to Section 4.3, IESO will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in a proper, efficient and business-like manner and in accordance with good business practice.

Section 4.7 Negative Pledge.

IESO will not, and will not permit any Material Subsidiary to, create, incur or assume any Lien, charging the interest of IESO or any Material Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, all amounts owing under this Agreement are secured equally and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) the creation, incurrence or assumption of any Purchase Money Mortgage;

(b) the grant of any Lien in the normal course of business to any banks or financial institutions for present or future indebtedness of IESO or any Material Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) any extension, renewal or replacement of any of the Liens referred to in Sections 4.7(a), (b) or (c), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased; and

(e) any Lien charging the interest of IESO or any Material Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 4.7(a), (b) or (c), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 4.6(e) which is outstanding at such time does not exceed 10% of Consolidated Assets at such time.

Section 4.8 Payment of OEFC Expenses.

IESO will, on demand, reimburse and indemnify OEFC for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OEFC in connection with the preservation of rights under or enforcement of this Agreement at

any time during the continuance of a Default or Event of Default. All such costs, charges and expenses shall bear interest at the Province's cost of funds plus 0.25 percent per annum (as determined by OEFC) calculated and payable monthly not in advance from in each case from the date on which OEFC incurs the cost, charge or expense until the date on which IESO reimbursement OEFC therefor. OEFC agrees, acting reasonably, to invoice IESO for any such costs, charges and expense as they are incurred, together with interest at the aforesaid rate (with interest on overdue interest).

Section 4.9 Reporting Requirements.

IESO covenants to provide to OEFC, or at its direction, to the Province of Ontario and the Ontario Financing Authority,

(a) any available information respecting its financial position which may be reasonably requested by OEFC, the Province of Ontario or the Ontario Financing Authority from time to time; and

(b) any additional reports or supporting documentation which may be reasonably requested by the OEFC, the Province of Ontario or the Ontario Financing Authority from time to time.

ARTICLE 5
EVENTS OF DEFAULT AND REMEDIES

Section 5.1 Event of Default.

Wherever used in this Agreement, the term **"Event of Default"** means any of the following:

(a) failure to pay any interest upon any Advance when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) failure to pay the principal amount of the Advances Outstanding, all interest accrued thereon and all other amounts owing under this Agreement on April 30, 2013;

(c) failure on the part of IESO to observe or perform its obligations set forth in Section 6.1;

(d) failure on the part of IESO to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 30 days after

the date on which written notice of such failure shall have been given to IESO by OEFC;

(e) any representation or warranty made by IESO in this Agreement or in any certificate or other document at any time delivered hereunder to OEFC was incorrect or misleading in any material respect;

(f) one or more breaches by IESO of its covenants under one or more evidences of indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $25 million, which breaches:

(i) constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist; or

(ii) have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived or rescinded);

(g) IESO, or any Material Subsidiary:

(i) becomes generally not able to pay its debts as they become due;

(ii) admits in writing its inability to pay its debts generally or makes a general assignment for the benefit of its creditors or files a proposal or other scheme of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) institutes or has instituted against it any proceeding seeking:

(A) to adjudicate it a bankrupt or insolvent;

(B) liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy / insolvency / reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors; or

(C) the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets;

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismisssed or unstayed for a period of 30 days, or any remedy sought in any such proceeding (including the entry of order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

(iv) takes any corporate action to authorize any of the actions in Sections 5.1(g)(i) to (iii); or

(h) if there shall be rendered against IESO or any Material Subsidiary a final judgment or judgments for the payment of money in an aggregate amount in excess of $5 million by a court or courts of competent jurisdiction, and IESO or any Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 5.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case OEFC may declare all amounts owing hereunder to be due and payable immediately, by a notice in writing to IESO, and upon any such declaration all such amounts shall become immediately due and payable.

Section 5.3 Suits for Enforcement by OEFC.

If an Event of Default occurs and is continuing, OEFC may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in OEFC by this Agreement or by law.

Section 5.4 OEFC May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of IESO under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property

of IESO, or if any other judicial proceedings relative to IESO, its creditors or its property are pending, OEFC shall be entitled and empowered, by intention in such proceeding or otherwise:

(a) to file and prove a claim for all amounts owing under this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of OEFC (including any claim for fees and disbursements of OEFC, its agents and counsel as contemplated under Section 4.7) allowed in such judicial proceeding; and

(b) to collect and receive any moneys or other property payable or deliverable on any such claim.

Section 5.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to OEFC is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.6 Delay or Omission not Waiver.

No delay or omission of OEFC to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right or remedy given by this Article 5 or by law to OEFC may be exercised from time to time, and as often as may be deemed expedient, by OEFC.

ARTICLE 6

CONSOLIDATION, AMALGAMATION, MERGER OF IESO

Section 6.1 Certain Requirements in Respect of Merger, etc.

IESO may not and may not cause any Material Subsidiary, in a single transaction or a series of related transactions, amalgamate or consolidate with or merge into any other Person, or permit any other Person to amalgamate or consolidate with or merge into IESO or the Material Subsidiary, or directly or indirectly transfer, sell, lease or otherwise dispose of all or substantially all of its property or assets (a "Disposition") to any Person without the written consent of OEFC.

Section 6.2 Successor Substituted.

Upon any consolidation, amalgamation, merger or Disposition described in, and complying with the provisions of, Section 6.1 in which IESO is not the continuing corporation, the successor Person shall succeed to all of the rights and obligations of IESO under this Agreement, and from time to time may exercise every right and power of IESO under this Agreement.

ARTICLE 7
REPRESENTATIONS AND WARRANTIES OF IESO

Section 7.1 Representations and Warranties of IESO.

IESO represents and warrants to OEFC that:

(a) the borrowing of money (including principal and accrued interest) by IESO and the execution, delivery and performance of this Agreement are within the powers and capacities of IESO and have been duly authorized by all necessary legal action and proper proceedings;

(b) the execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the compliance with the terms and conditions of this Agreement will not conflict with or result in a breach of any of the terms or provisions of the constituting documents or by-laws of IESO, laws of Ontario, including laws of Canada applicable therein, applicable to IESO or any contractual or other obligation binding on IESO; and

(c) this Agreement will, when executed and delivered, constitute the legal, valid and binding obligation of IESO enforceable against it in accordance with its terms.

Section 7.2 Continuation of Representation and Warranties.

The representations and warranties set out in Section 7.1 herein shall survive the execution and delivery of this Agreement, the making of each advance by OEFC, notwithstanding any investigations or examinations which may be made by counsel for OEFC.

ARTICLE 8

GENERAL

Section 8.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy or other means of electronic communication addressed:

If to IESO, to it at:
Independent Electricity System Operator
655 Bay Street, Suite 410
Toronto, ON M5G 2K4
Attention: Chief Financial Officer
Telephone:
Telecopier:

If to OEFC, to it at:

Ontario Electricity Financial Corporation
c/o Ontario Financing Authority
1 Dundas Street West
Suite 1400
Toronto, ON M7A IY7

Attention: Executive Director - Capital Markets Division
Telephone: (416) 325-8930
Telecopier: (416) 325-8111

provided that any Borrowing Notice shall be addressed as indicated on Schedule 1.

Any communication hereunder shall be deemed to have been validly and effectively given if (a) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p. m (Toronto time), otherwise on the next Business Day, (b) transmitted by telecopier other means of electronic communication, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice given in accordance with this Section 8.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 8.1.

Section 8.2 Successors and Assigns.

This Agreement shall be binding on and enure to the benefit of OEFC and IESO and their respective successors and permitted assigns, except that IESO shall not, without the prior written consent of OEFC assign, pledge or hypothecate any rights or obligations with respect to this Agreement.

Section 8.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of OEFC and IESO.

Section 8.4 Waiver.

(1) No waiver of any provisions of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) or this Agreement nor shall such waiver be binding unless executed in writing by the party to be bound by the waiver.

(2) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude another or further exercise of such right or the exercise of any other right.

Section 8.5 Further Assurances.

Each of IESO and OEFC shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement.

Section 8.6 Severability.

In case any provision in this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement shall not in any way be affected or impaired thereby.

Section 8.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 8.8 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF the parties have executed this Agreement as of the 23rd day of April, 2010.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Ted Leonard
Vice President, Finance and Chief Financial Officer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: ~~Michael D. Manning~~ DAVID PETERS
Title: ~~Chief Operating Officer~~ DIRECTOR, DEBT MANAGEMENT
CAPITAL MARKETS DIVISION
ONTARIO FINANCING AUTHORITY

SCHEDULE 1

FORM OF BORROWING NOTICE

Date:

Ontario Electricity Financial Corporation **("OEFC")**
c/o Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A1Y7

Attention: Cash Management
(Fax No. (416-204-7920)

Dear Sirs:

The undersigned, Independent Electricity System Operator ("IESO"), refer to the Revolving Credit Facility Agreement dated •, 2010 (as amended, supplemented or restated from time to time, the **"Agreement"**, the terms defined therein being used herein as therein defined) between IESO and OEFC, and gives you notice pursuant to Section 3.2 of the Agreement that IESO requests an Advance under the Agreement, and, in that connection, sets forth below the information relating to such Advance (the **"Proposed Advance"**) as required by Section 3.2 of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is •;
(b) The aggregate amount of the Proposed Advance is •;

IESO hereby certifies that:

The representations and warranties of IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received previously as Advances under the Agreement have been expended or are being held solely for the purpose for which they were advanced; no part of said funds has been nor any part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Authorized Signature

Per: _____
Authorized Signature

*To be confirmed by telephone call to OEFC Cash Management (416) 325-8108

SCHEDULE 2

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $60,000,000 Date: •

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("**IESO**"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid (**"Grid"**) attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement (as defined below).

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before April 30, 2013.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Revolving Credit Facility Agreement dated as of April 30, 2010 between IESO and OEFC (the "**Agreement**"). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Credit Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment, demand, protest, notice of dishonest and notice of

non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Authorized Signature

Per: _____
Authorized Signature

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID
(Revolving Credit Facility April 30, 2010)

DATE	PRINCIPAL ADVANCED	INTEREST RATE	INTEREST RESET DATE	INTEREST RESET RATE	PRINCIPAL PAYMENT DATE AND AMOUNT	INTEREST PAYMENT DATE AND AMOUNT	UNPAID PRINCIPAL BALANCE	NOTATION MADE BY

AMENDING AGREEMENT NO. 6

This Amending Agreement is effective as of the 30 day of April, 2017.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011, Amending Agreement No. 3 dated April 30, 2013, Amending Agreement No. 4 dated April 30, 2014 and Amending Agreement No. 5 dated December 19, 2014 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $95 million.

AND WHEREAS IESO and OEFC wish to amend the Agreement to increase the revolving line of credit from a principal amount of CDN $95 million to a principal amount of up to CDN $160 million to provide funding for IESO Corporate Requirements (as defined herein);

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for an extension of the mandatory repayment date established in the Agreement to June 30, 2020;

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for the ability for Advances to be made on any business day up to a maximum of 12 times per year;

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. Section 1.1 Definitions of the Agreement is amended as follows:

   i) The definition of "Amalgamation" is deleted.

   ii) The definition of "Commitment" is deleted and replaced with:

   "Commitment" means, at any time, an amount equal to the principal amount of One Hundred and Sixty Million Dollars.

   iii) A definition of "IESO Corporate Requirements" is added as follows:

   "IESO Corporate Requirements" means any borrowing purposes authorized by O. Reg. 280/14 made under the *Electricity Act, 1998* (as such regulation may be amended or

replaced from time to time), other than for funding liquidity requirements relating to the settlement of the Ontario wholesale electricity markets.

iv) A definition of "Ontario's Fair Hydro Plan" is added as follows:

"Ontario's Fair Hydro Plan" means the plan announced March 2, 2017 by the Government of Ontario to affect the Ontario Energy Board's setting of electricity prices for certain Ontario consumers of electricity, which plan is referred to in the Ontario Energy Board's report dated April 20, 2017 and titled "Regulated Price Plan Price Report – May 1, 2017 to April 30, 2018", and including all relevant developments in or changes to such plan from time to time.

v) The definition of "New IESO" is deleted.

vi) The definition of "Note" is deleted and replaced with:

"Note" means the $160 Million Note issued pursuant to Section 2 of Amending Agreement No. 6 dated as of the 30th day of April, 2017.

vii) The definition of "OPA" is deleted.

viii) The definition of "Pre-Amalgamation IESO" is deleted.

2. IESO shall execute and deliver to OEFC a grid promissory note in the form attached as Schedule I hereto which shall be in an aggregate principal amount of up to One Hundred and Sixty Million Dollars (the "$160 Million Note") dated April 30, 2017 and on which shall be recorded the Advances Outstanding under the grid promissory note delivered pursuant to Amending Agreement No. 4. Upon receipt by OEFC of the $160 Million Note dated April 30, 2017, the $95 Million Note dated April 30, 2014 shall be of no further force and effect and shall be returned to the IESO marked "cancelled".

3. Section 2.3 of the Agreement is deleted and replaced by the following:

Section 2.3 Use of Proceeds

IESO shall use the proceeds of Advances for the funding of IESO Corporate Requirements.

4. Section 2.4 of the Agreement is deleted and replaced by the following:

Section 2.4 Mandatory Repayment.

Subject to Sections 3.5 and 5.2 of this Agreement, IESO shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, in full on or before June 30, 2020.

5. Section 3.1 of the Agreement is deleted and replaced by the following:

Section 3.1 Advances.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO under the Credit Facility on any Business Day in a month up to twelve (12) times per annum from and including May 1, 2017 to and including May 29, 2020

6. Paragraph 3.6(c) of the Agreement is deleted and replaced by the following:
   (c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO, provided however that any adverse change in IESO's financial condition related to or resulting from the discharge by IESO of its responsibilities under Ontario's Fair Hydro Plan shall be deemed not to be a material adverse change for the purposes of this Section; and

7. The Form of Borrowing Notice is deleted and replaced with the Form of Borrowing Notice attached hereto as Schedule 1.

8. This Amending Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

SCHEDULE 1

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $160,000,000 Date: 30 April, 2017

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("**IESO**"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid **("Grid")** attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No. 1 dated July 21, 2010, by Amending Agreement No. 2 dated October 14, 2011, by Amending Agreement No. 3 dated April 30, 2013, by Amending Agreement No. 4 dated April 30, 2014, by Amending Agreement No. 5 dated December 19, 2014, and by Amending Agreement No. 6 dated April 30, 2017 (collectively the "Agreement").

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before June 30, 2020.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance or part of an Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be p*rima facie* evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Agreement. All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment, demand, protest, notice of dishonour and notice

of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

(Revolving Credit Facility April 30, 2017)

DATE	PRINCIPAL ADVANCED	RATE	REPAYMENT DATE	INTEREST AMOUNT	AMOUNT OF PAYMENT		UNPAID BALANCE			NOTATION MADE BY
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	REFINANCED (AMOUNT & DATE)	

INDEPENDENT ELECTRICITY MARKET OPERATOR

as Issuer

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION

as Holder

AGREEMENT
PROVIDING FOR ISSUANCE OF A NOTE

April 1, 1999

TABLE OF CONTENTS

ARTICLE 1
DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1	Definitions	1
Section 1.2	Effect of Headings and Table of Contents	8
Section 1.3	Singular, Plural, Gender, Certain Phrases, etc	8
Section 1.4	Accounting	8
Section 1.5	Non-Business Days	8

ARTICLE 2
THE NOTE

Section 2.1	Issue of Note	8
Section 2.2	Terms of the Note	8
Section 2.3	Interest	9
Section 2.4	Prepayment	9
Section 2.5	Public Debt Covenants	10
Section 2.6	Payment	11

ARTICLE 3
COVENANTS OF THE COMPANY

Section 3.1	Payment of the Note	11
Section 3.2	Company will Maintain its Corporate Existence	11
Section 3.3	Maintenance of Properties	11
Section 3.4	Insurance	12
Section 3.5	Conduct of Business	12
Section 3.6	Financial Statements	12
Section 3.7	Other Indebtedness	12
Section 3.8	Negative Pledge	12
Section 3.9	Payment of OEFC's Expenses	13

ARTICLE 4
EVENTS OF DEFAULT AND REMEDIES

Section 4.1	Event of Default	14
Section 4.2	Acceleration of Maturity; Rescission and Annulment	15
Section 4.3	Suits for Enforcement by OEFC	16
Section 4.4	OEFC May File Proof of Claim	16
Section 4.5	Rights and Remedies Cumulative	16
Section 4.6	Delay or Omission not Waiver	16

ARTICLE 5
CONSOLIDATION, AMALGAMATION, MERGER OF COMPANY

Section 5.1 Certain Requirements in Respect of Merger, etc. 17
Section 5.2 Successor Substituted. 18

ARTICLE 6
GENERAL

Section 6.1 Notices. 18
Section 6.2 Successors and Assigns. 19
Section 6.3 Amendments. 19
Section 6.4 Waiver. 19
Section 6.5 Further Assurances. 19
Section 6.6 Severability. 19
Section 6.7 Governing Law. 20
Section 6.8 Counterparts. 20

Schedule 2.2(1) – Form of Note

THIS AGREEMENT is made on the 1st day of April, 1999 between:

A. **INDEPENDENT ELECTRICITY MARKET OPERATOR** (the "**Company**")

B. **ONTARIO ELECTRICITY FINANCIAL CORPORATION** ("**OEFC**").

RECITALS:

1. Pursuant to section 116 of the *Electricity Act, 1998*, the Lieutenant Governor in Council has made an order (the "**Transfer Order**") transferring certain officers, employees, assets, liabilities, rights and obligations of Ontario Hydro to the Company;

2. Pursuant to the Transfer Order, the Company is required to issue certain debt securities to Ontario Hydro as partial payment for such assets and rights; and

3. On April 1, 1999, Ontario Hydro is continued as OEFC.

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the parties agree as follows:

ARTICLE 1
DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"**Agreement**", "**herein**", "**hereby**", "**hereof**", "**hereunder**" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression "**Article**" or "**Section**" followed by a number means the specified Article or Section of this Agreement.

"**Business Day**" means any day other than a Saturday, Sunday or a statutory or civic holiday in Toronto, Ontario.

"**Canadian Dollars**" or "**$**" means lawful currency of Canada.

"**Canadian Prime Rate**" means, at any time, the greater of (i) the average of the rates of interest per annum equal to the per annum rate of interest quoted, published and commonly known as the "prime rate" of each of the Reference

Lenders which each of the Reference Lenders establishes at its main office in Toronto, Ontario as the reference rate of interest in order to determine interest rates for loans in Canadian Dollars to its borrowers in Canada, adjusted automatically with each quoted or published change in such rate, and (ii) the sum of (y) the average of the rates per annum for Canadian Dollar bankers' acceptances having a term of one month that appears on the Reuters CDOR Page as of 10:00 a.m. (Toronto time) on the date of determination, as reported by OEFC (and if such screen is not available, any successor or similar service as may be selected by OEFC), and (z) 0.50%.

"**Capital Stock**" of any Person means any and all shares, or interests, participations or other equivalents (however designated) of shares, in the capital of such Person.

"**Company**" means the Independent Electricity Market Operator, a corporation existing under the laws of the Province of Ontario, until a successor corporation shall have succeeded to all of the rights and obligations of the Independent Electricity Market Operator pursuant to Section 5.1 and thereafter "**Company**" shall mean such successor corporation (or any successor thereto which shall have become such pursuant to Section 5.1).

"**Consolidated Assets**" means, at any time, the book value of the assets of the Company and the Subsidiaries, determined as of such time on a consolidated basis in accordance with generally accepted accounting principles.

"**default**" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"**disposition**" has the meaning specified in Section 5.1.

"**Event of Default**" has the meaning specified in Section 4.1.

"**Indebtedness**" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) Every obligation of such Person for borrowed money;

(b) Every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments, including obligations for borrowed money incurred in connection with the acquisition of property, assets or businesses;

(c) Every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) Every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) Every capital lease obligation of such Person;

(f) The Swap Termination Value of each Swap Contract of such Person; and

(g) Every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"**Lien**" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"**Material Subsidiary**" means, at any time, a Subsidiary which has consolidated assets with a book value of more than $25 million determined as of such time in accordance with generally accepted accounting principles.

"**Note**" means the note of the Company issued under this Agreement.

"**Ontario Yield Price**" means, with respect to the Note or part thereof to be prepaid pursuant to Section 2.4, a price equal to the price of the Note or part thereof to be so prepaid calculated to provide a yield to maturity, compounded semi-annually and calculated in accordance with generally accepted financial practice, equal to the Province of Ontario Yield on the Business Day preceding the date on which such prepayment is to be made by the Company to OEFC in accordance with Section 2.4.

"**Permitted Liens**" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) Any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) Any obligations or duties, affecting the property of the Company or a Subsidiary, to any municipality or governmental, statutory or public

authority, with respect to any franchise, grant, licence or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by the Company or such Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by the Company or such Subsidiary;

(d) Any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) The right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) Any undetermined or inchoate Liens and charges incidental to the current operations of the Company or a Subsidiary that have not at the time been filed against the Company or such Subsidiary; provided, however, that if any such Lien or charge shall have been filed, the Company or such Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) Any Lien the validity of which is being contested at the time by the Company or a Subsidiary in good faith and the enforcement of which has been stayed;

(h) Any easements, rights-of-way and servitudes that in the opinion of the Company will not in the aggregate materially and adversely impair the use or value of the land concerned for the purpose for which it is held by the Company or a Subsidiary;

(i) Any Liens and privileges arising out of judgments or awards with respect to which the Company or a Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall

have secured a stay of execution pending such appeal or proceedings for review;

(j) pledges of cash or cash equivalents to secure the Company's or a Subsidiary's liabilities from time to time under Permitted Swap Contracts; and

(k) Any other Liens of a nature similar to the foregoing which do not in the opinion of the Company, acting reasonably, materially impair the use of the property subject thereto or the operation of the business of the Company or any Subsidiary or the value of such property for the purpose of any such business.

"**Permitted Swap Contract**" means a Swap Contract to which the Company or a Subsidiary is a party, provided that:

(a) The Company or such Subsidiary enters into such Swap Contract in the ordinary course of business for the purpose of directly mitigating risks associated with fluctuations in interest rates or currency exchange rates with respect to Indebtedness of the Company or such Subsidiary and not for the purposes of speculation or taking a "market view";

(b) The notional amount of such Swap Contract does not exceed the payments due with respect to the Indebtedness being hedged thereby;

(c) Such Swap Contract does not contain any "walk-away" provision exonerating the non-defaulting party from its obligation to make payments on any outstanding transaction to the defaulting party; and

(d) Such Swap Contract is in a form approved by the International Swaps & Derivatives Association, Inc. at the time such Swap Contract is entered into or in such other form as shall be customary at such time for the documentation, in accordance with good market practise by regulated financial institutions carrying on business in Canada, of obligations similar to the obligations documented in such Swap Contract.

"**Person**" means any individual, corporation, partnership, joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"**Province of Ontario Yield**" means, with respect to the Note or part thereof to be prepaid pursuant to Section 2.4, the average of the quotations obtained by the Company from two major Canadian investment dealers selected by OEFC, as to the yield to maturity on the Business Day preceding the date on

which such prepayment is to be made by the Company to OEFC in accordance with Section 2.4, compounded semi-annually and calculated in accordance with generally accepted financial practice, which a non-callable Government of Ontario bond would carry if issued in Canadian Dollars in Canada at 100% of its principal amount on such date with a term to maturity approximately equal to the remaining term to maturity, calculated as at the applicable prepayment date, of the Note.

"**Purchase Money Mortgage**" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or part of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"**Reference Lenders**" means, collectively, any two major financial institutions in Canada who, in the ordinary course of business, provide loans in Canadian Dollars to borrowers in Canada, as selected from time to time by OEFC and, in the singular, any one of them.

"**Reuters CDOR Page**" means the display page so designated on the Reuters Monitor Money Rates Service (or such other page as may replace that page on that service for the purpose of displaying rates for Canadian Dollar bankers' acceptances).

"**Senior Debt**" means all Indebtedness of the Company, including the Note, which is not subordinated in right of payment to any other Indebtedness of the Company.

"**Stated Maturity**" when used with respect to any Indebtedness or any instalment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such instalment of interest is due and payable.

"**Subsidiary**" means:

(a) A corporation more than 50% of the voting power of the outstanding Voting Shares of which is owned, directly or indirectly, by the Company or by one or more other Subsidiaries or by the Company and one or more other Subsidiaries, or

(b) Any Person (other than a corporation) in which the Company, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

"Successor Person" has the meaning specified in Section 5.1.

"Swap Contract" means any agreement, whether or not in writing, relating to any transaction that is a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction, currency swap, cross-currency rate swap, swaption, currency option or any other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.

"Swap Termination Value" means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap Contracts:

(a) For any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and

(b) For any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.

"U.S. Dollars" means lawful currency of the United States of America.

"Voting Shares" of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings and Table of Contents.

The division of this Agreement into Articles and Sections, the insertion of headings and the provision of a Table of Contents are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and *vice versa* and words importing gender may include any gender. In this Agreement and the Note, (i) the words **"including"** and **"includes"** mean **"including (or includes) without limitation"**, and (ii) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word **"from"** means **"from and including"** and the words **"to"** and **"until"** each mean **"to but excluding"**.

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with generally accepted accounting principles. Generally accepted accounting principles refer to accounting principles generally accepted in Canada as recommended in the Handbook of the Canadian Institute of Chartered Accountants at the relevant time applied on a consistent basis.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the next succeeding Business Day.

ARTICLE 2
THE NOTE

Section 2.1 Issue of Note.

In consideration of the transfer of certain officers, employees, assets and rights of OEFC to the Company pursuant to the Transfer Order and as partial payment for such assets and rights, the Company issues and delivers the Note to OEFC.

Section 2.2 Terms of the Note.

(1) The Note shall be in substantially the form set out in Schedule 2.2(1), shall be in the aggregate principal amount of $70.3 million, shall be dated as of the

date of this Agreement, shall mature on May 1, 2009, and shall bear interest at the rate of 7.90% per annum (after as well as before default or judgment, with interest on the amounts in default at the same rate).

(2) The Note shall at all times rank pari passu with all other Senior Debt, except Senior Debt that is statutorily preferred and Senior Debt that is secured by a Lien referred to in Sections 3.8(a) to 3.8(f), inclusive.

(3) Interest shall be payable on the Note in accordance with Section 2.3.

(4) The Company may prepay all or part of the Note in accordance with Section 2.4.

(5) All amounts owing in respect of the Note shall be paid without exercising any right of set off or counterclaim by the Company irrespective of whether or not, at the time any such amount is due and payable, amounts are due and payable by OEFC to the Company.

Section 2.3 Interest.

Interest on the Note at the rate specified in Section 2.2(1) shall accrue daily, and shall be payable in equal semi-annual instalments on May 1 and November 1 in each year, the first such payment for the Note to be made for the period from the date of this Agreement to May 1, 1999 and, whenever it is necessary to compute interest in respect of the Note for a period of less than one full year, other than such equal semi-annual instalments, such interest shall be calculated on the basis of the actual number of days elapsed in a year of 365 days or 366 days, as the case may be.

Section 2.4 Prepayment.

(1) If the Company has, upon the number of days notice to OEFC determined in accordance with Section 2.4(2), delivered a notice to OEFC stating the proposed date and the Note or part thereof that the Company wishes to prepay, on such date the Company shall pay to OEFC the greater of:

(a) The principal amount of the Note or part thereof that is to be prepaid, as the case may be; and

(b) The Ontario Yield Price for the Note or such part;

together in each case with all interest accrued on the Note or such part to such date or, if the Company and OEFC agree, such amount as they agree upon.

(2) The Company may, at any time and from time to time, prepay all or part of the Note upon giving OEFC not less than 30 days' prior written notice of such prepayment.

Section 2.5 Public Debt Covenants.

(1) If the Company issues notes, bonds, debentures or other evidences of Senior Debt to the public with a term to maturity of at least 5 years and in an aggregate principal amount of at least 100 million in Canadian Dollars or at least 100 million in U.S. Dollars pursuant to a trust indenture, the Company shall, within 3 Business Days of the first such issuance, give OEFC notice of such issuance and a copy of such trust indenture. Effective upon such issuance, the representations and warranties, the positive and negative covenants of the Company (including any financial covenants but excluding covenants relating to interest rates, interest payment dates, maturity dates of principal, prepayments and manner and place of payments) and the events of default applicable to such Senior Debt as specified in such trust indenture shall automatically become applicable to the Note in lieu of the representations and warranties, covenants or Events of Default, as the case may be, included herein as if the same had been originally included in this Agreement when executed and delivered and this Agreement shall be deemed to be amended as of the date such Senior Debt is issued to the extent necessary to incorporate such representations and warranties, covenants and events of default into this Agreement. The Company, at the request of OEFC, shall promptly execute and deliver an agreement which sets out the terms and provisions of this Agreement, as so amended.

(2) If, at any time or from time to time, the representations or warranties, the positive or negative covenants (including any financial covenants but excluding covenants relating to interest rates, interest payment dates, maturity dates of principal, prepayments and manner and place of payments) or the events of default applicable to the Senior Debt referred to in Section 2.5(1) are amended, modified or restated, the Company shall, within 3 Business Days of such amendment, modification or restatement, give OEFC notice thereof and a copy of the agreement amending or modifying the trust indenture referred to in Section 2.5(1) or a copy of the restatement of such trust indenture, as the case may be. OEFC may, upon notice to the Company given at any time within 90 days of receipt by OEFC of a copy of such agreement or such restatement, elect to have such amendment, modification or restatement apply to the Note and this Agreement (as amended pursuant to Section 2.5(1)). If OEFC so elects, such amendment, modification or restatement shall become applicable to the Note and this Agreement (as so amended) as of the date of such election, as if such amendment, modification or restatement amended, modified or restated this Agreement (as so amended) as of such date and this Agreement shall be deemed to be amended, modified or restated as of such date to the extent necessary to incorporate such representations and warranties, positive and negative covenants (including any financial covenants but excluding covenants

relating to interest rates, interest payment dates, maturity dates of principal, prepayments and manner and place of payments) and events of default. The Company, at the request of OEFC, shall promptly execute and deliver an agreement which sets out the terms of this Agreement, as amended pursuant to Section 2.5(1) and as further amended, modified or restated pursuant to this Section 2.5(2).

Section 2.6 Payment.

All amounts required to be paid by the Company to OEFC pursuant to this Agreement shall be paid to or to the order of OEFC by electronic wire transfer of immediately available funds in accordance with transfer instructions given by OEFC to the Company from time to time, or in any such other manner as OEFC may specify to the Company from time to time.

ARTICLE 3
COVENANTS OF THE COMPANY

Section 3.1 Payment of the Note.

The Company will duly and punctually pay or cause to be paid all amounts owing in respect of the Note or under this Agreement in accordance with the terms and subject to the conditions of the Note and this Agreement.

Section 3.2 Company will Maintain its Corporate Existence.

Subject to Section 5.1, the Company will at all times maintain its corporate existence.

Section 3.3 Maintenance of Properties.

The Company will cause all property owned by the Company or any Subsidiary to be maintained and kept in good condition, repair and working order, all as in the judgment of the Company or any Subsidiary may be necessary for the proper operation of such property, except as and to the extent that the Company or any Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 3.3 shall prevent the Company or any Subsidiary from discontinuing the maintenance of any such property if such discontinuance is, in the judgment of the Company or any Subsidiary, desirable in the conduct of its business or the business of any such Subsidiary.

Section 3.4 Insurance.

The Company will cause all property owned by the Company or any Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the nature and to the extent that such property is usually insured by companies operating similar businesses.

Section 3.5 Conduct of Business.

The Company will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in a proper, efficient and business-like manner and in accordance with good business practice.

Section 3.6 Financial Statements.

The Company will furnish to OEFC:

(a) Within 140 days after the end of each fiscal year, beginning with the fiscal year ended December 31, 1999, audited financial statements of the Company consisting of a consolidated balance sheet of the Company at the end of each such fiscal year and related consolidated statements of income and retained earnings and, commencing with the financial statements relating to the fiscal year of the Company commencing January 1, 2000, changes in financial position for each such fiscal year prepared in accordance with generally accepted accounting principles; and

(b) Within 60 days after the end of each of the first three fiscal quarters of each fiscal year of the Company, unaudited interim consolidated financial statements of the Company for the interim period so ended prepared in accordance with generally accepted accounting principles.

Section 3.7 Other Indebtedness.

The Company covenants that if it shall cause any payment of principal, premium or interest on any of its Indebtedness to be subordinated or postponed to the prior payment of any other Indebtedness it shall in like manner subordinate or postpone such payment to the prior payment of the Note.

Section 3.8 Negative Pledge.

The Company will not, and will not permit any Subsidiary to, create, incur or assume any Lien, charging the interest of the Company or any Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, the Note is secured equally

and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) The creation, incurrence or assumption of any Purchase Money Mortgage;

(b) The grant of any Lien in the normal course of business to any banks or financial institutions for present or future Indebtedness of the Company or any Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) Liens granted by a Subsidiary to the Company;

(e) Any extension, renewal or replacement of any of the Liens referred to in Sections 3.8(a) to (d), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased.; and

(f) Any Lien charging the interest of the Company or any Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 3.8(a) to (d), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 3.8(f) which is outstanding at such time does not exceed 25% of Consolidated Assets at such time.

Section 3.9 Payment of OEFC's Expenses

The Company will, on demand, reimburse OEFC for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OEFC in connection with the preservation of rights under or enforcement of this Agreement at any time during the continuance of a default or Event of Default. All such costs, charges and expenses shall bear interest at the Canadian Prime Rate, payable monthly in arrears from the third Business Day after demand for reimbursement thereof is made by OEFC.

ARTICLE 4
EVENTS OF DEFAULT AND REMEDIES

Section 4.1 Event of Default.

"**Event of Default**", wherever used herein, means any one of the following events:

(a) Failure to pay any interest upon the Note when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) Failure to pay the principal of the Note at its Stated Maturity;

(c) Failure on the part of the Company to observe or perform its obligations set forth in Section 5.1;

(d) Failure on the part of the Company to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 30 days after the date on which written notice of such failure shall have been given to the Company by OEFC;

(e) One or more breaches by the Company or any Subsidiary of its covenants under one or more evidences of Indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $25 million, which breaches:

(i) Constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist, or

(ii) Have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived or rescinded);

(f) The Company or any Material Subsidiary:

(i) Becomes generally not able to pay its debts as they become due;

(ii) Admits in writing its inability to pay its debts generally or makes a general assignment for the benefit of its creditors or files a proposal or other scheme of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) Institutes or has instituted against it any proceeding seeking:

(A) To adjudicate it a bankrupt or insolvent,

(B) Liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors, or

(C) The entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets,

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismissed or unstayed for a period of 30 days, or any of the actions sought in such proceeding (including the entry of an order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

(iv) Takes any corporate action to authorize any of the actions in Sections 4.1(f)(i), (ii) or (iii); or

(g) If there shall be rendered against the Company or any Material Subsidiary a final judgment or judgments for the payment of money in an aggregate amount in excess of $25 million by a court or courts of competent jurisdiction, and the Company or such Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 4.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case OEFC may declare all amounts owing on the Note and all other amounts owing hereunder to be due and payable immediately, by a notice in writing to the Company, and upon any such declaration all such amounts shall become immediately due and payable.

Section 4.3 Suits for Enforcement by OEFC.

If an Event of Default occurs and is continuing, OEFC may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in OEFC by this Agreement or by law.

Section 4.4 OEFC May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of the Company under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property of the Company, or if any other judicial proceedings relative to the Company, its creditors or its property are pending, OEFC (irrespective of whether the principal amount of the Note shall then be due and payable as therein expressed or by declaration or otherwise and irrespective of whether OEFC shall have made any demand on the Company for the payment of any overdue principal or interest) shall be entitled and empowered, by intervention in such proceeding or otherwise:

(a) To file and prove a claim for all amounts owing on the Note or under this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of OEFC (including any claim for fees and disbursements of OEFC, its agents and counsel) allowed in such judicial proceeding; and

(b) To collect and receive any moneys or other property payable or deliverable on any such claim.

Section 4.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to OEFC is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 4.6 Delay or Omission not Waiver.

No delay or omission of OEFC to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right and remedy given

by this Article 4 or by law to OEFC may be exercised from time to time, and as often as may be deemed expedient, by OEFC.

ARTICLE 5
CONSOLIDATION, AMALGAMATION, MERGER OF COMPANY

Section 5.1 Certain Requirements in Respect of Merger, etc.

The Company may not, in a single transaction or a series of related transactions, amalgamate or consolidate with or merge into any other Person, or permit any other Person to amalgamate or consolidate with or merge into the Company, or directly or indirectly transfer, sell, lease or otherwise dispose of all or substantially all of its property or assets (a "**disposition**") to any Person, but may do so if:

(a) The Company shall be the surviving Person, or the Person (if other than the Company) formed by such amalgamation, consolidation or into which the Company is merged or that acquires by disposition all or substantially all of the properties or assets of the Company shall be a corporation, partnership or trust organized and validly existing under the federal laws of Canada or any province or territory thereof and shall expressly assume, by an agreement executed and delivered to OEFC in form satisfactory to OEFC, all of the Company's obligations under this Agreement and the Note and, in the case of an entity organized other than under the laws of the Province of Ontario, shall attorn to the jurisdiction of the courts of the Province of Ontario (the Company or such other Person who becomes such a successor obligor under this Agreement being herein referred to as the "**Successor Person**");

(b) Immediately before and after giving effect to such transaction, no default or Event of Default shall have occurred and be continuing; and

(c) The Successor Person shall have delivered to OEFC a certificate of the Successor Person and an opinion of counsel, each stating that such amalgamation, consolidation, merger or disposition by the Company, and, if an agreement is required to be entered into by the Successor Person in connection with such transaction pursuant to Section 5.1(a), such agreement, comply with Section 5.1(a) and the certificate of the Successor Person shall also state that all conditions precedent in this Section 5.1 relating to such transaction have been satisfied.

Section 5.2 Successor Substituted.

Upon any consolidation, amalgamation, merger or disposition described in, and complying with the provisions of, Section 5.1 in which the Company is not the continuing corporation, the Successor Person shall succeed to all of the rights and obligations of the Company under this Agreement and the Note, and from time to time may exercise every right and power of the Company under this Agreement and the Note.

ARTICLE 6
GENERAL

Section 6.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy addressed:

If to the Company, to it at:

Independent Electricity Market Operator
P.O. Box 1
Suite 410
655 Bay Street
Toronto, Ontario
M5G 2K4

Attention: Douglas Thomas, CA, Treasurer
Telephone: (416) 506-2818
Telecopier: (416) 506-2843

If to OEFC, to it at:

Ontario Electricity Financial Corporation
c/o Ontario Financing Authority
1 Dundas Street West
Suite 1400
Toronto, Ontario
M3A 1Y7

Attention: Executive Director - Capital Markets Division
Telephone: (416) 325-8128
Telecopier: (416) 325-8005

Any such communication shall be deemed to have been validly and effectively given if (i) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p.m. (Toronto time), otherwise on the next Business Day, (ii) transmitted by telecopier, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice given in accordance with this Section 6.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 6.1.

Section 6.2 Successors and Assigns.

Subject to Section 5.1, the Company cannot assign or transfer this Agreement or the Note or any of its rights or obligations under this Agreement or the Note without the prior written consent of OEFC. OEFC cannot assign or transfer this Agreement or the Note or any of its rights or obligations under this Agreement or the Note without the prior written consent of the Company.

Section 6.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of OEFC and the Company.

Section 6.4 Waiver.

(3) No waiver of any provision of the Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) of this Agreement nor shall such waiver be binding unless executed in writing by the party to be bound by the waiver.

(4) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude any other or further exercise of such right or the exercise of any other right.

Section 6.5 Further Assurances.

Each of the Company and OEFC shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement.

Section 6.6 Severability.

In case any provision in this Agreement or in the Note shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement or in the Note shall not in any way be affected or impaired thereby.

Section 6.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 6.8 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF the parties have executed this Agreement.

INDEPENDENT ELECTRICITY MARKET OPERATOR

By: Douglas J. Thomas

By: _____

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By: _____

By: _____

AMENDING AGREEMENT NO. 6

This Amending Agreement is made as of the 30th day of April, 2017

between:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR
("IESO")

- and -

ONTARIO ELECTRICITY FINANCIAL CORPORATION
("OEFC")

WHEREAS IESO and OEFC have entered into an agreement Providing for the Issuance of a Note dated April 1, 1999 (the "Original Agreement");

AND WHEREAS pursuant to amending agreements dated March 23, 2000, April 23, 2009, May 1, 2011, May 1, 2013, and April 30, 2014 the parties amended the Original Agreement (as so amended, the "Agreement");

AND WHEREAS the parties wish to further amend the Agreement to increase the loan advanced to IESO from a principal amount of C$90 million to a principal amount of up to C$120 million and to extend the maturity date of the loan to June 30, 2020, all of which is to be evidenced through the the issuance of a Fifth Refinancing Note.

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and sufficiency of which are hereby acknowledged by each party), the parties agree as follows:

1. **Defined Terms**

Capitalized terms used in this Amending Agreement and not otherwise defined herein have the meanings specified in the Agreement.

2. **Amendments to Agreement**

(a) Definition of "Loan" in the Agreement is deleted.

(b) Article 1a (The Loan) of the Agreement is deleted in its entirety and replaced with the following:

Article 1a $30 Million Advance

Section 1a.1

Effective April 30, 2017, OEFC will make an advance to IESO in the amount of $30 million (the "$30 Million Advance"). IESO directs OEFC to apply, and OEFC agrees to apply, the $30 Million Advance, first to repay Advances Outstanding (as such term is defined in the Revolving Credit Facility Agreement), if any, under the Revolving Credit Facility Agreement, with any amount remaining out of the $30 Million Advance after repaying all Advances Outstanding to be used by IESO for the purpose of funding new IESO capital expenditures.

(c) The following sections are added to the Agreement following Section 2.15:

" Section 2.16 Fifth Refinancing Note

On April 30, 2017, IESO shall execute and deliver to OEFC a promissory note in the form attached as Schedule 1 (the "Fifth Refinancing Note") which shall be in an aggregate principal amount equal to $120 million, dated as of April 30, 2017 and maturing on June 30, 2020 and bearing interest at a per annum rate equal to the Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020, as determined by the Chief Executive Officer of OEFC or the Chief Operating Officer of OEFC, or by a person designated by either of them, plus fifty basis points (0.50%) (after as well as before default or judgment, with interest on the amounts in default at the same rate). Upon receipt of the Fifth Refinancing Note by OEFC, the Fourth Refinancing Note dated April 30, 2014 shall be of no further force or effect and shall be returned by OEFC to IESO marked "cancelled".

For greater clarity, the Fifth Refinancing Note shall evidence the indebtedness of IESO to OEFC in respect of the principal amount of $90 million under the Fourth Refinancing Note ("Part A") and the additional $30 Million Advance ("Part B"), for a total aggregate principal amount of $120 million.

Notwithstanding Section 1.5 herein, the interest rate on the Fifth Refinancing Note shall be set on Monday, May 1, 2017, with interest accruing on Part A commencing on Sunday, April 30, 2017, and interest accruing on Part B commencing on Monday, May 1, 2017.

Section 2.17 Interest on Fifth Refinancing Note

Notwithstanding Section 1.5 herein, interest on the Fifth Refinancing Note at the rate specified in Section 2.16 shall accrue daily and shall be payable in equal semi-annual instalments on June 30 and December 31(each an "Interest Payment Date"), provided however that the calculation of the amount of the first such interest payment for Part A shall be in respect only of the period from and including April 30, 2017 to but excluding June 30, 2017, and for Part B in respect only of the period from May 1, 2017 to but excluding June 30, 2017.

For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under the Fifth Refinancing Note for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period."

3. **Reference to and Effect on the Agreement.**

On and after this date, each reference in the Agreement to "this Agreement" and each reference to the Agreement in any and all other agreements, documents and instruments delivered by IESO and OEFC shall mean and be a reference to the Agreement as amended by this Amending Agreement. On and after this date, each reference in the Agreement to either "the Note" or "the New Note" and each reference to either "the Note" or "the New Note" in any and all other agreements, documents and instruments delivered by IESO and OEFC shall mean and be a reference to the Fifth Refinancing Note.

4. **Governing Law**

This Amending Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

5. **Counterparts**

This Amending Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.

6. **Enurement**

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

IN ALL OTHER RESPECTS, the Agreement is confirmed by the parties.

IN WITNESS WHEREOF the parties have executed and delivered this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

SCHEDULE 1
FORM OF FIFTH REFINANCING NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

NOTE

Aggregate Principal Amount: $120 million, consisting of: a Part A amount of $90 million ("Part A"), whereon interest accrues commencing on April 30, 2017, and a Part B amount of $30 million ("Part B"), whereon interest accrues commencing on May 1, 2017.

Date: April 30, 2017

Interest Rate: (Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020 + 50 basis points)

Due: June 30, 2020

FOR VALUE RECEIVED, the INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO") existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, PROMISES TO PAY to or to the order of ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC") at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of $120 million in lawful money of Canada, with interest on such amount at the rate, calculated in the manner and payable at the times specified in this Note.

The principal amount of this Note together with all interest accrued thereon shall become due and payable on June 30, 2020.

The principal amount of this Note remaining from time to time unpaid and outstanding shall bear interest from the date of this Note both before and after maturity and both before and after default at the rate per annum equal to the Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020, as determined by the Chief Executive Officer of OEFC or the Chief Operating Officer of OEFC, or by a person designated by either of them, plus fifty basis points (0.50%). Interest at such rate shall accrue daily and shall be payable in arrears in equal semi-annual instalments on June 30 and December 31 (each an "Interest Payment Date") commencing June 30, 2017, provided however that the calculation of the amount of the first such interest payment for Part A shall be in respect only of the period from and including April 30, 2017 to but excluding June 30, 2017, and for Part B in respect only of the period from and including May 1, 2017 to but excluding June 30, 2017.

For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Note for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of an agreement providing for the issuance of a note dated April 1, 1999 between the IESO and OEFC and amended by an amending agreement dated March 23, 2000, an amending agreement dated April 23, 2009, an amending agreement dated May 1, 2011, an amending agreement dated May 1, 2013, an amending agreement dated April 30, 2014, and an amending agreement dated April 30, 2017 (as so amended, the "Agreement"), which Agreement provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

From:	Ryan Blackbyrne
To:	Sarah Harris; Jean-Francois Beaupre
Subject:	FW: IESO / OEFC - $120MM and $160MM
Date:	Thursday, November 09, 2017 11:54:17 AM
Attachments:	$160M revolving credit - Original Agreement - April 23, 2010.pdf $160M revolving credit - Amending Agreement no.6 - April 30, 2017.pdf $120M note - Original Agreement - April 1, 1999 .pdf $120M note - Amending Agreementt no.6 - April 30, 2017.pdf

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Hi Sarah and JF – is it ok to send the below to Gavin? (he requested a response by Noon)

Hi Gavin,

Thank you for the note. After reviewing your note and the attached agreements we had a few comments:

- If it is understood that the OEFC credit facilities are not to be used for OFHP purposes, why do we need to change the language around permitted liens to match the two OFA agreements (which do allow for OFHP related borrowing)?
- If we were to make the recommended changes to the IESO-OEFC agreements would the changes apply to both the $160M and $120M credit facilities? The email I received from Anthony Martinello at IESO earlier in the week (pasted below) suggested that IESO expected amendments to be made to both the IESO-OEFC credit facility agreements. However, after reviewing the attached agreements we noticed that although the $160M and $120M credit facility agreements were amended at the same time (April 30, 2017) the $160M amending agreement made clear references to the Ontario Fair Hydro Plan (and O.Reg 280/14 which was amended to allow for IESO borrowing related to the OFHP) while the $120M amending agreement did not make any references to OFHP at all.

Our concern is that the amendments to O.Reg 280/14 and to the $160M credit facility agreements that were made in the spring of 2017 were made to provide a stop-gap until such time that the $2 billion IESO-OFA credit facility was in place. Now that the $2 billion credit facility that allows for OFHP borrowing is available to IESO, is it still prudent to amend the IESO-OEFC agreements that are not to be used for OFHP purposes, in such a way as to allow for liens arising from IESO's role in OFHP?

Happy to discuss further as always.

Thank You,

Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M7A 1Y7
416-325-8143
ryan.blackbyrne@ofina.on.ca

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Tuesday, November 07, 2017 4:07 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>
Subject: IESO - OEFC Nov 7

Ryan,
As discussed with Will today, I understand you will be co-ordinating the proposed 2 amendments to the existing IESO-OEFC credit facilities.
For starters, there are no expected changes being asked to the existing agreement's key business content (e.g. amounts, dates, interest, notices etc.), rather given that IESO-OFA have just finished two new agreements pertaining to the new fair hydro program, ….I suggest we just copy and paste the salient sections from these agreements that would now be relevant to the OEFC agreements for fair hydro namely;
1.DRAFT
The definition of "Permitted Liens" is amended by deleting the word "and" at the end of subsection (xx); replacing the "." at the end of subsection (xx) and replacing it with "; and" ; and adding the following subsection (xx):
"(xx) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."
2.DRAFT
The OFA agreements had required an intercept provision, …..not sure if the same applies to OEFC if yes:
"Section 5.7 Intercept
(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of November 6th , 2017 herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the Capital Investment Plan Act, 1993 (the "Intercept Letter"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("Appropriated Funds"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("Intercept").
(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.
(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.
(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature

for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.
The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail."
3.
If any… other relevant updates that make sense to do now……I do not anticipate any material ones.
We need your support to expedite the above in order to avoid delays in the Fair Hydro implementation.
Regards.

This e-mail message and any files transmitted with it are intended only for the named recipient(s) above and may contain information that is privileged, confidential and/or exempt from disclosure under applicable law. If you are not the intended recipient(s), any dissemination, distribution or copying of this e-mail message or any files transmitted with it is strictly prohibited. If you have received this message in error, or are not the named recipient(s), please notify the sender immediately and delete this e-mail message.

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From: Gavin He
Sent: Thursday, November 09, 2017 8:29 AM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Hi Lisa, Sarah, and William,
Following my email on Tuesday, EFB has drafted the attached note on the IESO's request on the OEFC credit facility, including the background information, our recommendation, and the rationale. Could you please review the accuracy of the note and would you be able to provide me with your feedback before noon today?
Sorry for the short turnaround time, but we all would like to move on this as soon as possible.
Thanks,
Gavin He

From: Lisa Stein
Sent: Wednesday, November 08, 2017 9:55 AM
To: Gavin He <Gavin.He@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Sarah Neville <Sarah.Neville@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Thanks for the update Gavin.

From: Gavin He
Sent: Tuesday, November 07, 2017 4:02 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>

Cc: William Tan <William.Tan@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Sarah Neville <Sarah.Neville@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Hi Lisa/Sarah H.,

We touched based with IESO and they told us that the OEFC agreements do not contemplate a general grant of security by IESO over its assets as is currently under discussion with the OPG Trust relative to the implementation of the OFHP. The changes required to allow for such a grant would be to amend the permitted liens and negative covenant language in the OEFC agreements so as to make it the same as, or very similar to, the language in the two OFA Agreements that were signed recently.

We will get a policy direction soon and will draft a note for you to review once it's ready.

Regards,

Gavin He

From: Lisa Stein
Sent: Monday, November 06, 2017 9:43 AM
To: John Kim <John.Kim@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Sarah Neville <Sarah.Neville@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

No, I don't think the OFA Lending Policy would apply to these OEFC loans. The OFA Lending Policy addresses lending activities to public bodies undertaken where the OFA is acting as an intermediary on behalf of the Province.

From: John Kim
Sent: Sunday, November 05, 2017 1:55 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>
Subject: Re: IESO / OEFC - $120MM and $160MM

Hi Sarah,

We will look at this but this is oefc so not sure if the same lending policy applies.

John

Sent from my iPhone

On Nov 5, 2017, at 12:06 PM, Sarah Harris <Sarah.Harris@ofina.on.ca> wrote:

> Hi John,
>
> We've received no internal direction on the nature of changes IESO is looking for in relation to existing OEFC credit facility with the IESO and the FHP. I surmise it may have to do with adjusting the agreement to allow FHP permitted liens (which we would need internal approval to do) or similar changes, but do you know if IESO communicated requirements to Gadi or Ron?
>
> Thanks,
>
> Sarah
>
> Sent from my iPhone

Begin forwarded message:

From: Anthony Martinello <Anthony.Martinello@ieso.ca>
Date: November 5, 2017 at 11:02:50 AM EST
To: William Tan <William.Tan@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>, Sarah Harris <Sarah.Harris@ofina.on.ca>, Victor Buza <Victor.Buza@ieso.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Will – unless any concerns, will appreciate if you please begin to draft the two OEFC amendments this week – given that the IESO is targeting to sign the OPG / IESO fair hydro agreement by this month's end,….we need to have the two OEFC's done before this.
Regards.

From: Anthony Martinello
Sent: November 01, 2017 12:56 PM
To: 'William Tan'
Cc: 'Lisa Stein'; 'Sarah Harris'; 'John Kim'; Victor Buza
Subject: IESO / OEFC - $120MM and $160MM

Once we have completed the 2 OFA facilities and the intercept letter – we then have to turn to the 2 outstanding IESO-OEFC credit facilities to contemplate any further amendments too.
Just ensuring that these 2 OEFC facilities are not missed.
Regards.

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INDEPENDENT ELECTRICITY SYSTEM OPERATOR

as Borrower

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION

as Lender

REVOLVING CREDIT FACILITY AGREEMENT

Dated: April 23, 2010

THIS CREDIT FACILITY AGREEMENT is made on the 23rd day of April, 2010

between:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")

RECITAL:

IESO has requested a revolving line of credit from OEFC in the amount of up to Sixty Million Dollars for the purpose of replacing the current IESO revolving line of credit with the Toronto-Dominion Bank which is used for liquidity purposes that may also be used to fund corporate requirements. OEFC has agreed to lend such amount to IESO on the terms and conditions set out herein.

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the parties agree as follows:

ARTICLE 1
DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"Advance Date" has the meaning set forth in Section 3.2.

"Advances" means advances made by OEFC to IESO under Article 3 and **"Advance"** means any one of such advances.

"Advances Outstanding" means, at any time, an amount equal to the aggregate principal amount of all Advances outstanding at such time.

"Agreement", "herein", "hereby", "hereof", "hereunder" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression **"Article"** or **"Section"** followed by a number means the specified Article or Section of this Agreement.

"Borrowing Notice" has the meaning specified in Section 3.2.

"Business Day" means any day other than a Saturday, Sunday or a statutory or civic holiday in Toronto, Ontario.

"Commitment" means, at any time, an amount equal to the principal amount of Sixty Million Dollars.

"Consolidated Assets" means, at any time, the book value of IESO and the Subsidiaries, determined as of such time on a consolidated basis in accordance with generally accepted accounting principles.

"Credit Facility" means the revolving credit facility to be made available to IESO by OEFC under this Agreement for the purposes specified in Section 2.3.

"Default" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"Disposition" has the meaning specified in Section 6.1.

"Dollars" or "$" means lawful currency of Canada.

"Event of Default" has the meaning specified in Section 5.1.

"IESO" means Independent Electricity System Operator, a corporation existing under the laws of the Province of Ontario, until a successor corporation shall have succeeded to all of the rights and obligations of Independent Electricity System Operator pursuant to Section 6.1 and thereafter **"IESO"** shall mean such successor corporation (or any successor thereto which shall have become such pursuant to Section 6.1).

"Indebtedness" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) every obligation of such Person for borrowed money;

(b) every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments;

(c) every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) every capital lease obligation of such Person; and

(f) the Swap Termination Value of each Swap Contract of such Person; and

(g) every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"Interest Payment Date" means with respect to each Advance means the first Business Day of each month.

"Interest Rate" means the Province of Ontario's cost of borrowing for a 30 day term, as determined as of the first Business Day of each month by OEFC, plus 0.25 percent per annum.

"Interest Reset Date" has the meaning specified in section 3.3(2)(i).

"Lien" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"Material Subsidiary" means, at any time, a Subsidiary which, together with its subsidiaries, has consolidated assets with a book value of more than Twenty-Five Million Dollars determined as of such time in accordance with generally accepted accounting principles.

"Note" means the note of IESO issued under this Agreement.

"Permitted Liens" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) any obligations or duties, affecting the property of IESO or a Material Subsidiary, to any municipality or governmental, statutory or public authority, with respect to any franchise, grant, license or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by IESO or such Material Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by IESO or such Material Subsidiary;

(d) any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) the right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) any undetermined or inchoate Liens and charges incidental to the current operations of IESO or a Material Subsidiary that have not at the time been filed against IESO or such Material Subsidiary; provided, however, that if any such Lien or charge shall have been filed, IESO or such Material Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) any Lien the validity of which is being contested at the time by IESO or a Material Subsidiary in good faith and the enforcement of which has been stayed;

(h) any easements, rights-of-way and servitudes that in the opinion of IESO will not in the aggregate materially and adversely impair the use or value of the land for the purpose for which it is held or occupied by IESO or a Material Subsidiary;

(i) any Liens and privileges arising out of judgments or awards with respect to which IESO or a Material Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall have secured a stay of execution pending such appeal or proceedings for review; and

(j) pledges of cash or cash equivalents to secure IESO's or a Material Subsidiary's liabilities from time to time under Swap Contracts and pledges of cash or cash equivalents in an aggregate amount not exceeding $25 million at any time to secure IESO's or a Material Subsidiary's liabilities from time to time under commodity swap, commodity option and commodity future contracts entered into in the ordinary course of business for the purpose of directly mitigating risks associated with fluctuations in prices or availability of commodities purchased or to be purchased by IESO or a Material Subsidiary in the ordinary course of business, and not entered into for the purposes of speculation; and

(k) any other Liens of a nature similar to the foregoing which do not in the opinion of IESO, acting reasonably, materially impair the use of the property subject thereto or the operation of the business of IESO or any Material Subsidiary or the value of such property for the purpose of any such business.

"Person" means any individual, corporation, partnership joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"Purchase Money Mortgage" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or part of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"Stated Maturity" when used with respect to any Indebtedness or any installment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such installment of interest is due and payable.

"Subsidiary" means:

(a) a corporation: (i) more than 50% of the voting power or the outstanding Voting Shares of which is owned, directly or indirectly, by IESO or by one or more other Subsidiaries or by IESO and one or more other Subsidiaries; or (ii) in the case of a non-share capital corporation, that the IESO has the power to appoint a majority of the Board of Directors; or

(b) any Person (other than a corporation) in which IESO, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

"Swap Contract" means any agreement whether or not in writing, relating to any transaction or derivative transaction including a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction currency swap, cross-currency rate swap, swaption, currency option or other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.

"Swap Termination Value" means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap contracts:

(a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and

(b) for any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.

"Voting Shares" of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings and Table of Contents.

The division of this Agreement into Articles and Sections the insertion of headings and the provision of a Table of Contents are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and vice versa and words importing gender may include any gender. In this Agreement, (a) the words **"including"** and **"includes"** mean "including (or includes) without limitation", and (b) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" each mean "to but excluding".

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with generally accepted accounting principles. Generally accepted accounting principles refer to accounting principles generally accepted in Canada as recommended in the Handbook of the Canadian Institute of Chartered Accountants at the relevant time applied on a consistent basis.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the following Business Day.

ARTICLE 2
REVOLVING CREDIT FACILITY

Section 2.1 Availability.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO up to the amount of the Commitment. OEFC shall make each Advance in Canadian Dollars.

Section 2.2 Commitment and Facility Limits.

The Advances Outstanding to IESO under the Credit Facility shall not at any time exceed the Commitment. The Credit Facility shall revolve and no payment under the Credit Facility shall reduce the Commitment.

Section 2.3 Use of Proceeds.

IESO shall use the proceeds of Advances for the following purposes for which it is authorized to borrow funds:

(a) to repay the revolving line of credit with the Toronto Dominion Bank;

(b) for liquidity purposes; and

(c) to fund corporate requirements.

Section 2.4 Mandatory Repayment.

Subject to Sections 3.5 and 5.2, IESO, shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder in full on or before April 30, 2013.

Section 2.5 Advances and Payments under this Agreement.

(1) OEFC shall make Advances to IESO under this Agreement to the order of IESO by wire transfer of immediately available funds in accordance with wire transfer instructions given by IESO to OEFC from time to time, or in such other manner as IESO may specify to OEFC from time to time.

(2) IESO shall make any payment required hereunder to be made by it to OEFC, to or to the order of OEFC, by wire transfer of immediately available funds in accordance with wire transfer instruction given by OEFC to IESO from time to time, or in such other manner as OEFC may specify to IESO from time to time. IESO shall make each such payment in Canadian Dollars

Section 2.6 Evidence of Indebtedness.

IESO authorizes OEFC to open and maintain records evidencing IESO's obligations under this Agreement and to record therein all advances, interest rates, accrued interest, payments of principal and interest and the aggregate principal and accrued interest outstanding from time to time under this Agreement. IESO agrees that the records kept by the OEFC in the absence of manifest error, shall be prima facie evidence of the indebtedness of IESO and the matters recorded provided that the failure of the OEFC to record or correctly record any amount or date shall not affect the obligation of IESO to repay the aggregate principal amounts and accrued interest thereon owing under this Agreement.

ARTICLE 3
ADVANCES AND INTEREST

Section 3.1 Advances.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO under the Credit Facility on the first Business Day of each month from and including May 3, 2010 to and including April 1, 2013.

Section 3.2 Procedure for Advances.

(1) Each Advance shall be made subject to four Business Day's prior notice given not later than 10:00 a.m. (Toronto time) by IESO to OEFC. Each notice of an Advance (a **"Borrowing Notice"**) shall be substantially in the form of Schedule 1, shall be irrevocable and binding on IESO and shall specify (a) the requested date of the Advance (the **"Advance Date"**), and (b) the principal amount of the Advance which shall be in a minimum amount of $1,000,000.00 (unless otherwise agreed to by OEFC), and in increments of $1,000,000.00 (or such other increments as may be agreed to by OEFC). OEFC will make the principal amount of each Advance available to IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, IESO shall execute and deliver to OEFC a grid promissory note (the "Note") in respect of Advances substantially in the form of Schedule 2. IESO authorizes OEFC to record on the grid promissory note (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal amount of the grid promissory note. Such notations, in the absence of manifest error, shall be prima facie evidence of the such advances and repayments; provided that the failure of OEFC to record any amount, rate or date shall not affect the obligation of IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement.

(3) In the event that funds are not received by IESO on the Advance Date, IESO and OEFC agree to take all steps necessary to amend the date of the Advance, without amending the Interest Rate that was agreed to with respect to such Advance.

(4) The Note shall at all times rank *pari passu* with all other unsubordinated Indebtedness of IESO, subject to the existence of any Permitted Liens of IESO.

(5) All amounts owing in respect of the Advances shall be paid without exercising any right or set off or counterclaim by IESO.

Section 3.3 Interest on Advances.

(1) IESO shall pay interest on the principal amount of each Advance then outstanding in accordance with this Section 3.3 from and including the date of such Advance until the principal amount of such Advance is repaid in full.

(2) Interest shall accrue on the principal amount of each Advance from and including the date of the Advance to but excluding the first Interest Payment Date following the date of the Advance, at the rate equal to the Interest Rate, and shall be payable on the Interest Payment Date for such Advance. The amount of interest payable on an Advance will be calculated by OEFC by dividing the Interest Rate applicable to the Advance by 365 or 366, as the case may be, and multiplying the result by the principal amount of the Advance then outstanding and further multiplying the result by the number of days in the period from the date of the Advance to the Interest Payment Date.

(i) If an Advance is outstanding on an Interest Payment Date, the interest rate applicable to such Advance shall be reset automatically by OEFC on that date (the "Interest Reset Date"), at the Interest Rate determined as of the Interest Reset Date.

(ii) For each Advance, OEFC shall notify IESO via email of the Interest Rate on the Advance Date and on each Interest Reset Date.

(3) Upon four Business Days prior notice by IESO, OEFC may at its discretion agree to capitalize the interest on any Advance on an Interest Payment Date, which shall be determined in the following manner: each such interest payment due on the Interest Payment Date shall be deemed to form part of the principal amount of the outstanding Advance and interest shall accrue and be payable thereon in accordance with Section 3.3(2). OEFC shall record on the grid forming part of the note: (a) the date and amount of the new Advance; (b) the applicable rate of interest for the Advance; and (c) the outstanding principal amount of the grid promissory note.

(4) Interest shall accrue on the principal amount of each Advance at the Interest Rate as determined from time to time, before as well as after the date such principal amount or interest thereon becomes due hereunder and both before and after default.

Section 3.4 Computations of Interest.

(1) All computations of interest shall be made by OEFC taking into account the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest is payable on the basis of a year of 365 days or 366 days, as the case may be.

(2) For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Agreement for any

period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

Section 3.5 Limit on Rate of Interest.

(1) Notwithstanding any provision contained in this Agreement, IESO shall not be obliged to make any payments of interest or other amounts payable to OEFC hereunder in excess of the amount or rate which would be prohibited by applicable law or would result in the receipt by OEFC of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada), as amended from time to time).

(2) In the event that any such payments are limited or prohibited as provided in Section 3.5(1), OEFC shall have no further obligation to make any Advances available hereunder and the Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, shall become immediately due and payable.

Section 3.6 Conditions Precedent

The obligation of OEFC to make the Advances pursuant to Section 2.1 is subject to the following conditions being met to OEFC's satisfaction at the time of making each Advance:

(a) that the representations and warranties of IESO contained in this Agreement are true and correct as at the date of making the Advance;

(b) that no Event of Default has occurred and is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default;

(c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO; and

(d) that OEFC has received such other documentation which it has reasonably requested to ensure that IESO is in compliance with the terms and conditions of this Agreement, including certified true copies of any necessary resolutions including resolutions authorizing the borrowing and authorized signatories.

ARTICLE 4

COVENANTS OF IESO

Section 4.1 Payment of Advances.

IESO will duly and punctually pay or cause to be paid all amounts owing under this Agreement in accordance with the terms and subject to the conditions of this Agreement.

Section 4.2 Use of Proceeds

The monies advanced under this Agreement shall be used only by IESO for the purposes set out in Section 2.3.

Section 4.3 IESO will Maintain its Corporate Existence.

Subject to Section 6.1, IESO will at all times maintain its corporate existence.

Section 4.4 Maintenance of Properties.

IESO will cause all property owned by IESO or any Material Subsidiary to be maintained and kept in good condition, repair and working order, all as in the judgment of IESO or any Material Subsidiary may be necessary for the proper operation of such property, except as and to the extent that IESO or any Material Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 4.4 shall prevent IESO or any Material Subsidiary from discontinuing the maintenance of any such property or decommissioning any such property if such discontinuance or decommissioning is, in the judgment of IESO or any Material Subsidiary, desirable in the conduct of its business or the business of any such Material Subsidiary, or has been directly or indirectly requested or required by the Province of Ontario.

Section 4.5 Insurance.

IESO will cause all property owned by IESO or any Material Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the nature and to the extent that such property is usually insured by companies operating similar businesses.

Section 4.6 Conduct of Business.

Subject to Section 4.3, IESO will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in a proper, efficient and business-like manner and in accordance with good business practice.

Section 4.7 Negative Pledge.

IESO will not, and will not permit any Material Subsidiary to, create, incur or assume any Lien, charging the interest of IESO or any Material Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, all amounts owing under this Agreement are secured equally and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) the creation, incurrence or assumption of any Purchase Money Mortgage;

(b) the grant of any Lien in the normal course of business to any banks or financial institutions for present or future indebtedness of IESO or any Material Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) any extension, renewal or replacement of any of the Liens referred to in Sections 4.7(a), (b) or (c), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased; and

(e) any Lien charging the interest of IESO or any Material Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 4.7(a), (b) or (c), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 4.6(e) which is outstanding at such time does not exceed 10% of Consolidated Assets at such time.

Section 4.8 Payment of OEFC Expenses.

IESO will, on demand, reimburse and indemnify OEFC for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OEFC in connection with the preservation of rights under or enforcement of this Agreement at

any time during the continuance of a Default or Event of Default. All such costs, charges and expenses shall bear interest at the Province's cost of funds plus 0.25 percent per annum (as determined by OEFC) calculated and payable monthly not in advance from in each case from the date on which OEFC incurs the cost, charge or expense until the date on which IESO reimbursement OEFC therefor. OEFC agrees, acting reasonably, to invoice IESO for any such costs, charges and expense as they are incurred, together with interest at the aforesaid rate (with interest on overdue interest).

Section 4.9 Reporting Requirements.

IESO covenants to provide to OEFC, or at its direction, to the Province of Ontario and the Ontario Financing Authority,

(a) any available information respecting its financial position which may be reasonably requested by OEFC, the Province of Ontario or the Ontario Financing Authority from time to time; and

(b) any additional reports or supporting documentation which may be reasonably requested by the OEFC, the Province of Ontario or the Ontario Financing Authority from time to time.

ARTICLE 5
EVENTS OF DEFAULT AND REMEDIES

Section 5.1 Event of Default.

Wherever used in this Agreement, the term **"Event of Default"** means any of the following:

(a) failure to pay any interest upon any Advance when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) failure to pay the principal amount of the Advances Outstanding, all interest accrued thereon and all other amounts owing under this Agreement on April 30, 2013;

(c) failure on the part of IESO to observe or perform its obligations set forth in Section 6.1;

(d) failure on the part of IESO to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 30 days after

the date on which written notice of such failure shall have been given to IESO by OEFC;

(e) any representation or warranty made by IESO in this Agreement or in any certificate or other document at any time delivered hereunder to OEFC was incorrect or misleading in any material respect;

(f) one or more breaches by IESO of its covenants under one or more evidences of indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $25 million, which breaches:

(i) constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist; or

(ii) have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived or rescinded);

(g) IESO, or any Material Subsidiary:

(i) becomes generally not able to pay its debts as they become due;

(ii) admits in writing its inability to pay its debts generally or makes a general assignment for the benefit of its creditors or files a proposal or other scheme of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) institutes or has instituted against it any proceeding seeking:

(A) to adjudicate it a bankrupt or insolvent;

(B) liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy / insolvency / reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors; or

(C) the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets;

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismisssed or unstayed for a period of 30 days, or any remedy sought in any such proceeding (including the entry of order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

(iv) takes any corporate action to authorize any of the actions in Sections 5.1(g)(i) to (iii); or

(h) if there shall be rendered against IESO or any Material Subsidiary a final judgment or judgments for the payment of money in an aggregate amount in excess of $5 million by a court or courts of competent jurisdiction, and IESO or any Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 5.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case OEFC may declare all amounts owing hereunder to be due and payable immediately, by a notice in writing to IESO, and upon any such declaration all such amounts shall become immediately due and payable.

Section 5.3 Suits for Enforcement by OEFC.

If an Event of Default occurs and is continuing, OEFC may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in OEFC by this Agreement or by law.

Section 5.4 OEFC May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of IESO under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property

of IESO, or if any other judicial proceedings relative to IESO, its creditors or its property are pending, OEFC shall be entitled and empowered, by intention in such proceeding or otherwise:

(a) to file and prove a claim for all amounts owing under this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of OEFC (including any claim for fees and disbursements of OEFC, its agents and counsel as contemplated under Section 4.7) allowed in such judicial proceeding; and

(b) to collect and receive any moneys or other property payable or deliverable on any such claim.

Section 5.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to OEFC is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.6 Delay or Omission not Waiver.

No delay or omission of OEFC to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right or remedy given by this Article 5 or by law to OEFC may be exercised from time to time, and as often as may be deemed expedient, by OEFC.

ARTICLE 6

CONSOLIDATION, AMALGAMATION, MERGER OF IESO

Section 6.1 Certain Requirements in Respect of Merger, etc.

IESO may not and may not cause any Material Subsidiary, in a single transaction or a series of related transactions, amalgamate or consolidate with or merge into any other Person, or permit any other Person to amalgamate or consolidate with or merge into IESO or the Material Subsidiary, or directly or indirectly transfer, sell, lease or otherwise dispose of all or substantially all of its property or assets (a "Disposition") to any Person without the written consent of OEFC.

Section 6.2 Successor Substituted.

Upon any consolidation, amalgamation, merger or Disposition described in, and complying with the provisions of, Section 6.1 in which IESO is not the continuing corporation, the successor Person shall succeed to all of the rights and obligations of IESO under this Agreement, and from time to time may exercise every right and power of IESO under this Agreement.

ARTICLE 7
REPRESENTATIONS AND WARRANTIES OF IESO

Section 7.1 Representations and Warranties of IESO.

IESO represents and warrants to OEFC that:

(a) the borrowing of money (including principal and accrued interest) by IESO and the execution, delivery and performance of this Agreement are within the powers and capacities of IESO and have been duly authorized by all necessary legal action and proper proceedings;

(b) the execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the compliance with the terms and conditions of this Agreement will not conflict with or result in a breach of any of the terms or provisions of the constituting documents or by-laws of IESO, laws of Ontario, including laws of Canada applicable therein, applicable to IESO or any contractual or other obligation binding on IESO; and

(c) this Agreement will, when executed and delivered, constitute the legal, valid and binding obligation of IESO enforceable against it in accordance with its terms.

Section 7.2 Continuation of Representation and Warranties.

The representations and warranties set out in Section 7.1 herein shall survive the execution and delivery of this Agreement, the making of each advance by OEFC, notwithstanding any investigations or examinations which may be made by counsel for OEFC.

ARTICLE 8

GENERAL

Section 8.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy or other means of electronic communication addressed:

If to IESO, to it at:
Independent Electricity System Operator
655 Bay Street, Suite 410
Toronto, ON M5G 2K4
Attention: Chief Financial Officer
Telephone:
Telecopier:

If to OEFC, to it at:

Ontario Electricity Financial Corporation
c/o Ontario Financing Authority
1 Dundas Street West
Suite 1400
Toronto, ON M7A IY7

Attention: Executive Director - Capital Markets Division
Telephone: (416) 325-8930
Telecopier: (416) 325-8111

provided that any Borrowing Notice shall be addressed as indicated on Schedule 1.

Any communication hereunder shall be deemed to have been validly and effectively given if (a) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p. m (Toronto time), otherwise on the next Business Day, (b) transmitted by telecopier other means of electronic communication, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice given in accordance with this Section 8.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 8.1.

Section 8.2 Successors and Assigns.

This Agreement shall be binding on and enure to the benefit of OEFC and IESO and their respective successors and permitted assigns, except that IESO shall not, without the prior written consent of OEFC assign, pledge or hypothecate any rights or obligations with respect to this Agreement.

Section 8.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of OEFC and IESO.

Section 8.4 Waiver.

(1) No waiver of any provisions of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) or this Agreement nor shall such waiver be binding unless executed in writing by the party to be bound by the waiver.

(2) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude another or further exercise of such right or the exercise of any other right.

Section 8.5 Further Assurances.

Each of IESO and OEFC shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement.

Section 8.6 Severability.

In case any provision in this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement shall not in any way be affected or impaired thereby.

Section 8.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 8.8 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF the parties have executed this Agreement as of the 23rd day of April, 2010.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Ted Leonard
Vice President, Finance and Chief Financial Officer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: ~~Michael D. Manning~~ DAVID PETERS
Title: ~~Chief Operating Officer~~ DIRECTOR, DEBT MANAGEMENT
CAPITAL MARKETS DIVISION
ONTARIO FINANCING AUTHORITY

SCHEDULE 1

FORM OF BORROWING NOTICE

Date:

Ontario Electricity Financial Corporation **("OEFC")**
c/o Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A1Y7

Attention: Cash Management
(Fax No. (416-204-7920)

Dear Sirs:

The undersigned, Independent Electricity System Operator ("IESO"), refer to the Revolving Credit Facility Agreement dated •, 2010 (as amended, supplemented or restated from time to time, the **"Agreement"**, the terms defined therein being used herein as therein defined) between IESO and OEFC, and gives you notice pursuant to Section 3.2 of the Agreement that IESO requests an Advance under the Agreement, and, in that connection, sets forth below the information relating to such Advance (the **"Proposed Advance"**) as required by Section 3.2 of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is •;
(b) The aggregate amount of the Proposed Advance is •;

IESO hereby certifies that:

The representations and warranties of IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received previously as Advances under the Agreement have been expended or are being held solely for the purpose for which they were advanced; no part of said funds has been nor any part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Authorized Signature

Per: _____
Authorized Signature

*To be confirmed by telephone call to OEFC Cash Management (416) 325-8108

SCHEDULE 2

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $60,000,000 Date: •

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("**IESO**"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid (**"Grid"**) attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement (as defined below).

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before April 30, 2013.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Revolving Credit Facility Agreement dated as of April 30, 2010 between IESO and OEFC (the "**Agreement**"). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Credit Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment, demand, protest, notice of dishonest and notice of

non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Authorized Signature

Per: _____
Authorized Signature

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID
(Revolving Credit Facility April 30, 2010)

DATE	PRINCIPAL ADVANCED	INTEREST RATE	INTEREST RESET DATE	INTEREST RESET RATE	PRINCIPAL PAYMENT DATE AND AMOUNT	INTEREST PAYMENT DATE AND AMOUNT	UNPAID PRINCIPAL BALANCE	NOTATION MADE BY

AMENDING AGREEMENT NO. 6

This Amending Agreement is effective as of the 30 day of April, 2017.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011, Amending Agreement No. 3 dated April 30, 2013, Amending Agreement No. 4 dated April 30, 2014 and Amending Agreement No. 5 dated December 19, 2014 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $95 million.

AND WHEREAS IESO and OEFC wish to amend the Agreement to increase the revolving line of credit from a principal amount of CDN $95 million to a principal amount of up to CDN $160 million to provide funding for IESO Corporate Requirements (as defined herein);

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for an extension of the mandatory repayment date established in the Agreement to June 30, 2020;

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for the ability for Advances to be made on any business day up to a maximum of 12 times per year;

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. Section 1.1 Definitions of the Agreement is amended as follows:

   i) The definition of "Amalgamation" is deleted.

   ii) The definition of "Commitment" is deleted and replaced with:

   "Commitment" means, at any time, an amount equal to the principal amount of One Hundred and Sixty Million Dollars.

   iii) A definition of "IESO Corporate Requirements" is added as follows:

   "IESO Corporate Requirements" means any borrowing purposes authorized by O. Reg. 280/14 made under the *Electricity Act, 1998* (as such regulation may be amended or

replaced from time to time), other than for funding liquidity requirements relating to the settlement of the Ontario wholesale electricity markets.

iv) A definition of "Ontario's Fair Hydro Plan" is added as follows:

"Ontario's Fair Hydro Plan" means the plan announced March 2, 2017 by the Government of Ontario to affect the Ontario Energy Board's setting of electricity prices for certain Ontario consumers of electricity, which plan is referred to in the Ontario Energy Board's report dated April 20, 2017 and titled "Regulated Price Plan Price Report – May 1, 2017 to April 30, 2018", and including all relevant developments in or changes to such plan from time to time.

v) The definition of "New IESO" is deleted.

vi) The definition of "Note" is deleted and replaced with:

"Note" means the $160 Million Note issued pursuant to Section 2 of Amending Agreement No. 6 dated as of the 30th day of April, 2017.

vii) The definition of "OPA" is deleted.

viii) The definition of "Pre-Amalgamation IESO" is deleted.

2. IESO shall execute and deliver to OEFC a grid promissory note in the form attached as Schedule I hereto which shall be in an aggregate principal amount of up to One Hundred and Sixty Million Dollars (the "$160 Million Note") dated April 30, 2017 and on which shall be recorded the Advances Outstanding under the grid promissory note delivered pursuant to Amending Agreement No. 4. Upon receipt by OEFC of the $160 Million Note dated April 30, 2017, the $95 Million Note dated April 30, 2014 shall be of no further force and effect and shall be returned to the IESO marked "cancelled".

3. Section 2.3 of the Agreement is deleted and replaced by the following:

Section 2.3 Use of Proceeds

IESO shall use the proceeds of Advances for the funding of IESO Corporate Requirements.

4. Section 2.4 of the Agreement is deleted and replaced by the following:

Section 2.4 Mandatory Repayment.

Subject to Sections 3.5 and 5.2 of this Agreement, IESO shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, in full on or before June 30, 2020.

5. Section 3.1 of the Agreement is deleted and replaced by the following:

Section 3.1 Advances.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO under the Credit Facility on any Business Day in a month up to twelve (12) times per annum from and including May 1, 2017 to and including May 29, 2020

6. Paragraph 3.6(c) of the Agreement is deleted and replaced by the following:
   (c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO, provided however that any adverse change in IESO's financial condition related to or resulting from the discharge by IESO of its responsibilities under Ontario's Fair Hydro Plan shall be deemed not to be a material adverse change for the purposes of this Section; and

7. The Form of Borrowing Notice is deleted and replaced with the Form of Borrowing Notice attached hereto as Schedule 1.

8. This Amending Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

SCHEDULE 1

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $160,000,000 Date: 30 April, 2017

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("**IESO**"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid **("Grid")** attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No. 1 dated July 21, 2010, by Amending Agreement No. 2 dated October 14, 2011, by Amending Agreement No. 3 dated April 30, 2013, by Amending Agreement No. 4 dated April 30, 2014, by Amending Agreement No. 5 dated December 19, 2014, and by Amending Agreement No. 6 dated April 30, 2017 (collectively the "Agreement").

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before June 30, 2020.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance or part of an Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be p*rima facie* evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Agreement. All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment, demand, protest, notice of dishonour and notice

of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

(Revolving Credit Facility April 30, 2017)

DATE	PRINCIPAL ADVANCED	RATE	REPAYMENT DATE	INTEREST AMOUNT	AMOUNT OF PAYMENT		UNPAID BALANCE			NOTATION MADE BY
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	REFINANCED (AMOUNT & DATE)	

INDEPENDENT ELECTRICITY MARKET OPERATOR

as Issuer

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION

as Holder

AGREEMENT
PROVIDING FOR ISSUANCE OF A NOTE

April 1, 1999

TABLE OF CONTENTS

ARTICLE 1
DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1	Definitions	1
Section 1.2	Effect of Headings and Table of Contents	8
Section 1.3	Singular, Plural, Gender, Certain Phrases, etc	8
Section 1.4	Accounting	8
Section 1.5	Non-Business Days	8

ARTICLE 2
THE NOTE

Section 2.1	Issue of Note	8
Section 2.2	Terms of the Note	8
Section 2.3	Interest	9
Section 2.4	Prepayment	9
Section 2.5	Public Debt Covenants	10
Section 2.6	Payment	11

ARTICLE 3
COVENANTS OF THE COMPANY

Section 3.1	Payment of the Note	11
Section 3.2	Company will Maintain its Corporate Existence	11
Section 3.3	Maintenance of Properties	11
Section 3.4	Insurance	12
Section 3.5	Conduct of Business	12
Section 3.6	Financial Statements	12
Section 3.7	Other Indebtedness	12
Section 3.8	Negative Pledge	12
Section 3.9	Payment of OEFC's Expenses	13

ARTICLE 4
EVENTS OF DEFAULT AND REMEDIES

Section 4.1	Event of Default	14
Section 4.2	Acceleration of Maturity; Rescission and Annulment	15
Section 4.3	Suits for Enforcement by OEFC	16
Section 4.4	OEFC May File Proof of Claim	16
Section 4.5	Rights and Remedies Cumulative	16
Section 4.6	Delay or Omission not Waiver	16

ARTICLE 5
CONSOLIDATION, AMALGAMATION, MERGER OF COMPANY

Section 5.1 Certain Requirements in Respect of Merger, etc. 17
Section 5.2 Successor Substituted. 18

ARTICLE 6
GENERAL

Section 6.1 Notices. 18
Section 6.2 Successors and Assigns. 19
Section 6.3 Amendments. 19
Section 6.4 Waiver. 19
Section 6.5 Further Assurances. 19
Section 6.6 Severability. 19
Section 6.7 Governing Law. 20
Section 6.8 Counterparts. 20

Schedule 2.2(1) – Form of Note

THIS AGREEMENT is made on the 1st day of April, 1999 between:

A. **INDEPENDENT ELECTRICITY MARKET OPERATOR** (the "**Company**")

B. **ONTARIO ELECTRICITY FINANCIAL CORPORATION** ("**OEFC**").

RECITALS:

1. Pursuant to section 116 of the *Electricity Act, 1998*, the Lieutenant Governor in Council has made an order (the "**Transfer Order**") transferring certain officers, employees, assets, liabilities, rights and obligations of Ontario Hydro to the Company;

2. Pursuant to the Transfer Order, the Company is required to issue certain debt securities to Ontario Hydro as partial payment for such assets and rights; and

3. On April 1, 1999, Ontario Hydro is continued as OEFC.

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the parties agree as follows:

ARTICLE 1
DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"**Agreement**", "**herein**", "**hereby**", "**hereof**", "**hereunder**" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression "**Article**" or "**Section**" followed by a number means the specified Article or Section of this Agreement.

"**Business Day**" means any day other than a Saturday, Sunday or a statutory or civic holiday in Toronto, Ontario.

"**Canadian Dollars**" or "**$**" means lawful currency of Canada.

"**Canadian Prime Rate**" means, at any time, the greater of (i) the average of the rates of interest per annum equal to the per annum rate of interest quoted, published and commonly known as the "prime rate" of each of the Reference

Lenders which each of the Reference Lenders establishes at its main office in Toronto, Ontario as the reference rate of interest in order to determine interest rates for loans in Canadian Dollars to its borrowers in Canada, adjusted automatically with each quoted or published change in such rate, and (ii) the sum of (y) the average of the rates per annum for Canadian Dollar bankers' acceptances having a term of one month that appears on the Reuters CDOR Page as of 10:00 a.m. (Toronto time) on the date of determination, as reported by OEFC (and if such screen is not available, any successor or similar service as may be selected by OEFC), and (z) 0.50%.

"**Capital Stock**" of any Person means any and all shares, or interests, participations or other equivalents (however designated) of shares, in the capital of such Person.

"**Company**" means the Independent Electricity Market Operator, a corporation existing under the laws of the Province of Ontario, until a successor corporation shall have succeeded to all of the rights and obligations of the Independent Electricity Market Operator pursuant to Section 5.1 and thereafter "**Company**" shall mean such successor corporation (or any successor thereto which shall have become such pursuant to Section 5.1).

"**Consolidated Assets**" means, at any time, the book value of the assets of the Company and the Subsidiaries, determined as of such time on a consolidated basis in accordance with generally accepted accounting principles.

"**default**" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"**disposition**" has the meaning specified in Section 5.1.

"**Event of Default**" has the meaning specified in Section 4.1.

"**Indebtedness**" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) Every obligation of such Person for borrowed money;

(b) Every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments, including obligations for borrowed money incurred in connection with the acquisition of property, assets or businesses;

(c) Every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) Every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) Every capital lease obligation of such Person;

(f) The Swap Termination Value of each Swap Contract of such Person; and

(g) Every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"**Lien**" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"**Material Subsidiary**" means, at any time, a Subsidiary which has consolidated assets with a book value of more than $25 million determined as of such time in accordance with generally accepted accounting principles.

"**Note**" means the note of the Company issued under this Agreement.

"**Ontario Yield Price**" means, with respect to the Note or part thereof to be prepaid pursuant to Section 2.4, a price equal to the price of the Note or part thereof to be so prepaid calculated to provide a yield to maturity, compounded semi-annually and calculated in accordance with generally accepted financial practice, equal to the Province of Ontario Yield on the Business Day preceding the date on which such prepayment is to be made by the Company to OEFC in accordance with Section 2.4.

"**Permitted Liens**" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) Any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) Any obligations or duties, affecting the property of the Company or a Subsidiary, to any municipality or governmental, statutory or public

authority, with respect to any franchise, grant, licence or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by the Company or such Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by the Company or such Subsidiary;

(d) Any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) The right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) Any undetermined or inchoate Liens and charges incidental to the current operations of the Company or a Subsidiary that have not at the time been filed against the Company or such Subsidiary; provided, however, that if any such Lien or charge shall have been filed, the Company or such Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) Any Lien the validity of which is being contested at the time by the Company or a Subsidiary in good faith and the enforcement of which has been stayed;

(h) Any easements, rights-of-way and servitudes that in the opinion of the Company will not in the aggregate materially and adversely impair the use or value of the land concerned for the purpose for which it is held by the Company or a Subsidiary;

(i) Any Liens and privileges arising out of judgments or awards with respect to which the Company or a Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall

have secured a stay of execution pending such appeal or proceedings for review;

(j) pledges of cash or cash equivalents to secure the Company's or a Subsidiary's liabilities from time to time under Permitted Swap Contracts; and

(k) Any other Liens of a nature similar to the foregoing which do not in the opinion of the Company, acting reasonably, materially impair the use of the property subject thereto or the operation of the business of the Company or any Subsidiary or the value of such property for the purpose of any such business.

"**Permitted Swap Contract**" means a Swap Contract to which the Company or a Subsidiary is a party, provided that:

(a) The Company or such Subsidiary enters into such Swap Contract in the ordinary course of business for the purpose of directly mitigating risks associated with fluctuations in interest rates or currency exchange rates with respect to Indebtedness of the Company or such Subsidiary and not for the purposes of speculation or taking a "market view";

(b) The notional amount of such Swap Contract does not exceed the payments due with respect to the Indebtedness being hedged thereby;

(c) Such Swap Contract does not contain any "walk-away" provision exonerating the non-defaulting party from its obligation to make payments on any outstanding transaction to the defaulting party; and

(d) Such Swap Contract is in a form approved by the International Swaps & Derivatives Association, Inc. at the time such Swap Contract is entered into or in such other form as shall be customary at such time for the documentation, in accordance with good market practise by regulated financial institutions carrying on business in Canada, of obligations similar to the obligations documented in such Swap Contract.

"**Person**" means any individual, corporation, partnership, joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"**Province of Ontario Yield**" means, with respect to the Note or part thereof to be prepaid pursuant to Section 2.4, the average of the quotations obtained by the Company from two major Canadian investment dealers selected by OEFC, as to the yield to maturity on the Business Day preceding the date on

which such prepayment is to be made by the Company to OEFC in accordance with Section 2.4, compounded semi-annually and calculated in accordance with generally accepted financial practice, which a non-callable Government of Ontario bond would carry if issued in Canadian Dollars in Canada at 100% of its principal amount on such date with a term to maturity approximately equal to the remaining term to maturity, calculated as at the applicable prepayment date, of the Note.

"**Purchase Money Mortgage**" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or part of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"**Reference Lenders**" means, collectively, any two major financial institutions in Canada who, in the ordinary course of business, provide loans in Canadian Dollars to borrowers in Canada, as selected from time to time by OEFC and, in the singular, any one of them.

"**Reuters CDOR Page**" means the display page so designated on the Reuters Monitor Money Rates Service (or such other page as may replace that page on that service for the purpose of displaying rates for Canadian Dollar bankers' acceptances).

"**Senior Debt**" means all Indebtedness of the Company, including the Note, which is not subordinated in right of payment to any other Indebtedness of the Company.

"**Stated Maturity**" when used with respect to any Indebtedness or any instalment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such instalment of interest is due and payable.

"**Subsidiary**" means:

(a) A corporation more than 50% of the voting power of the outstanding Voting Shares of which is owned, directly or indirectly, by the Company or by one or more other Subsidiaries or by the Company and one or more other Subsidiaries, or

(b) Any Person (other than a corporation) in which the Company, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

"Successor Person" has the meaning specified in Section 5.1.

"Swap Contract" means any agreement, whether or not in writing, relating to any transaction that is a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction, currency swap, cross-currency rate swap, swaption, currency option or any other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.

"Swap Termination Value" means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap Contracts:

(a) For any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and

(b) For any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.

"U.S. Dollars" means lawful currency of the United States of America.

"Voting Shares" of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings and Table of Contents.

The division of this Agreement into Articles and Sections, the insertion of headings and the provision of a Table of Contents are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and *vice versa* and words importing gender may include any gender. In this Agreement and the Note, (i) the words **"including"** and **"includes"** mean **"including (or includes) without limitation"**, and (ii) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word **"from"** means **"from and including"** and the words **"to"** and **"until"** each mean **"to but excluding"**.

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with generally accepted accounting principles. Generally accepted accounting principles refer to accounting principles generally accepted in Canada as recommended in the Handbook of the Canadian Institute of Chartered Accountants at the relevant time applied on a consistent basis.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the next succeeding Business Day.

ARTICLE 2
THE NOTE

Section 2.1 Issue of Note.

In consideration of the transfer of certain officers, employees, assets and rights of OEFC to the Company pursuant to the Transfer Order and as partial payment for such assets and rights, the Company issues and delivers the Note to OEFC.

Section 2.2 Terms of the Note.

(1) The Note shall be in substantially the form set out in Schedule 2.2(1), shall be in the aggregate principal amount of $70.3 million, shall be dated as of the

date of this Agreement, shall mature on May 1, 2009, and shall bear interest at the rate of 7.90% per annum (after as well as before default or judgment, with interest on the amounts in default at the same rate).

(2) The Note shall at all times rank pari passu with all other Senior Debt, except Senior Debt that is statutorily preferred and Senior Debt that is secured by a Lien referred to in Sections 3.8(a) to 3.8(f), inclusive.

(3) Interest shall be payable on the Note in accordance with Section 2.3.

(4) The Company may prepay all or part of the Note in accordance with Section 2.4.

(5) All amounts owing in respect of the Note shall be paid without exercising any right of set off or counterclaim by the Company irrespective of whether or not, at the time any such amount is due and payable, amounts are due and payable by OEFC to the Company.

Section 2.3 Interest.

Interest on the Note at the rate specified in Section 2.2(1) shall accrue daily, and shall be payable in equal semi-annual instalments on May 1 and November 1 in each year, the first such payment for the Note to be made for the period from the date of this Agreement to May 1, 1999 and, whenever it is necessary to compute interest in respect of the Note for a period of less than one full year, other than such equal semi-annual instalments, such interest shall be calculated on the basis of the actual number of days elapsed in a year of 365 days or 366 days, as the case may be.

Section 2.4 Prepayment.

(1) If the Company has, upon the number of days notice to OEFC determined in accordance with Section 2.4(2), delivered a notice to OEFC stating the proposed date and the Note or part thereof that the Company wishes to prepay, on such date the Company shall pay to OEFC the greater of:

(a) The principal amount of the Note or part thereof that is to be prepaid, as the case may be; and

(b) The Ontario Yield Price for the Note or such part;

together in each case with all interest accrued on the Note or such part to such date or, if the Company and OEFC agree, such amount as they agree upon.

(2) The Company may, at any time and from time to time, prepay all or part of the Note upon giving OEFC not less than 30 days' prior written notice of such prepayment.

Section 2.5 Public Debt Covenants.

(1) If the Company issues notes, bonds, debentures or other evidences of Senior Debt to the public with a term to maturity of at least 5 years and in an aggregate principal amount of at least 100 million in Canadian Dollars or at least 100 million in U.S. Dollars pursuant to a trust indenture, the Company shall, within 3 Business Days of the first such issuance, give OEFC notice of such issuance and a copy of such trust indenture. Effective upon such issuance, the representations and warranties, the positive and negative covenants of the Company (including any financial covenants but excluding covenants relating to interest rates, interest payment dates, maturity dates of principal, prepayments and manner and place of payments) and the events of default applicable to such Senior Debt as specified in such trust indenture shall automatically become applicable to the Note in lieu of the representations and warranties, covenants or Events of Default, as the case may be, included herein as if the same had been originally included in this Agreement when executed and delivered and this Agreement shall be deemed to be amended as of the date such Senior Debt is issued to the extent necessary to incorporate such representations and warranties, covenants and events of default into this Agreement. The Company, at the request of OEFC, shall promptly execute and deliver an agreement which sets out the terms and provisions of this Agreement, as so amended.

(2) If, at any time or from time to time, the representations or warranties, the positive or negative covenants (including any financial covenants but excluding covenants relating to interest rates, interest payment dates, maturity dates of principal, prepayments and manner and place of payments) or the events of default applicable to the Senior Debt referred to in Section 2.5(1) are amended, modified or restated, the Company shall, within 3 Business Days of such amendment, modification or restatement, give OEFC notice thereof and a copy of the agreement amending or modifying the trust indenture referred to in Section 2.5(1) or a copy of the restatement of such trust indenture, as the case may be. OEFC may, upon notice to the Company given at any time within 90 days of receipt by OEFC of a copy of such agreement or such restatement, elect to have such amendment, modification or restatement apply to the Note and this Agreement (as amended pursuant to Section 2.5(1)). If OEFC so elects, such amendment, modification or restatement shall become applicable to the Note and this Agreement (as so amended) as of the date of such election, as if such amendment, modification or restatement amended, modified or restated this Agreement (as so amended) as of such date and this Agreement shall be deemed to be amended, modified or restated as of such date to the extent necessary to incorporate such representations and warranties, positive and negative covenants (including any financial covenants but excluding covenants

relating to interest rates, interest payment dates, maturity dates of principal, prepayments and manner and place of payments) and events of default. The Company, at the request of OEFC, shall promptly execute and deliver an agreement which sets out the terms of this Agreement, as amended pursuant to Section 2.5(1) and as further amended, modified or restated pursuant to this Section 2.5(2).

Section 2.6 Payment.

All amounts required to be paid by the Company to OEFC pursuant to this Agreement shall be paid to or to the order of OEFC by electronic wire transfer of immediately available funds in accordance with transfer instructions given by OEFC to the Company from time to time, or in any such other manner as OEFC may specify to the Company from time to time.

ARTICLE 3
COVENANTS OF THE COMPANY

Section 3.1 Payment of the Note.

The Company will duly and punctually pay or cause to be paid all amounts owing in respect of the Note or under this Agreement in accordance with the terms and subject to the conditions of the Note and this Agreement.

Section 3.2 Company will Maintain its Corporate Existence.

Subject to Section 5.1, the Company will at all times maintain its corporate existence.

Section 3.3 Maintenance of Properties.

The Company will cause all property owned by the Company or any Subsidiary to be maintained and kept in good condition, repair and working order, all as in the judgment of the Company or any Subsidiary may be necessary for the proper operation of such property, except as and to the extent that the Company or any Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 3.3 shall prevent the Company or any Subsidiary from discontinuing the maintenance of any such property if such discontinuance is, in the judgment of the Company or any Subsidiary, desirable in the conduct of its business or the business of any such Subsidiary.

Section 3.4 Insurance.

The Company will cause all property owned by the Company or any Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the nature and to the extent that such property is usually insured by companies operating similar businesses.

Section 3.5 Conduct of Business.

The Company will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in a proper, efficient and business-like manner and in accordance with good business practice.

Section 3.6 Financial Statements.

The Company will furnish to OEFC:

(a) Within 140 days after the end of each fiscal year, beginning with the fiscal year ended December 31, 1999, audited financial statements of the Company consisting of a consolidated balance sheet of the Company at the end of each such fiscal year and related consolidated statements of income and retained earnings and, commencing with the financial statements relating to the fiscal year of the Company commencing January 1, 2000, changes in financial position for each such fiscal year prepared in accordance with generally accepted accounting principles; and

(b) Within 60 days after the end of each of the first three fiscal quarters of each fiscal year of the Company, unaudited interim consolidated financial statements of the Company for the interim period so ended prepared in accordance with generally accepted accounting principles.

Section 3.7 Other Indebtedness.

The Company covenants that if it shall cause any payment of principal, premium or interest on any of its Indebtedness to be subordinated or postponed to the prior payment of any other Indebtedness it shall in like manner subordinate or postpone such payment to the prior payment of the Note.

Section 3.8 Negative Pledge.

The Company will not, and will not permit any Subsidiary to, create, incur or assume any Lien, charging the interest of the Company or any Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, the Note is secured equally

and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) The creation, incurrence or assumption of any Purchase Money Mortgage;

(b) The grant of any Lien in the normal course of business to any banks or financial institutions for present or future Indebtedness of the Company or any Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) Liens granted by a Subsidiary to the Company;

(e) Any extension, renewal or replacement of any of the Liens referred to in Sections 3.8(a) to (d), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased.; and

(f) Any Lien charging the interest of the Company or any Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 3.8(a) to (d), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 3.8(f) which is outstanding at such time does not exceed 25% of Consolidated Assets at such time.

Section 3.9 Payment of OEFC's Expenses

The Company will, on demand, reimburse OEFC for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OEFC in connection with the preservation of rights under or enforcement of this Agreement at any time during the continuance of a default or Event of Default. All such costs, charges and expenses shall bear interest at the Canadian Prime Rate, payable monthly in arrears from the third Business Day after demand for reimbursement thereof is made by OEFC.

ARTICLE 4
EVENTS OF DEFAULT AND REMEDIES

Section 4.1 Event of Default.

"**Event of Default**", wherever used herein, means any one of the following events:

(a) Failure to pay any interest upon the Note when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) Failure to pay the principal of the Note at its Stated Maturity;

(c) Failure on the part of the Company to observe or perform its obligations set forth in Section 5.1;

(d) Failure on the part of the Company to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 30 days after the date on which written notice of such failure shall have been given to the Company by OEFC;

(e) One or more breaches by the Company or any Subsidiary of its covenants under one or more evidences of Indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $25 million, which breaches:

(i) Constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist, or

(ii) Have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived or rescinded);

(f) The Company or any Material Subsidiary:

(i) Becomes generally not able to pay its debts as they become due;

(ii) Admits in writing its inability to pay its debts generally or makes a general assignment for the benefit of its creditors or files a proposal or other scheme of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) Institutes or has instituted against it any proceeding seeking:

(A) To adjudicate it a bankrupt or insolvent,

(B) Liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors, or

(C) The entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets,

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismissed or unstayed for a period of 30 days, or any of the actions sought in such proceeding (including the entry of an order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

(iv) Takes any corporate action to authorize any of the actions in Sections 4.1(f)(i), (ii) or (iii); or

(g) If there shall be rendered against the Company or any Material Subsidiary a final judgment or judgments for the payment of money in an aggregate amount in excess of $25 million by a court or courts of competent jurisdiction, and the Company or such Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 4.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case OEFC may declare all amounts owing on the Note and all other amounts owing hereunder to be due and payable immediately, by a notice in writing to the Company, and upon any such declaration all such amounts shall become immediately due and payable.

Section 4.3 Suits for Enforcement by OEFC.

If an Event of Default occurs and is continuing, OEFC may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in OEFC by this Agreement or by law.

Section 4.4 OEFC May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of the Company under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property of the Company, or if any other judicial proceedings relative to the Company, its creditors or its property are pending, OEFC (irrespective of whether the principal amount of the Note shall then be due and payable as therein expressed or by declaration or otherwise and irrespective of whether OEFC shall have made any demand on the Company for the payment of any overdue principal or interest) shall be entitled and empowered, by intervention in such proceeding or otherwise:

(a) To file and prove a claim for all amounts owing on the Note or under this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of OEFC (including any claim for fees and disbursements of OEFC, its agents and counsel) allowed in such judicial proceeding; and

(b) To collect and receive any moneys or other property payable or deliverable on any such claim.

Section 4.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to OEFC is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 4.6 Delay or Omission not Waiver.

No delay or omission of OEFC to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right and remedy given

by this Article 4 or by law to OEFC may be exercised from time to time, and as often as may be deemed expedient, by OEFC.

ARTICLE 5
CONSOLIDATION, AMALGAMATION, MERGER OF COMPANY

Section 5.1 Certain Requirements in Respect of Merger, etc.

The Company may not, in a single transaction or a series of related transactions, amalgamate or consolidate with or merge into any other Person, or permit any other Person to amalgamate or consolidate with or merge into the Company, or directly or indirectly transfer, sell, lease or otherwise dispose of all or substantially all of its property or assets (a "**disposition**") to any Person, but may do so if:

(a) The Company shall be the surviving Person, or the Person (if other than the Company) formed by such amalgamation, consolidation or into which the Company is merged or that acquires by disposition all or substantially all of the properties or assets of the Company shall be a corporation, partnership or trust organized and validly existing under the federal laws of Canada or any province or territory thereof and shall expressly assume, by an agreement executed and delivered to OEFC in form satisfactory to OEFC, all of the Company's obligations under this Agreement and the Note and, in the case of an entity organized other than under the laws of the Province of Ontario, shall attorn to the jurisdiction of the courts of the Province of Ontario (the Company or such other Person who becomes such a successor obligor under this Agreement being herein referred to as the "**Successor Person**");

(b) Immediately before and after giving effect to such transaction, no default or Event of Default shall have occurred and be continuing; and

(c) The Successor Person shall have delivered to OEFC a certificate of the Successor Person and an opinion of counsel, each stating that such amalgamation, consolidation, merger or disposition by the Company, and, if an agreement is required to be entered into by the Successor Person in connection with such transaction pursuant to Section 5.1(a), such agreement, comply with Section 5.1(a) and the certificate of the Successor Person shall also state that all conditions precedent in this Section 5.1 relating to such transaction have been satisfied.

Section 5.2 Successor Substituted.

Upon any consolidation, amalgamation, merger or disposition described in, and complying with the provisions of, Section 5.1 in which the Company is not the continuing corporation, the Successor Person shall succeed to all of the rights and obligations of the Company under this Agreement and the Note, and from time to time may exercise every right and power of the Company under this Agreement and the Note.

ARTICLE 6
GENERAL

Section 6.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy addressed:

If to the Company, to it at:

Independent Electricity Market Operator
P.O. Box 1
Suite 410
655 Bay Street
Toronto, Ontario
M5G 2K4

Attention: Douglas Thomas, CA, Treasurer
Telephone: (416) 506-2818
Telecopier: (416) 506-2843

If to OEFC, to it at:

Ontario Electricity Financial Corporation
c/o Ontario Financing Authority
1 Dundas Street West
Suite 1400
Toronto, Ontario
M3A 1Y7

Attention: Executive Director - Capital Markets Division
Telephone: (416) 325-8128
Telecopier: (416) 325-8005

Any such communication shall be deemed to have been validly and effectively given if (i) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p.m. (Toronto time), otherwise on the next Business Day, (ii) transmitted by telecopier, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice given in accordance with this Section 6.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 6.1.

Section 6.2 Successors and Assigns.

Subject to Section 5.1, the Company cannot assign or transfer this Agreement or the Note or any of its rights or obligations under this Agreement or the Note without the prior written consent of OEFC. OEFC cannot assign or transfer this Agreement or the Note or any of its rights or obligations under this Agreement or the Note without the prior written consent of the Company.

Section 6.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of OEFC and the Company.

Section 6.4 Waiver.

(3) No waiver of any provision of the Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) of this Agreement nor shall such waiver be binding unless executed in writing by the party to be bound by the waiver.

(4) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude any other or further exercise of such right or the exercise of any other right.

Section 6.5 Further Assurances.

Each of the Company and OEFC shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement.

Section 6.6 Severability.

In case any provision in this Agreement or in the Note shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement or in the Note shall not in any way be affected or impaired thereby.

Section 6.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 6.8 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF the parties have executed this Agreement.

INDEPENDENT ELECTRICITY MARKET OPERATOR

By: Douglas J. Thomas

By: _____

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By: _____

By: _____

AMENDING AGREEMENT NO. 6

This Amending Agreement is made as of the 30th day of April, 2017

between:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR
("IESO")

- and -

ONTARIO ELECTRICITY FINANCIAL CORPORATION
("OEFC")

WHEREAS IESO and OEFC have entered into an agreement Providing for the Issuance of a Note dated April 1, 1999 (the "Original Agreement");

AND WHEREAS pursuant to amending agreements dated March 23, 2000, April 23, 2009, May 1, 2011, May 1, 2013, and April 30, 2014 the parties amended the Original Agreement (as so amended, the "Agreement");

AND WHEREAS the parties wish to further amend the Agreement to increase the loan advanced to IESO from a principal amount of C$90 million to a principal amount of up to C$120 million and to extend the maturity date of the loan to June 30, 2020, all of which is to be evidenced through the the issuance of a Fifth Refinancing Note.

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and sufficiency of which are hereby acknowledged by each party), the parties agree as follows:

1. **Defined Terms**

Capitalized terms used in this Amending Agreement and not otherwise defined herein have the meanings specified in the Agreement.

2. **Amendments to Agreement**

(a) Definition of "Loan" in the Agreement is deleted.

(b) Article 1a (The Loan) of the Agreement is deleted in its entirety and replaced with the following:

Article 1a $30 Million Advance

Section 1a.1

Effective April 30, 2017, OEFC will make an advance to IESO in the amount of $30 million (the "$30 Million Advance"). IESO directs OEFC to apply, and OEFC agrees to apply, the $30 Million Advance, first to repay Advances Outstanding (as such term is defined in the Revolving Credit Facility Agreement), if any, under the Revolving Credit Facility Agreement, with any amount remaining out of the $30 Million Advance after repaying all Advances Outstanding to be used by IESO for the purpose of funding new IESO capital expenditures.

(c) The following sections are added to the Agreement following Section 2.15:

" Section 2.16 Fifth Refinancing Note

On April 30, 2017, IESO shall execute and deliver to OEFC a promissory note in the form attached as Schedule 1 (the "Fifth Refinancing Note") which shall be in an aggregate principal amount equal to $120 million, dated as of April 30, 2017 and maturing on June 30, 2020 and bearing interest at a per annum rate equal to the Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020, as determined by the Chief Executive Officer of OEFC or the Chief Operating Officer of OEFC, or by a person designated by either of them, plus fifty basis points (0.50%) (after as well as before default or judgment, with interest on the amounts in default at the same rate). Upon receipt of the Fifth Refinancing Note by OEFC, the Fourth Refinancing Note dated April 30, 2014 shall be of no further force or effect and shall be returned by OEFC to IESO marked "cancelled".

For greater clarity, the Fifth Refinancing Note shall evidence the indebtedness of IESO to OEFC in respect of the principal amount of $90 million under the Fourth Refinancing Note ("Part A") and the additional $30 Million Advance ("Part B"), for a total aggregate principal amount of $120 million.

Notwithstanding Section 1.5 herein, the interest rate on the Fifth Refinancing Note shall be set on Monday, May 1, 2017, with interest accruing on Part A commencing on Sunday, April 30, 2017, and interest accruing on Part B commencing on Monday, May 1, 2017.

Section 2.17 Interest on Fifth Refinancing Note

Notwithstanding Section 1.5 herein, interest on the Fifth Refinancing Note at the rate specified in Section 2.16 shall accrue daily and shall be payable in equal semi-annual instalments on June 30 and December 31(each an "Interest Payment Date"), provided however that the calculation of the amount of the first such interest payment for Part A shall be in respect only of the period from and including April 30, 2017 to but excluding June 30, 2017, and for Part B in respect only of the period from May 1, 2017 to but excluding June 30, 2017.

For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under the Fifth Refinancing Note for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period."

3. **Reference to and Effect on the Agreement.**

On and after this date, each reference in the Agreement to "this Agreement" and each reference to the Agreement in any and all other agreements, documents and instruments delivered by IESO and OEFC shall mean and be a reference to the Agreement as amended by this Amending Agreement. On and after this date, each reference in the Agreement to either "the Note" or "the New Note" and each reference to either "the Note" or "the New Note" in any and all other agreements, documents and instruments delivered by IESO and OEFC shall mean and be a reference to the Fifth Refinancing Note.

4. **Governing Law**

This Amending Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

5. **Counterparts**

This Amending Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.

6. **Enurement**

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

IN ALL OTHER RESPECTS, the Agreement is confirmed by the parties.

IN WITNESS WHEREOF the parties have executed and delivered this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

SCHEDULE 1
FORM OF FIFTH REFINANCING NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

NOTE

Aggregate Principal Amount: $120 million, consisting of: a Part A amount of $90 million ("Part A"), whereon interest accrues commencing on April 30, 2017, and a Part B amount of $30 million ("Part B"), whereon interest accrues commencing on May 1, 2017.

Date: April 30, 2017

Interest Rate: (Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020 + 50 basis points)

Due: June 30, 2020

FOR VALUE RECEIVED, the INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO") existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, PROMISES TO PAY to or to the order of ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC") at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of $120 million in lawful money of Canada, with interest on such amount at the rate, calculated in the manner and payable at the times specified in this Note.

The principal amount of this Note together with all interest accrued thereon shall become due and payable on June 30, 2020.

The principal amount of this Note remaining from time to time unpaid and outstanding shall bear interest from the date of this Note both before and after maturity and both before and after default at the rate per annum equal to the Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020, as determined by the Chief Executive Officer of OEFC or the Chief Operating Officer of OEFC, or by a person designated by either of them, plus fifty basis points (0.50%). Interest at such rate shall accrue daily and shall be payable in arrears in equal semi-annual instalments on June 30 and December 31 (each an "Interest Payment Date") commencing June 30, 2017, provided however that the calculation of the amount of the first such interest payment for Part A shall be in respect only of the period from and including April 30, 2017 to but excluding June 30, 2017, and for Part B in respect only of the period from and including May 1, 2017 to but excluding June 30, 2017.

For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Note for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of an agreement providing for the issuance of a note dated April 1, 1999 between the IESO and OEFC and amended by an amending agreement dated March 23, 2000, an amending agreement dated April 23, 2009, an amending agreement dated May 1, 2011, an amending agreement dated May 1, 2013, an amending agreement dated April 30, 2014, and an amending agreement dated April 30, 2017 (as so amended, the "Agreement"), which Agreement provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

From: Sarah Harris
To: Ryan Blackbyrne; William Tan
Cc: Jean-Francois Beaupre
Subject: FW: IESO / OEFC - $120MM and $160MM
Date: Thursday, November 09, 2017 9:17:38 AM

Hi Ryan and Will,
Please let JF and I know your comments. Will, please assist Ryan with any questions he has on the lien/negative pledge language in the OFA-IESO credit facilities.
Thanks,
Sarah

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Sent: Thursday, November 09, 2017 8:29 AM
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Sorry for the short turnaround time, but we all would like to move on this as soon as possible.
Thanks,
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Sent: Wednesday, November 08, 2017 9:55 AM
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Subject: RE: IESO / OEFC - $120MM and $160MM
Thanks for the update Gavin.

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We will get a policy direction soon and will draft a note for you to review once it's ready.
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No, I don't think the OFA Lending Policy would apply to these OEFC loans. The OFA Lending Policy addresses lending activities to public bodies undertaken where the OFA is acting as an intermediary on behalf of the Province.

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To: 'William Tan'
Cc: 'Lisa Stein'; 'Sarah Harris'; 'John Kim'; Victor Buza
Subject: IESO / OEFC - $120MM and $160MM

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Just ensuring that these 2 OEFC facilities are not missed.

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To:	Gavin He
Cc:	Lisa Stein; William Tan; Ryan Blackbyrne; Jean-Francois Beaupre
Subject:	FW: IESO / OEFC - $120MM and $160MM
Date:	Thursday, November 09, 2017 8:53:41 AM
Attachments:	IESO-OEFC - FHP LoC_Nov 2017_v2.docx

HI Gavin,
Could you please include Ryan Blackbyrne and Jean-Francois Beaupre on these e-mails. Ryan will be working on OEFC amendments and Jean-Francois will also be reviewing during my pending absence next week.
Thanks,
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> > Will – unless any concerns, will appreciate if you please begin to draft the two OEFC amendments this week – given that the IESO is targeting to sign

the OPG / IESO fair hydro agreement by this month's end,….we need to have the two OEFC's done before this.

Regards.

From: Anthony Martinello
Sent: November 01, 2017 12:56 PM
To: 'William Tan'
Cc: 'Lisa Stein'; 'Sarah Harris'; 'John Kim'; Victor Buza
Subject: IESO / OEFC - $120MM and $160MM

Once we have completed the 2 OFA facilities and the intercept letter – we then have to turn to the 2 outstanding IESO-OEFC credit facilities to contemplate any further amendments too.

Just ensuring that these 2 OEFC facilities are not missed.

Regards.

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OEFC -- IESO CREDIT FACILITY AGREEMENT & THE PERMITTED LIENS

ISSUE

The IESO has requested OEFC to reopen the existing credit facility agreement between OEFC and IESO to make amendment to the definition of the permitted liens.

CONTEXT

To support IESO's role in the implementation and participation under the *Ontario Fair Hydro Plan Act, 2017* ("OFHP Act"), OFA recently amended the credit facility agreement between OFA and the IESO. One of the amendments to the agreement is to amend the definition of the permitted liens to include any lien arising from the IESO's role and obligations under the OFHP.

The OFA credit facility agreement was amended due to additional roles IESO is taking on under Ontario's Fair Hydro Plan. To fufil its obligation, the IESO will need a general grant of security on any lien arising from the IESO's role and obligations under the OFHP. Therefore, the OFA credit facility agreement was amended to allow for such a general grant of security.

For the same reason, the IESO has requested OEFC to reopen the existing credit facility agreement between OEFC and IESO to make the similar amendment. Specifically, adding a clause in the OEFC credit facility agreement that any lien related to OFHP will not be viewed as negative pledge by OEFC, so those liens can be used to secure the performance of IESO's obligations to OEFC.

RECOMMENDATION

- To maintain a consistent approach with IESO's credit facilities, CEFD staff and IESO are of the view that the exisiting OEFC credit facility should amend the permitted liens and negative covenant language to make it the same as, or very similar to, the language in the two OFA Agreements that were signed recently.
- Although the OEFC credit facility is not used for OFHP's purpose, such change to the permitted liens is still required in order for IESO to meet its role and obligation under the OFHP Act.

BACKGROUND

- Currently, under the existing credit facility agreement between OEFC and the IESO, the definition of the "permitted liens" does not include any lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.
- On November 6, 2017, OFA and IESO signed an updated OFA IESO credit facility agreement with respect to changes related to OFHP. Below are the related changes made to the OFA credit facility:

  Excerpt from the excuted OFA IESO Amending Agreement #10:

  > *The definition of "Permitted Liens" is amended by deleting the word "and" at the end of subsection (i); replacing the "." at the end of subsection (j) and replacing it with "; and" ; and adding the following subsection (k):*
  >
  > > *"(k) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."*

Electricity Finance Branch / Corporate and Electricity Finance Division / Ontario Financing Authority
November 08, 2017

From:	Sarah Harris
To:	Ryan Blackbyrne
Subject:	FW: IESO / OEFC - $120MM and $160MM
Date:	Monday, October 15, 2018 3:59:18 PM
Attachments:	$160M revolving credit - Original Agreement - April 23, 2010.pdf $160M revolving credit - Amending Agreement no.6 - April 30, 2017.pdf $120M note - Original Agreement - April 1, 1999 .pdf $120M note - Amending Agreementt no.6 - April 30, 2017.pdf

---

Hi Ryan,

Can you please help me remember something please – I'm doing a massive FHP search and need your help. Do you recall if the two OEFC IESO credit facilities were amended for the FHP plan?

Thanks,

Sarah

From: Sarah Harris
Sent: Thursday, November 09, 2017 12:16 PM
To: Ryan Blackbyrne
Subject: FW: IESO / OEFC - $120MM and $160MM

From: Ryan Blackbyrne
Sent: Thursday, November 09, 2017 11:54 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Subject: FW: IESO / OEFC - $120MM and $160MM

Hi Sarah and JF – is it ok to send the below to Gavin? (he requested a response by Noon)

Hi Gavin,

Thank you for your note. After reviewing your note and the attached agreements we had a few comments:

- We understand that the $160M credit facility agreement will not be used for FHP purposes, although an amendment was made earlier in 2017 to allow advances for the purposes of FHP.
- It is our assumption that the $160M credit facility agreement was amended in April, 2017, pursuant to Reg. 280/14 as a potential temporary option for FHP funding requirements until such time as a separate facility agreement was created specifically for FHP purposes (i.e. the $2B OFA-IESO credit facility)
- There is an existing $120M loan agreement, maturing June 30, 2020, which is not a credit facility, but a fixed term loan. No amendments were made here in relation to FHP, as it is non-revolving and used for capital purposes.
- Since the $160M credit facility agreement will not be used for FHP purposes, it is not clear to us why the change to definition of Permitted Liens is required, and how not making this change would prevent IESO from performing its obligations under the OFHP Act. Please clarify.
- Kindly confirm with Anthony why IESO believes these amendments are necessary in respect of the $160M credit facility and $120M loan agreement.

We look forward to hearing back from you. Happy to discuss further as always.

Thank You,

Ryan Blackbyrne
Documentation & Analysis Specialist

Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M7A 1Y7
416-325-8143
ryan.blackbyrne@ofina.on.ca
From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Tuesday, November 07, 2017 4:07 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>
Subject: IESO - OEFC Nov 7

Ryan,

As discussed with Will today, I understand you will be co-ordinating the proposed 2 amendments to the existing IESO-OEFC credit facilities.

For starters, there are no expected changes being asked to the existing agreement's key business content (e.g. amounts, dates, interest, notices etc.), rather given that IESO-OFA have just finished two new agreements pertaining to the new fair hydro program, ….I suggest we just copy and paste the salient sections from these agreements that would now be relevant to the OEFC agreements for fair hydro namely;

1.DRAFT

The definition of "Permitted Liens" is amended by deleting the word "and" at the end of subsection (xx); replacing the "." at the end of subsection (xx) and replacing it with "; and" ; and adding the following subsection (xx):

"(xx) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

2.DRAFT

The OFA agreements had required an intercept provision, …..not sure if the same applies to OEFC if yes:

"Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of November 6th , 2017 herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the Capital Investment Plan Act, 1993 (the "Intercept Letter"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("Appropriated Funds"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("Intercept").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is

necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail."

3.

If any… other relevant updates that make sense to do now……I do not anticipate any material ones.

We need your support to expedite the above in order to avoid delays in the Fair Hydro implementation.

Regards.

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From: Gavin He

Sent: Thursday, November 09, 2017 8:29 AM

To: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>

Subject: RE: IESO / OEFC - $120MM and $160MM

Hi Lisa, Sarah, and William,

Following my email on Tuesday, EFB has drafted the attached note on the IESO's request on the OEFC credit facility, including the background information, our recommendation, and the rationale. Could you please review the accuracy of the note and would you be able to provide me with your feedback before noon today?

Sorry for the short turnaround time, but we all would like to move on this as soon as possible.

Thanks,

Gavin He

From: Lisa Stein
Sent: Wednesday, November 08, 2017 9:55 AM
To: Gavin He <Gavin.He@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Sarah Neville <Sarah.Neville@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Thanks for the update Gavin.

From: Gavin He
Sent: Tuesday, November 07, 2017 4:02 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Sarah Neville <Sarah.Neville@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Hi Lisa/Sarah H.,

We touched based with IESO and they told us that the OEFC agreements do not contemplate a general grant of security by IESO over its assets as is currently under discussion with the OPG Trust relative to the implementation of the OFHP. The changes required to allow for such a grant would be to amend the permitted liens and negative covenant language in the OEFC agreements so as to make it the same as, or very similar to, the language in the two OFA Agreements that were signed recently.

We will get a policy direction soon and will draft a note for you to review once it's ready.

Regards,

Gavin He

From: Lisa Stein
Sent: Monday, November 06, 2017 9:43 AM
To: John Kim <John.Kim@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Sarah Neville <Sarah.Neville@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

No, I don't think the OFA Lending Policy would apply to these OEFC loans. The OFA Lending Policy addresses lending activities to public bodies undertaken where the OFA is acting as an intermediary on behalf of the Province.

From: John Kim
Sent: Sunday, November 05, 2017 1:55 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>
Subject: Re: IESO / OEFC - $120MM and $160MM

Hi Sarah,

We will look at this but this is oefc so not sure if the same lending policy applies.

John

Sent from my iPhone

On Nov 5, 2017, at 12:06 PM, Sarah Harris <Sarah.Harris@ofina.on.ca> wrote:

Hi John,
We've received no internal direction on the nature of changes IESO is looking for in relation to existing OEFC credit facility with the IESO and the FHP. I surmise it may have to do with adjusting the agreement to allow FHP permitted liens (which we would need internal approval to do) or similar changes, but do you know if IESO communicated requirements to Gadi or Ron?
Thanks,
Sarah
Sent from my iPhone

Begin forwarded message:

From: Anthony Martinello <Anthony.Martinello@ieso.ca>
Date: November 5, 2017 at 11:02:50 AM EST
To: William Tan <William.Tan@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>, Sarah Harris <Sarah.Harris@ofina.on.ca>, Victor Buza <Victor.Buza@ieso.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Will – unless any concerns, will appreciate if you please begin to draft the two OEFC amendments this week – given that the IESO is targeting to sign the OPG / IESO fair hydro agreement by this month's end,….we need to have the two OEFC's done before this.
Regards.

From: Anthony Martinello
Sent: November 01, 2017 12:56 PM
To: 'William Tan'
Cc: 'Lisa Stein'; 'Sarah Harris'; 'John Kim'; Victor Buza
Subject: IESO / OEFC - $120MM and $160MM

Once we have completed the 2 OFA facilities and the intercept letter – we then have to turn to the 2 outstanding IESO-OEFC credit facilities to contemplate any further amendments too.
Just ensuring that these 2 OEFC facilities are not missed.
Regards.

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INDEPENDENT ELECTRICITY SYSTEM OPERATOR

as Borrower

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION

as Lender

REVOLVING CREDIT FACILITY AGREEMENT

Dated: April 23, 2010

THIS CREDIT FACILITY AGREEMENT is made on the 23rd day of April, 2010

between:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")

RECITAL:

IESO has requested a revolving line of credit from OEFC in the amount of up to Sixty Million Dollars for the purpose of replacing the current IESO revolving line of credit with the Toronto-Dominion Bank which is used for liquidity purposes that may also be used to fund corporate requirements. OEFC has agreed to lend such amount to IESO on the terms and conditions set out herein.

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the parties agree as follows:

ARTICLE 1
DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"Advance Date" has the meaning set forth in Section 3.2.

"Advances" means advances made by OEFC to IESO under Article 3 and **"Advance"** means any one of such advances.

"Advances Outstanding" means, at any time, an amount equal to the aggregate principal amount of all Advances outstanding at such time.

"Agreement", "herein", "hereby", "hereof", "hereunder" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression **"Article"** or **"Section"** followed by a number means the specified Article or Section of this Agreement.

"Borrowing Notice" has the meaning specified in Section 3.2.

"Business Day" means any day other than a Saturday, Sunday or a statutory or civic holiday in Toronto, Ontario.

"Commitment" means, at any time, an amount equal to the principal amount of Sixty Million Dollars.

"Consolidated Assets" means, at any time, the book value of IESO and the Subsidiaries, determined as of such time on a consolidated basis in accordance with generally accepted accounting principles.

"Credit Facility" means the revolving credit facility to be made available to IESO by OEFC under this Agreement for the purposes specified in Section 2.3.

"Default" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"Disposition" has the meaning specified in Section 6.1.

"Dollars" or "$" means lawful currency of Canada.

"Event of Default" has the meaning specified in Section 5.1.

"IESO" means Independent Electricity System Operator, a corporation existing under the laws of the Province of Ontario, until a successor corporation shall have succeeded to all of the rights and obligations of Independent Electricity System Operator pursuant to Section 6.1 and thereafter **"IESO"** shall mean such successor corporation (or any successor thereto which shall have become such pursuant to Section 6.1).

"Indebtedness" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) every obligation of such Person for borrowed money;

(b) every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments;

(c) every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) every capital lease obligation of such Person; and

(f) the Swap Termination Value of each Swap Contract of such Person; and

(g) every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"Interest Payment Date" means with respect to each Advance means the first Business Day of each month.

"Interest Rate" means the Province of Ontario's cost of borrowing for a 30 day term, as determined as of the first Business Day of each month by OEFC, plus 0.25 percent per annum.

"Interest Reset Date" has the meaning specified in section 3.3(2)(i).

"Lien" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"Material Subsidiary" means, at any time, a Subsidiary which, together with its subsidiaries, has consolidated assets with a book value of more than Twenty-Five Million Dollars determined as of such time in accordance with generally accepted accounting principles.

"Note" means the note of IESO issued under this Agreement.

"Permitted Liens" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) any obligations or duties, affecting the property of IESO or a Material Subsidiary, to any municipality or governmental, statutory or public authority, with respect to any franchise, grant, license or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by IESO or such Material Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by IESO or such Material Subsidiary;

(d) any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) the right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) any undetermined or inchoate Liens and charges incidental to the current operations of IESO or a Material Subsidiary that have not at the time been filed against IESO or such Material Subsidiary; provided, however, that if any such Lien or charge shall have been filed, IESO or such Material Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) any Lien the validity of which is being contested at the time by IESO or a Material Subsidiary in good faith and the enforcement of which has been stayed;

(h) any easements, rights-of-way and servitudes that in the opinion of IESO will not in the aggregate materially and adversely impair the use or value of the land for the purpose for which it is held or occupied by IESO or a Material Subsidiary;

(i) any Liens and privileges arising out of judgments or awards with respect to which IESO or a Material Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall have secured a stay of execution pending such appeal or proceedings for review; and

(j) pledges of cash or cash equivalents to secure IESO's or a Material Subsidiary's liabilities from time to time under Swap Contracts and pledges of cash or cash equivalents in an aggregate amount not exceeding $25 million at any time to secure IESO's or a Material Subsidiary's liabilities from time to time under commodity swap, commodity option and commodity future contracts entered into in the ordinary course of business for the purpose of directly mitigating risks associated with fluctuations in prices or availability of commodities purchased or to be purchased by IESO or a Material Subsidiary in the ordinary course of business, and not entered into for the purposes of speculation; and

(k) any other Liens of a nature similar to the foregoing which do not in the opinion of IESO, acting reasonably, materially impair the use of the property subject thereto or the operation of the business of IESO or any Material Subsidiary or the value of such property for the purpose of any such business.

"Person" means any individual, corporation, partnership joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"Purchase Money Mortgage" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or part of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"Stated Maturity" when used with respect to any Indebtedness or any installment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such installment of interest is due and payable.

"Subsidiary" means:

(a) a corporation: (i) more than 50% of the voting power or the outstanding Voting Shares of which is owned, directly or indirectly, by IESO or by one or more other Subsidiaries or by IESO and one or more other Subsidiaries; or (ii) in the case of a non-share capital corporation, that the IESO has the power to appoint a majority of the Board of Directors; or

(b) any Person (other than a corporation) in which IESO, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

"Swap Contract" means any agreement whether or not in writing, relating to any transaction or derivative transaction including a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction currency swap, cross-currency rate swap, swaption, currency option or other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.

"Swap Termination Value" means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap contracts:

(a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and

(b) for any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.

"Voting Shares" of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings and Table of Contents.

The division of this Agreement into Articles and Sections the insertion of headings and the provision of a Table of Contents are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and vice versa and words importing gender may include any gender. In this Agreement, (a) the words **"including"** and **"includes"** mean "including (or includes) without limitation", and (b) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" each mean "to but excluding".

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with generally accepted accounting principles. Generally accepted accounting principles refer to accounting principles generally accepted in Canada as recommended in the Handbook of the Canadian Institute of Chartered Accountants at the relevant time applied on a consistent basis.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the following Business Day.

ARTICLE 2
REVOLVING CREDIT FACILITY

Section 2.1 Availability.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO up to the amount of the Commitment. OEFC shall make each Advance in Canadian Dollars.

Section 2.2 Commitment and Facility Limits.

The Advances Outstanding to IESO under the Credit Facility shall not at any time exceed the Commitment. The Credit Facility shall revolve and no payment under the Credit Facility shall reduce the Commitment.

Section 2.3 Use of Proceeds.

IESO shall use the proceeds of Advances for the following purposes for which it is authorized to borrow funds:

(a) to repay the revolving line of credit with the Toronto Dominion Bank;

(b) for liquidity purposes; and

(c) to fund corporate requirements.

Section 2.4 Mandatory Repayment.

Subject to Sections 3.5 and 5.2, IESO, shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder in full on or before April 30, 2013.

Section 2.5 Advances and Payments under this Agreement.

(1) OEFC shall make Advances to IESO under this Agreement to the order of IESO by wire transfer of immediately available funds in accordance with wire transfer instructions given by IESO to OEFC from time to time, or in such other manner as IESO may specify to OEFC from time to time.

(2) IESO shall make any payment required hereunder to be made by it to OEFC, to or to the order of OEFC, by wire transfer of immediately available funds in accordance with wire transfer instruction given by OEFC to IESO from time to time, or in such other manner as OEFC may specify to IESO from time to time. IESO shall make each such payment in Canadian Dollars

Section 2.6 Evidence of Indebtedness.

IESO authorizes OEFC to open and maintain records evidencing IESO's obligations under this Agreement and to record therein all advances, interest rates, accrued interest, payments of principal and interest and the aggregate principal and accrued interest outstanding from time to time under this Agreement. IESO agrees that the records kept by the OEFC in the absence of manifest error, shall be prima facie evidence of the indebtedness of IESO and the matters recorded provided that the failure of the OEFC to record or correctly record any amount or date shall not affect the obligation of IESO to repay the aggregate principal amounts and accrued interest thereon owing under this Agreement.

ARTICLE 3
ADVANCES AND INTEREST

Section 3.1 Advances.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO under the Credit Facility on the first Business Day of each month from and including May 3, 2010 to and including April 1, 2013.

Section 3.2 Procedure for Advances.

(1) Each Advance shall be made subject to four Business Day's prior notice given not later than 10:00 a.m. (Toronto time) by IESO to OEFC. Each notice of an Advance (a **"Borrowing Notice"**) shall be substantially in the form of Schedule 1, shall be irrevocable and binding on IESO and shall specify (a) the requested date of the Advance (the **"Advance Date"**), and (b) the principal amount of the Advance which shall be in a minimum amount of $1,000,000.00 (unless otherwise agreed to by OEFC), and in increments of $1,000,000.00 (or such other increments as may be agreed to by OEFC). OEFC will make the principal amount of each Advance available to IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, IESO shall execute and deliver to OEFC a grid promissory note (the "Note") in respect of Advances substantially in the form of Schedule 2. IESO authorizes OEFC to record on the grid promissory note (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal amount of the grid promissory note. Such notations, in the absence of manifest error, shall be prima facie evidence of the such advances and repayments; provided that the failure of OEFC to record any amount, rate or date shall not affect the obligation of IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement.

(3) In the event that funds are not received by IESO on the Advance Date, IESO and OEFC agree to take all steps necessary to amend the date of the Advance, without amending the Interest Rate that was agreed to with respect to such Advance.

(4) The Note shall at all times rank *pari passu* with all other unsubordinated Indebtedness of IESO, subject to the existence of any Permitted Liens of IESO.

(5) All amounts owing in respect of the Advances shall be paid without exercising any right or set off or counterclaim by IESO.

Section 3.3 Interest on Advances.

(1) IESO shall pay interest on the principal amount of each Advance then outstanding in accordance with this Section 3.3 from and including the date of such Advance until the principal amount of such Advance is repaid in full.

(2) Interest shall accrue on the principal amount of each Advance from and including the date of the Advance to but excluding the first Interest Payment Date following the date of the Advance, at the rate equal to the Interest Rate, and shall be payable on the Interest Payment Date for such Advance. The amount of interest payable on an Advance will be calculated by OEFC by dividing the Interest Rate applicable to the Advance by 365 or 366, as the case may be, and multiplying the result by the principal amount of the Advance then outstanding and further multiplying the result by the number of days in the period from the date of the Advance to the Interest Payment Date.

(i) If an Advance is outstanding on an Interest Payment Date, the interest rate applicable to such Advance shall be reset automatically by OEFC on that date (the "Interest Reset Date"), at the Interest Rate determined as of the Interest Reset Date.

(ii) For each Advance, OEFC shall notify IESO via email of the Interest Rate on the Advance Date and on each Interest Reset Date.

(3) Upon four Business Days prior notice by IESO, OEFC may at its discretion agree to capitalize the interest on any Advance on an Interest Payment Date, which shall be determined in the following manner: each such interest payment due on the Interest Payment Date shall be deemed to form part of the principal amount of the outstanding Advance and interest shall accrue and be payable thereon in accordance with Section 3.3(2). OEFC shall record on the grid forming part of the note: (a) the date and amount of the new Advance; (b) the applicable rate of interest for the Advance; and (c) the outstanding principal amount of the grid promissory note.

(4) Interest shall accrue on the principal amount of each Advance at the Interest Rate as determined from time to time, before as well as after the date such principal amount or interest thereon becomes due hereunder and both before and after default.

Section 3.4 Computations of Interest.

(1) All computations of interest shall be made by OEFC taking into account the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest is payable on the basis of a year of 365 days or 366 days, as the case may be.

(2) For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Agreement for any

period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

Section 3.5 Limit on Rate of Interest.

(1) Notwithstanding any provision contained in this Agreement, IESO shall not be obliged to make any payments of interest or other amounts payable to OEFC hereunder in excess of the amount or rate which would be prohibited by applicable law or would result in the receipt by OEFC of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada), as amended from time to time).

(2) In the event that any such payments are limited or prohibited as provided in Section 3.5(1), OEFC shall have no further obligation to make any Advances available hereunder and the Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, shall become immediately due and payable.

Section 3.6 Conditions Precedent

The obligation of OEFC to make the Advances pursuant to Section 2.1 is subject to the following conditions being met to OEFC's satisfaction at the time of making each Advance:

(a) that the representations and warranties of IESO contained in this Agreement are true and correct as at the date of making the Advance;

(b) that no Event of Default has occurred and is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default;

(c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO; and

(d) that OEFC has received such other documentation which it has reasonably requested to ensure that IESO is in compliance with the terms and conditions of this Agreement, including certified true copies of any necessary resolutions including resolutions authorizing the borrowing and authorized signatories.

ARTICLE 4

COVENANTS OF IESO

Section 4.1 Payment of Advances.

IESO will duly and punctually pay or cause to be paid all amounts owing under this Agreement in accordance with the terms and subject to the conditions of this Agreement.

Section 4.2 Use of Proceeds

The monies advanced under this Agreement shall be used only by IESO for the purposes set out in Section 2.3.

Section 4.3 IESO will Maintain its Corporate Existence.

Subject to Section 6.1, IESO will at all times maintain its corporate existence.

Section 4.4 Maintenance of Properties.

IESO will cause all property owned by IESO or any Material Subsidiary to be maintained and kept in good condition, repair and working order, all as in the judgment of IESO or any Material Subsidiary may be necessary for the proper operation of such property, except as and to the extent that IESO or any Material Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 4.4 shall prevent IESO or any Material Subsidiary from discontinuing the maintenance of any such property or decommissioning any such property if such discontinuance or decommissioning is, in the judgment of IESO or any Material Subsidiary, desirable in the conduct of its business or the business of any such Material Subsidiary, or has been directly or indirectly requested or required by the Province of Ontario.

Section 4.5 Insurance.

IESO will cause all property owned by IESO or any Material Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the nature and to the extent that such property is usually insured by companies operating similar businesses.

Section 4.6 Conduct of Business.

Subject to Section 4.3, IESO will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in a proper, efficient and business-like manner and in accordance with good business practice.

Section 4.7 Negative Pledge.

IESO will not, and will not permit any Material Subsidiary to, create, incur or assume any Lien, charging the interest of IESO or any Material Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, all amounts owing under this Agreement are secured equally and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) the creation, incurrence or assumption of any Purchase Money Mortgage;

(b) the grant of any Lien in the normal course of business to any banks or financial institutions for present or future indebtedness of IESO or any Material Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) any extension, renewal or replacement of any of the Liens referred to in Sections 4.7(a), (b) or (c), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased; and

(e) any Lien charging the interest of IESO or any Material Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 4.7(a), (b) or (c), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 4.6(e) which is outstanding at such time does not exceed 10% of Consolidated Assets at such time.

Section 4.8 Payment of OEFC Expenses.

IESO will, on demand, reimburse and indemnify OEFC for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OEFC in connection with the preservation of rights under or enforcement of this Agreement at

any time during the continuance of a Default or Event of Default. All such costs, charges and expenses shall bear interest at the Province's cost of funds plus 0.25 percent per annum (as determined by OEFC) calculated and payable monthly not in advance from in each case from the date on which OEFC incurs the cost, charge or expense until the date on which IESO reimbursement OEFC therefor. OEFC agrees, acting reasonably, to invoice IESO for any such costs, charges and expense as they are incurred, together with interest at the aforesaid rate (with interest on overdue interest).

Section 4.9 Reporting Requirements.

IESO covenants to provide to OEFC, or at its direction, to the Province of Ontario and the Ontario Financing Authority,

(a) any available information respecting its financial position which may be reasonably requested by OEFC, the Province of Ontario or the Ontario Financing Authority from time to time; and

(b) any additional reports or supporting documentation which may be reasonably requested by the OEFC, the Province of Ontario or the Ontario Financing Authority from time to time.

ARTICLE 5
EVENTS OF DEFAULT AND REMEDIES

Section 5.1 Event of Default.

Wherever used in this Agreement, the term **"Event of Default"** means any of the following:

(a) failure to pay any interest upon any Advance when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) failure to pay the principal amount of the Advances Outstanding, all interest accrued thereon and all other amounts owing under this Agreement on April 30, 2013;

(c) failure on the part of IESO to observe or perform its obligations set forth in Section 6.1;

(d) failure on the part of IESO to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 30 days after

the date on which written notice of such failure shall have been given to IESO by OEFC;

(e) any representation or warranty made by IESO in this Agreement or in any certificate or other document at any time delivered hereunder to OEFC was incorrect or misleading in any material respect;

(f) one or more breaches by IESO of its covenants under one or more evidences of indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $25 million, which breaches:

(i) constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist; or

(ii) have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived or rescinded);

(g) IESO, or any Material Subsidiary:

(i) becomes generally not able to pay its debts as they become due;

(ii) admits in writing its inability to pay its debts generally or makes a general assignment for the benefit of its creditors or files a proposal or other scheme of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) institutes or has instituted against it any proceeding seeking:

(A) to adjudicate it a bankrupt or insolvent;

(B) liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy / insolvency / reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors; or

(C) the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets;

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismisssed or unstayed for a period of 30 days, or any remedy sought in any such proceeding (including the entry of order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

(iv) takes any corporate action to authorize any of the actions in Sections 5.1(g)(i) to (iii); or

(h) if there shall be rendered against IESO or any Material Subsidiary a final judgment or judgments for the payment of money in an aggregate amount in excess of $5 million by a court or courts of competent jurisdiction, and IESO or any Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 5.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case OEFC may declare all amounts owing hereunder to be due and payable immediately, by a notice in writing to IESO, and upon any such declaration all such amounts shall become immediately due and payable.

Section 5.3 Suits for Enforcement by OEFC.

If an Event of Default occurs and is continuing, OEFC may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in OEFC by this Agreement or by law.

Section 5.4 OEFC May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of IESO under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property

of IESO, or if any other judicial proceedings relative to IESO, its creditors or its property are pending, OEFC shall be entitled and empowered, by intention in such proceeding or otherwise:

(a) to file and prove a claim for all amounts owing under this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of OEFC (including any claim for fees and disbursements of OEFC, its agents and counsel as contemplated under Section 4.7) allowed in such judicial proceeding; and

(b) to collect and receive any moneys or other property payable or deliverable on any such claim.

Section 5.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to OEFC is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.6 Delay or Omission not Waiver.

No delay or omission of OEFC to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right or remedy given by this Article 5 or by law to OEFC may be exercised from time to time, and as often as may be deemed expedient, by OEFC.

ARTICLE 6

CONSOLIDATION, AMALGAMATION, MERGER OF IESO

Section 6.1 Certain Requirements in Respect of Merger, etc.

IESO may not and may not cause any Material Subsidiary, in a single transaction or a series of related transactions, amalgamate or consolidate with or merge into any other Person, or permit any other Person to amalgamate or consolidate with or merge into IESO or the Material Subsidiary, or directly or indirectly transfer, sell, lease or otherwise dispose of all or substantially all of its property or assets (a "Disposition") to any Person without the written consent of OEFC.

Section 6.2 Successor Substituted.

Upon any consolidation, amalgamation, merger or Disposition described in, and complying with the provisions of, Section 6.1 in which IESO is not the continuing corporation, the successor Person shall succeed to all of the rights and obligations of IESO under this Agreement, and from time to time may exercise every right and power of IESO under this Agreement.

ARTICLE 7
REPRESENTATIONS AND WARRANTIES OF IESO

Section 7.1 Representations and Warranties of IESO.

IESO represents and warrants to OEFC that:

(a) the borrowing of money (including principal and accrued interest) by IESO and the execution, delivery and performance of this Agreement are within the powers and capacities of IESO and have been duly authorized by all necessary legal action and proper proceedings;

(b) the execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the compliance with the terms and conditions of this Agreement will not conflict with or result in a breach of any of the terms or provisions of the constituting documents or by-laws of IESO, laws of Ontario, including laws of Canada applicable therein, applicable to IESO or any contractual or other obligation binding on IESO; and

(c) this Agreement will, when executed and delivered, constitute the legal, valid and binding obligation of IESO enforceable against it in accordance with its terms.

Section 7.2 Continuation of Representation and Warranties.

The representations and warranties set out in Section 7.1 herein shall survive the execution and delivery of this Agreement, the making of each advance by OEFC, notwithstanding any investigations or examinations which may be made by counsel for OEFC.

ARTICLE 8

GENERAL

Section 8.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy or other means of electronic communication addressed:

If to IESO, to it at:
Independent Electricity System Operator
655 Bay Street, Suite 410
Toronto, ON M5G 2K4
Attention: Chief Financial Officer
Telephone:
Telecopier:

If to OEFC, to it at:

Ontario Electricity Financial Corporation
c/o Ontario Financing Authority
1 Dundas Street West
Suite 1400
Toronto, ON M7A IY7

Attention: Executive Director - Capital Markets Division
Telephone: (416) 325-8930
Telecopier: (416) 325-8111

provided that any Borrowing Notice shall be addressed as indicated on Schedule 1.

Any communication hereunder shall be deemed to have been validly and effectively given if (a) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p. m (Toronto time), otherwise on the next Business Day, (b) transmitted by telecopier other means of electronic communication, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice given in accordance with this Section 8.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 8.1.

Section 8.2 Successors and Assigns.

This Agreement shall be binding on and enure to the benefit of OEFC and IESO and their respective successors and permitted assigns, except that IESO shall not, without the prior written consent of OEFC assign, pledge or hypothecate any rights or obligations with respect to this Agreement.

Section 8.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of OEFC and IESO.

Section 8.4 Waiver.

(1) No waiver of any provisions of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) or this Agreement nor shall such waiver be binding unless executed in writing by the party to be bound by the waiver.

(2) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude another or further exercise of such right or the exercise of any other right.

Section 8.5 Further Assurances.

Each of IESO and OEFC shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement.

Section 8.6 Severability.

In case any provision in this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement shall not in any way be affected or impaired thereby.

Section 8.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 8.8 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF the parties have executed this Agreement as of the 23rd day of April, 2010.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Ted Leonard
Vice President, Finance and Chief Financial Officer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: ~~Michael D. Manning~~ DAVID PETERS
Title: ~~Chief Operating Officer~~ DIRECTOR, DEBT MANAGEMENT
CAPITAL MARKETS DIVISION
ONTARIO FINANCING AUTHORITY

SCHEDULE 1

FORM OF BORROWING NOTICE

Date:

Ontario Electricity Financial Corporation **("OEFC")**
c/o Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A1Y7

Attention: Cash Management
(Fax No. (416-204-7920)

Dear Sirs:

The undersigned, Independent Electricity System Operator ("IESO"), refer to the Revolving Credit Facility Agreement dated •, 2010 (as amended, supplemented or restated from time to time, the **"Agreement"**, the terms defined therein being used herein as therein defined) between IESO and OEFC, and gives you notice pursuant to Section 3.2 of the Agreement that IESO requests an Advance under the Agreement, and, in that connection, sets forth below the information relating to such Advance (the **"Proposed Advance"**) as required by Section 3.2 of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is •;
(b) The aggregate amount of the Proposed Advance is •;

IESO hereby certifies that:

The representations and warranties of IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received previously as Advances under the Agreement have been expended or are being held solely for the purpose for which they were advanced; no part of said funds has been nor any part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Authorized Signature

Per: _____
Authorized Signature

*To be confirmed by telephone call to OEFC Cash Management (416) 325-8108

SCHEDULE 2

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $60,000,000 Date: •

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("**IESO**"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid (**"Grid"**) attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement (as defined below).

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before April 30, 2013.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Revolving Credit Facility Agreement dated as of April 30, 2010 between IESO and OEFC (the "**Agreement**"). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Credit Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment, demand, protest, notice of dishonest and notice of

non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Authorized Signature

Per: _____
Authorized Signature

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID
(Revolving Credit Facility April 30, 2010)

DATE	PRINCIPAL ADVANCED	INTEREST RATE	INTEREST RESET DATE	INTEREST RESET RATE	PRINCIPAL PAYMENT DATE AND AMOUNT	INTEREST PAYMENT DATE AND AMOUNT	UNPAID PRINCIPAL BALANCE	NOTATION MADE BY

AMENDING AGREEMENT NO. 6

This Amending Agreement is effective as of the 30 day of April, 2017.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011, Amending Agreement No. 3 dated April 30, 2013, Amending Agreement No. 4 dated April 30, 2014 and Amending Agreement No. 5 dated December 19, 2014 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $95 million.

AND WHEREAS IESO and OEFC wish to amend the Agreement to increase the revolving line of credit from a principal amount of CDN $95 million to a principal amount of up to CDN $160 million to provide funding for IESO Corporate Requirements (as defined herein);

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for an extension of the mandatory repayment date established in the Agreement to June 30, 2020;

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for the ability for Advances to be made on any business day up to a maximum of 12 times per year;

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. Section 1.1 Definitions of the Agreement is amended as follows:

   i) The definition of "Amalgamation" is deleted.

   ii) The definition of "Commitment" is deleted and replaced with:

   "Commitment" means, at any time, an amount equal to the principal amount of One Hundred and Sixty Million Dollars.

   iii) A definition of "IESO Corporate Requirements" is added as follows:

   "IESO Corporate Requirements" means any borrowing purposes authorized by O. Reg. 280/14 made under the *Electricity Act, 1998* (as such regulation may be amended or

replaced from time to time), other than for funding liquidity requirements relating to the settlement of the Ontario wholesale electricity markets.

iv) A definition of "Ontario's Fair Hydro Plan" is added as follows:

"Ontario's Fair Hydro Plan" means the plan announced March 2, 2017 by the Government of Ontario to affect the Ontario Energy Board's setting of electricity prices for certain Ontario consumers of electricity, which plan is referred to in the Ontario Energy Board's report dated April 20, 2017 and titled "Regulated Price Plan Price Report – May 1, 2017 to April 30, 2018", and including all relevant developments in or changes to such plan from time to time.

v) The definition of "New IESO" is deleted.

vi) The definition of "Note" is deleted and replaced with:

"Note" means the $160 Million Note issued pursuant to Section 2 of Amending Agreement No. 6 dated as of the 30th day of April, 2017.

vii) The definition of "OPA" is deleted.

viii) The definition of "Pre-Amalgamation IESO" is deleted.

2. IESO shall execute and deliver to OEFC a grid promissory note in the form attached as Schedule I hereto which shall be in an aggregate principal amount of up to One Hundred and Sixty Million Dollars (the "$160 Million Note") dated April 30, 2017 and on which shall be recorded the Advances Outstanding under the grid promissory note delivered pursuant to Amending Agreement No. 4. Upon receipt by OEFC of the $160 Million Note dated April 30, 2017, the $95 Million Note dated April 30, 2014 shall be of no further force and effect and shall be returned to the IESO marked "cancelled".

3. Section 2.3 of the Agreement is deleted and replaced by the following:

Section 2.3 Use of Proceeds

IESO shall use the proceeds of Advances for the funding of IESO Corporate Requirements.

4. Section 2.4 of the Agreement is deleted and replaced by the following:

Section 2.4 Mandatory Repayment.

Subject to Sections 3.5 and 5.2 of this Agreement, IESO shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, in full on or before June 30, 2020.

5. Section 3.1 of the Agreement is deleted and replaced by the following:

Section 3.1 Advances.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO under the Credit Facility on any Business Day in a month up to twelve (12) times per annum from and including May 1, 2017 to and including May 29, 2020

6. Paragraph 3.6(c) of the Agreement is deleted and replaced by the following:
   (c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO, provided however that any adverse change in IESO's financial condition related to or resulting from the discharge by IESO of its responsibilities under Ontario's Fair Hydro Plan shall be deemed not to be a material adverse change for the purposes of this Section; and

7. The Form of Borrowing Notice is deleted and replaced with the Form of Borrowing Notice attached hereto as Schedule 1.

8. This Amending Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

SCHEDULE 1

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $160,000,000 Date: 30 April, 2017

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("**IESO**"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid **("Grid")** attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No. 1 dated July 21, 2010, by Amending Agreement No. 2 dated October 14, 2011, by Amending Agreement No. 3 dated April 30, 2013, by Amending Agreement No. 4 dated April 30, 2014, by Amending Agreement No. 5 dated December 19, 2014, and by Amending Agreement No. 6 dated April 30, 2017 (collectively the "Agreement").

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before June 30, 2020.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance or part of an Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be p*rima facie* evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Agreement. All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment, demand, protest, notice of dishonour and notice

of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

(Revolving Credit Facility April 30, 2017)

DATE	PRINCIPAL ADVANCED	RATE	REPAYMENT DATE	INTEREST AMOUNT	AMOUNT OF PAYMENT		UNPAID BALANCE			NOTATION MADE BY
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	REFINANCED (AMOUNT & DATE)	

INDEPENDENT ELECTRICITY MARKET OPERATOR

as Issuer

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION

as Holder

AGREEMENT
PROVIDING FOR ISSUANCE OF A NOTE

April 1, 1999

TABLE OF CONTENTS

ARTICLE 1
DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1	Definitions	1
Section 1.2	Effect of Headings and Table of Contents	8
Section 1.3	Singular, Plural, Gender, Certain Phrases, etc	8
Section 1.4	Accounting	8
Section 1.5	Non-Business Days	8

ARTICLE 2
THE NOTE

Section 2.1	Issue of Note	8
Section 2.2	Terms of the Note	8
Section 2.3	Interest	9
Section 2.4	Prepayment	9
Section 2.5	Public Debt Covenants	10
Section 2.6	Payment	11

ARTICLE 3
COVENANTS OF THE COMPANY

Section 3.1	Payment of the Note	11
Section 3.2	Company will Maintain its Corporate Existence	11
Section 3.3	Maintenance of Properties	11
Section 3.4	Insurance	12
Section 3.5	Conduct of Business	12
Section 3.6	Financial Statements	12
Section 3.7	Other Indebtedness	12
Section 3.8	Negative Pledge	12
Section 3.9	Payment of OEFC's Expenses	13

ARTICLE 4
EVENTS OF DEFAULT AND REMEDIES

Section 4.1	Event of Default	14
Section 4.2	Acceleration of Maturity; Rescission and Annulment	15
Section 4.3	Suits for Enforcement by OEFC	16
Section 4.4	OEFC May File Proof of Claim	16
Section 4.5	Rights and Remedies Cumulative	16
Section 4.6	Delay or Omission not Waiver	16

ARTICLE 5
CONSOLIDATION, AMALGAMATION, MERGER OF COMPANY

Section 5.1 Certain Requirements in Respect of Merger, etc. 17
Section 5.2 Successor Substituted. 18

ARTICLE 6
GENERAL

Section 6.1 Notices. 18
Section 6.2 Successors and Assigns. 19
Section 6.3 Amendments. 19
Section 6.4 Waiver. 19
Section 6.5 Further Assurances. 19
Section 6.6 Severability. 19
Section 6.7 Governing Law. 20
Section 6.8 Counterparts. 20

Schedule 2.2(1) – Form of Note

THIS AGREEMENT is made on the 1st day of April, 1999 between:

A. **INDEPENDENT ELECTRICITY MARKET OPERATOR** (the "**Company**")

B. **ONTARIO ELECTRICITY FINANCIAL CORPORATION** ("**OEFC**").

RECITALS:

1. Pursuant to section 116 of the *Electricity Act, 1998*, the Lieutenant Governor in Council has made an order (the "**Transfer Order**") transferring certain officers, employees, assets, liabilities, rights and obligations of Ontario Hydro to the Company;

2. Pursuant to the Transfer Order, the Company is required to issue certain debt securities to Ontario Hydro as partial payment for such assets and rights; and

3. On April 1, 1999, Ontario Hydro is continued as OEFC.

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the parties agree as follows:

ARTICLE 1
DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"**Agreement**", "**herein**", "**hereby**", "**hereof**", "**hereunder**" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression "**Article**" or "**Section**" followed by a number means the specified Article or Section of this Agreement.

"**Business Day**" means any day other than a Saturday, Sunday or a statutory or civic holiday in Toronto, Ontario.

"**Canadian Dollars**" or "**$**" means lawful currency of Canada.

"**Canadian Prime Rate**" means, at any time, the greater of (i) the average of the rates of interest per annum equal to the per annum rate of interest quoted, published and commonly known as the "prime rate" of each of the Reference

Lenders which each of the Reference Lenders establishes at its main office in Toronto, Ontario as the reference rate of interest in order to determine interest rates for loans in Canadian Dollars to its borrowers in Canada, adjusted automatically with each quoted or published change in such rate, and (ii) the sum of (y) the average of the rates per annum for Canadian Dollar bankers' acceptances having a term of one month that appears on the Reuters CDOR Page as of 10:00 a.m. (Toronto time) on the date of determination, as reported by OEFC (and if such screen is not available, any successor or similar service as may be selected by OEFC), and (z) 0.50%.

"**Capital Stock**" of any Person means any and all shares, or interests, participations or other equivalents (however designated) of shares, in the capital of such Person.

"**Company**" means the Independent Electricity Market Operator, a corporation existing under the laws of the Province of Ontario, until a successor corporation shall have succeeded to all of the rights and obligations of the Independent Electricity Market Operator pursuant to Section 5.1 and thereafter "**Company**" shall mean such successor corporation (or any successor thereto which shall have become such pursuant to Section 5.1).

"**Consolidated Assets**" means, at any time, the book value of the assets of the Company and the Subsidiaries, determined as of such time on a consolidated basis in accordance with generally accepted accounting principles.

"**default**" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"**disposition**" has the meaning specified in Section 5.1.

"**Event of Default**" has the meaning specified in Section 4.1.

"**Indebtedness**" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) Every obligation of such Person for borrowed money;

(b) Every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments, including obligations for borrowed money incurred in connection with the acquisition of property, assets or businesses;

(c) Every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) Every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) Every capital lease obligation of such Person;

(f) The Swap Termination Value of each Swap Contract of such Person; and

(g) Every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"**Lien**" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"**Material Subsidiary**" means, at any time, a Subsidiary which has consolidated assets with a book value of more than $25 million determined as of such time in accordance with generally accepted accounting principles.

"**Note**" means the note of the Company issued under this Agreement.

"**Ontario Yield Price**" means, with respect to the Note or part thereof to be prepaid pursuant to Section 2.4, a price equal to the price of the Note or part thereof to be so prepaid calculated to provide a yield to maturity, compounded semi-annually and calculated in accordance with generally accepted financial practice, equal to the Province of Ontario Yield on the Business Day preceding the date on which such prepayment is to be made by the Company to OEFC in accordance with Section 2.4.

"**Permitted Liens**" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) Any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) Any obligations or duties, affecting the property of the Company or a Subsidiary, to any municipality or governmental, statutory or public

authority, with respect to any franchise, grant, licence or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by the Company or such Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by the Company or such Subsidiary;

(d) Any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) The right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) Any undetermined or inchoate Liens and charges incidental to the current operations of the Company or a Subsidiary that have not at the time been filed against the Company or such Subsidiary; provided, however, that if any such Lien or charge shall have been filed, the Company or such Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) Any Lien the validity of which is being contested at the time by the Company or a Subsidiary in good faith and the enforcement of which has been stayed;

(h) Any easements, rights-of-way and servitudes that in the opinion of the Company will not in the aggregate materially and adversely impair the use or value of the land concerned for the purpose for which it is held by the Company or a Subsidiary;

(i) Any Liens and privileges arising out of judgments or awards with respect to which the Company or a Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall

have secured a stay of execution pending such appeal or proceedings for review;

(j) pledges of cash or cash equivalents to secure the Company's or a Subsidiary's liabilities from time to time under Permitted Swap Contracts; and

(k) Any other Liens of a nature similar to the foregoing which do not in the opinion of the Company, acting reasonably, materially impair the use of the property subject thereto or the operation of the business of the Company or any Subsidiary or the value of such property for the purpose of any such business.

"**Permitted Swap Contract**" means a Swap Contract to which the Company or a Subsidiary is a party, provided that:

(a) The Company or such Subsidiary enters into such Swap Contract in the ordinary course of business for the purpose of directly mitigating risks associated with fluctuations in interest rates or currency exchange rates with respect to Indebtedness of the Company or such Subsidiary and not for the purposes of speculation or taking a "market view";

(b) The notional amount of such Swap Contract does not exceed the payments due with respect to the Indebtedness being hedged thereby;

(c) Such Swap Contract does not contain any "walk-away" provision exonerating the non-defaulting party from its obligation to make payments on any outstanding transaction to the defaulting party; and

(d) Such Swap Contract is in a form approved by the International Swaps & Derivatives Association, Inc. at the time such Swap Contract is entered into or in such other form as shall be customary at such time for the documentation, in accordance with good market practise by regulated financial institutions carrying on business in Canada, of obligations similar to the obligations documented in such Swap Contract.

"**Person**" means any individual, corporation, partnership, joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"**Province of Ontario Yield**" means, with respect to the Note or part thereof to be prepaid pursuant to Section 2.4, the average of the quotations obtained by the Company from two major Canadian investment dealers selected by OEFC, as to the yield to maturity on the Business Day preceding the date on

which such prepayment is to be made by the Company to OEFC in accordance with Section 2.4, compounded semi-annually and calculated in accordance with generally accepted financial practice, which a non-callable Government of Ontario bond would carry if issued in Canadian Dollars in Canada at 100% of its principal amount on such date with a term to maturity approximately equal to the remaining term to maturity, calculated as at the applicable prepayment date, of the Note.

"**Purchase Money Mortgage**" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or part of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"**Reference Lenders**" means, collectively, any two major financial institutions in Canada who, in the ordinary course of business, provide loans in Canadian Dollars to borrowers in Canada, as selected from time to time by OEFC and, in the singular, any one of them.

"**Reuters CDOR Page**" means the display page so designated on the Reuters Monitor Money Rates Service (or such other page as may replace that page on that service for the purpose of displaying rates for Canadian Dollar bankers' acceptances).

"**Senior Debt**" means all Indebtedness of the Company, including the Note, which is not subordinated in right of payment to any other Indebtedness of the Company.

"**Stated Maturity**" when used with respect to any Indebtedness or any instalment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such instalment of interest is due and payable.

"**Subsidiary**" means:

(a) A corporation more than 50% of the voting power of the outstanding Voting Shares of which is owned, directly or indirectly, by the Company or by one or more other Subsidiaries or by the Company and one or more other Subsidiaries, or

(b) Any Person (other than a corporation) in which the Company, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

"Successor Person" has the meaning specified in Section 5.1.

"Swap Contract" means any agreement, whether or not in writing, relating to any transaction that is a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction, currency swap, cross-currency rate swap, swaption, currency option or any other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.

"Swap Termination Value" means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap Contracts:

(a) For any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and

(b) For any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.

"U.S. Dollars" means lawful currency of the United States of America.

"Voting Shares" of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings and Table of Contents.

The division of this Agreement into Articles and Sections, the insertion of headings and the provision of a Table of Contents are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and *vice versa* and words importing gender may include any gender. In this Agreement and the Note, (i) the words **"including"** and **"includes"** mean **"including (or includes) without limitation"**, and (ii) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word **"from"** means **"from and including"** and the words **"to"** and **"until"** each mean **"to but excluding"**.

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with generally accepted accounting principles. Generally accepted accounting principles refer to accounting principles generally accepted in Canada as recommended in the Handbook of the Canadian Institute of Chartered Accountants at the relevant time applied on a consistent basis.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the next succeeding Business Day.

ARTICLE 2
THE NOTE

Section 2.1 Issue of Note.

In consideration of the transfer of certain officers, employees, assets and rights of OEFC to the Company pursuant to the Transfer Order and as partial payment for such assets and rights, the Company issues and delivers the Note to OEFC.

Section 2.2 Terms of the Note.

(1) The Note shall be in substantially the form set out in Schedule 2.2(1), shall be in the aggregate principal amount of $70.3 million, shall be dated as of the

date of this Agreement, shall mature on May 1, 2009, and shall bear interest at the rate of 7.90% per annum (after as well as before default or judgment, with interest on the amounts in default at the same rate).

(2) The Note shall at all times rank pari passu with all other Senior Debt, except Senior Debt that is statutorily preferred and Senior Debt that is secured by a Lien referred to in Sections 3.8(a) to 3.8(f), inclusive.

(3) Interest shall be payable on the Note in accordance with Section 2.3.

(4) The Company may prepay all or part of the Note in accordance with Section 2.4.

(5) All amounts owing in respect of the Note shall be paid without exercising any right of set off or counterclaim by the Company irrespective of whether or not, at the time any such amount is due and payable, amounts are due and payable by OEFC to the Company.

Section 2.3 Interest.

Interest on the Note at the rate specified in Section 2.2(1) shall accrue daily, and shall be payable in equal semi-annual instalments on May 1 and November 1 in each year, the first such payment for the Note to be made for the period from the date of this Agreement to May 1, 1999 and, whenever it is necessary to compute interest in respect of the Note for a period of less than one full year, other than such equal semi-annual instalments, such interest shall be calculated on the basis of the actual number of days elapsed in a year of 365 days or 366 days, as the case may be.

Section 2.4 Prepayment.

(1) If the Company has, upon the number of days notice to OEFC determined in accordance with Section 2.4(2), delivered a notice to OEFC stating the proposed date and the Note or part thereof that the Company wishes to prepay, on such date the Company shall pay to OEFC the greater of:

(a) The principal amount of the Note or part thereof that is to be prepaid, as the case may be; and

(b) The Ontario Yield Price for the Note or such part;

together in each case with all interest accrued on the Note or such part to such date or, if the Company and OEFC agree, such amount as they agree upon.

(2) The Company may, at any time and from time to time, prepay all or part of the Note upon giving OEFC not less than 30 days' prior written notice of such prepayment.

Section 2.5 Public Debt Covenants.

(1) If the Company issues notes, bonds, debentures or other evidences of Senior Debt to the public with a term to maturity of at least 5 years and in an aggregate principal amount of at least 100 million in Canadian Dollars or at least 100 million in U.S. Dollars pursuant to a trust indenture, the Company shall, within 3 Business Days of the first such issuance, give OEFC notice of such issuance and a copy of such trust indenture. Effective upon such issuance, the representations and warranties, the positive and negative covenants of the Company (including any financial covenants but excluding covenants relating to interest rates, interest payment dates, maturity dates of principal, prepayments and manner and place of payments) and the events of default applicable to such Senior Debt as specified in such trust indenture shall automatically become applicable to the Note in lieu of the representations and warranties, covenants or Events of Default, as the case may be, included herein as if the same had been originally included in this Agreement when executed and delivered and this Agreement shall be deemed to be amended as of the date such Senior Debt is issued to the extent necessary to incorporate such representations and warranties, covenants and events of default into this Agreement. The Company, at the request of OEFC, shall promptly execute and deliver an agreement which sets out the terms and provisions of this Agreement, as so amended.

(2) If, at any time or from time to time, the representations or warranties, the positive or negative covenants (including any financial covenants but excluding covenants relating to interest rates, interest payment dates, maturity dates of principal, prepayments and manner and place of payments) or the events of default applicable to the Senior Debt referred to in Section 2.5(1) are amended, modified or restated, the Company shall, within 3 Business Days of such amendment, modification or restatement, give OEFC notice thereof and a copy of the agreement amending or modifying the trust indenture referred to in Section 2.5(1) or a copy of the restatement of such trust indenture, as the case may be. OEFC may, upon notice to the Company given at any time within 90 days of receipt by OEFC of a copy of such agreement or such restatement, elect to have such amendment, modification or restatement apply to the Note and this Agreement (as amended pursuant to Section 2.5(1)). If OEFC so elects, such amendment, modification or restatement shall become applicable to the Note and this Agreement (as so amended) as of the date of such election, as if such amendment, modification or restatement amended, modified or restated this Agreement (as so amended) as of such date and this Agreement shall be deemed to be amended, modified or restated as of such date to the extent necessary to incorporate such representations and warranties, positive and negative covenants (including any financial covenants but excluding covenants

relating to interest rates, interest payment dates, maturity dates of principal, prepayments and manner and place of payments) and events of default. The Company, at the request of OEFC, shall promptly execute and deliver an agreement which sets out the terms of this Agreement, as amended pursuant to Section 2.5(1) and as further amended, modified or restated pursuant to this Section 2.5(2).

Section 2.6 Payment.

All amounts required to be paid by the Company to OEFC pursuant to this Agreement shall be paid to or to the order of OEFC by electronic wire transfer of immediately available funds in accordance with transfer instructions given by OEFC to the Company from time to time, or in any such other manner as OEFC may specify to the Company from time to time.

ARTICLE 3
COVENANTS OF THE COMPANY

Section 3.1 Payment of the Note.

The Company will duly and punctually pay or cause to be paid all amounts owing in respect of the Note or under this Agreement in accordance with the terms and subject to the conditions of the Note and this Agreement.

Section 3.2 Company will Maintain its Corporate Existence.

Subject to Section 5.1, the Company will at all times maintain its corporate existence.

Section 3.3 Maintenance of Properties.

The Company will cause all property owned by the Company or any Subsidiary to be maintained and kept in good condition, repair and working order, all as in the judgment of the Company or any Subsidiary may be necessary for the proper operation of such property, except as and to the extent that the Company or any Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 3.3 shall prevent the Company or any Subsidiary from discontinuing the maintenance of any such property if such discontinuance is, in the judgment of the Company or any Subsidiary, desirable in the conduct of its business or the business of any such Subsidiary.

Section 3.4 Insurance.

The Company will cause all property owned by the Company or any Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the nature and to the extent that such property is usually insured by companies operating similar businesses.

Section 3.5 Conduct of Business.

The Company will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in a proper, efficient and business-like manner and in accordance with good business practice.

Section 3.6 Financial Statements.

The Company will furnish to OEFC:

(a) Within 140 days after the end of each fiscal year, beginning with the fiscal year ended December 31, 1999, audited financial statements of the Company consisting of a consolidated balance sheet of the Company at the end of each such fiscal year and related consolidated statements of income and retained earnings and, commencing with the financial statements relating to the fiscal year of the Company commencing January 1, 2000, changes in financial position for each such fiscal year prepared in accordance with generally accepted accounting principles; and

(b) Within 60 days after the end of each of the first three fiscal quarters of each fiscal year of the Company, unaudited interim consolidated financial statements of the Company for the interim period so ended prepared in accordance with generally accepted accounting principles.

Section 3.7 Other Indebtedness.

The Company covenants that if it shall cause any payment of principal, premium or interest on any of its Indebtedness to be subordinated or postponed to the prior payment of any other Indebtedness it shall in like manner subordinate or postpone such payment to the prior payment of the Note.

Section 3.8 Negative Pledge.

The Company will not, and will not permit any Subsidiary to, create, incur or assume any Lien, charging the interest of the Company or any Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, the Note is secured equally

and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) The creation, incurrence or assumption of any Purchase Money Mortgage;

(b) The grant of any Lien in the normal course of business to any banks or financial institutions for present or future Indebtedness of the Company or any Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) Liens granted by a Subsidiary to the Company;

(e) Any extension, renewal or replacement of any of the Liens referred to in Sections 3.8(a) to (d), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased.; and

(f) Any Lien charging the interest of the Company or any Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 3.8(a) to (d), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 3.8(f) which is outstanding at such time does not exceed 25% of Consolidated Assets at such time.

Section 3.9 Payment of OEFC's Expenses

The Company will, on demand, reimburse OEFC for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OEFC in connection with the preservation of rights under or enforcement of this Agreement at any time during the continuance of a default or Event of Default. All such costs, charges and expenses shall bear interest at the Canadian Prime Rate, payable monthly in arrears from the third Business Day after demand for reimbursement thereof is made by OEFC.

ARTICLE 4
EVENTS OF DEFAULT AND REMEDIES

Section 4.1 Event of Default.

"**Event of Default**", wherever used herein, means any one of the following events:

(a) Failure to pay any interest upon the Note when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) Failure to pay the principal of the Note at its Stated Maturity;

(c) Failure on the part of the Company to observe or perform its obligations set forth in Section 5.1;

(d) Failure on the part of the Company to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 30 days after the date on which written notice of such failure shall have been given to the Company by OEFC;

(e) One or more breaches by the Company or any Subsidiary of its covenants under one or more evidences of Indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $25 million, which breaches:

(i) Constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist, or

(ii) Have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived or rescinded);

(f) The Company or any Material Subsidiary:

(i) Becomes generally not able to pay its debts as they become due;

(ii) Admits in writing its inability to pay its debts generally or makes a general assignment for the benefit of its creditors or files a proposal or other scheme of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) Institutes or has instituted against it any proceeding seeking:

(A) To adjudicate it a bankrupt or insolvent,

(B) Liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors, or

(C) The entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets,

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismissed or unstayed for a period of 30 days, or any of the actions sought in such proceeding (including the entry of an order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

(iv) Takes any corporate action to authorize any of the actions in Sections 4.1(f)(i), (ii) or (iii); or

(g) If there shall be rendered against the Company or any Material Subsidiary a final judgment or judgments for the payment of money in an aggregate amount in excess of $25 million by a court or courts of competent jurisdiction, and the Company or such Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 4.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case OEFC may declare all amounts owing on the Note and all other amounts owing hereunder to be due and payable immediately, by a notice in writing to the Company, and upon any such declaration all such amounts shall become immediately due and payable.

Section 4.3 Suits for Enforcement by OEFC.

If an Event of Default occurs and is continuing, OEFC may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in OEFC by this Agreement or by law.

Section 4.4 OEFC May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of the Company under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property of the Company, or if any other judicial proceedings relative to the Company, its creditors or its property are pending, OEFC (irrespective of whether the principal amount of the Note shall then be due and payable as therein expressed or by declaration or otherwise and irrespective of whether OEFC shall have made any demand on the Company for the payment of any overdue principal or interest) shall be entitled and empowered, by intervention in such proceeding or otherwise:

(a) To file and prove a claim for all amounts owing on the Note or under this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of OEFC (including any claim for fees and disbursements of OEFC, its agents and counsel) allowed in such judicial proceeding; and

(b) To collect and receive any moneys or other property payable or deliverable on any such claim.

Section 4.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to OEFC is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 4.6 Delay or Omission not Waiver.

No delay or omission of OEFC to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right and remedy given

by this Article 4 or by law to OEFC may be exercised from time to time, and as often as may be deemed expedient, by OEFC.

ARTICLE 5
CONSOLIDATION, AMALGAMATION, MERGER OF COMPANY

Section 5.1 Certain Requirements in Respect of Merger, etc.

The Company may not, in a single transaction or a series of related transactions, amalgamate or consolidate with or merge into any other Person, or permit any other Person to amalgamate or consolidate with or merge into the Company, or directly or indirectly transfer, sell, lease or otherwise dispose of all or substantially all of its property or assets (a "**disposition**") to any Person, but may do so if:

(a) The Company shall be the surviving Person, or the Person (if other than the Company) formed by such amalgamation, consolidation or into which the Company is merged or that acquires by disposition all or substantially all of the properties or assets of the Company shall be a corporation, partnership or trust organized and validly existing under the federal laws of Canada or any province or territory thereof and shall expressly assume, by an agreement executed and delivered to OEFC in form satisfactory to OEFC, all of the Company's obligations under this Agreement and the Note and, in the case of an entity organized other than under the laws of the Province of Ontario, shall attorn to the jurisdiction of the courts of the Province of Ontario (the Company or such other Person who becomes such a successor obligor under this Agreement being herein referred to as the "**Successor Person**");

(b) Immediately before and after giving effect to such transaction, no default or Event of Default shall have occurred and be continuing; and

(c) The Successor Person shall have delivered to OEFC a certificate of the Successor Person and an opinion of counsel, each stating that such amalgamation, consolidation, merger or disposition by the Company, and, if an agreement is required to be entered into by the Successor Person in connection with such transaction pursuant to Section 5.1(a), such agreement, comply with Section 5.1(a) and the certificate of the Successor Person shall also state that all conditions precedent in this Section 5.1 relating to such transaction have been satisfied.

Section 5.2 Successor Substituted.

Upon any consolidation, amalgamation, merger or disposition described in, and complying with the provisions of, Section 5.1 in which the Company is not the continuing corporation, the Successor Person shall succeed to all of the rights and obligations of the Company under this Agreement and the Note, and from time to time may exercise every right and power of the Company under this Agreement and the Note.

ARTICLE 6
GENERAL

Section 6.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy addressed:

If to the Company, to it at:

Independent Electricity Market Operator
P.O. Box 1
Suite 410
655 Bay Street
Toronto, Ontario
M5G 2K4

Attention: Douglas Thomas, CA, Treasurer
Telephone: (416) 506-2818
Telecopier: (416) 506-2843

If to OEFC, to it at:

Ontario Electricity Financial Corporation
c/o Ontario Financing Authority
1 Dundas Street West
Suite 1400
Toronto, Ontario
M3A 1Y7

Attention: Executive Director - Capital Markets Division
Telephone: (416) 325-8128
Telecopier: (416) 325-8005

Any such communication shall be deemed to have been validly and effectively given if (i) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p.m. (Toronto time), otherwise on the next Business Day, (ii) transmitted by telecopier, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice given in accordance with this Section 6.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 6.1.

Section 6.2 Successors and Assigns.

Subject to Section 5.1, the Company cannot assign or transfer this Agreement or the Note or any of its rights or obligations under this Agreement or the Note without the prior written consent of OEFC. OEFC cannot assign or transfer this Agreement or the Note or any of its rights or obligations under this Agreement or the Note without the prior written consent of the Company.

Section 6.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of OEFC and the Company.

Section 6.4 Waiver.

(3) No waiver of any provision of the Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) of this Agreement nor shall such waiver be binding unless executed in writing by the party to be bound by the waiver.

(4) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude any other or further exercise of such right or the exercise of any other right.

Section 6.5 Further Assurances.

Each of the Company and OEFC shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement.

Section 6.6 Severability.

In case any provision in this Agreement or in the Note shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement or in the Note shall not in any way be affected or impaired thereby.

Section 6.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 6.8 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF the parties have executed this Agreement.

INDEPENDENT ELECTRICITY MARKET OPERATOR

By: Douglas J. Thomas

By: _____

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By: _____

By: _____

AMENDING AGREEMENT NO. 6

This Amending Agreement is made as of the 30th day of April, 2017

between:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR
("IESO")

- and -

ONTARIO ELECTRICITY FINANCIAL CORPORATION
("OEFC")

WHEREAS IESO and OEFC have entered into an agreement Providing for the Issuance of a Note dated April 1, 1999 (the "Original Agreement");

AND WHEREAS pursuant to amending agreements dated March 23, 2000, April 23, 2009, May 1, 2011, May 1, 2013, and April 30, 2014 the parties amended the Original Agreement (as so amended, the "Agreement");

AND WHEREAS the parties wish to further amend the Agreement to increase the loan advanced to IESO from a principal amount of C$90 million to a principal amount of up to C$120 million and to extend the maturity date of the loan to June 30, 2020, all of which is to be evidenced through the the issuance of a Fifth Refinancing Note.

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and sufficiency of which are hereby acknowledged by each party), the parties agree as follows:

1. **Defined Terms**

Capitalized terms used in this Amending Agreement and not otherwise defined herein have the meanings specified in the Agreement.

2. **Amendments to Agreement**

(a) Definition of "Loan" in the Agreement is deleted.

(b) Article 1a (The Loan) of the Agreement is deleted in its entirety and replaced with the following:

Article 1a $30 Million Advance

Section 1a.1

Effective April 30, 2017, OEFC will make an advance to IESO in the amount of $30 million (the "$30 Million Advance"). IESO directs OEFC to apply, and OEFC agrees to apply, the $30 Million Advance, first to repay Advances Outstanding (as such term is defined in the Revolving Credit Facility Agreement), if any, under the Revolving Credit Facility Agreement, with any amount remaining out of the $30 Million Advance after repaying all Advances Outstanding to be used by IESO for the purpose of funding new IESO capital expenditures.

(c) The following sections are added to the Agreement following Section 2.15:

" Section 2.16 Fifth Refinancing Note

On April 30, 2017, IESO shall execute and deliver to OEFC a promissory note in the form attached as Schedule 1 (the "Fifth Refinancing Note") which shall be in an aggregate principal amount equal to $120 million, dated as of April 30, 2017 and maturing on June 30, 2020 and bearing interest at a per annum rate equal to the Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020, as determined by the Chief Executive Officer of OEFC or the Chief Operating Officer of OEFC, or by a person designated by either of them, plus fifty basis points (0.50%) (after as well as before default or judgment, with interest on the amounts in default at the same rate). Upon receipt of the Fifth Refinancing Note by OEFC, the Fourth Refinancing Note dated April 30, 2014 shall be of no further force or effect and shall be returned by OEFC to IESO marked "cancelled".

For greater clarity, the Fifth Refinancing Note shall evidence the indebtedness of IESO to OEFC in respect of the principal amount of $90 million under the Fourth Refinancing Note ("Part A") and the additional $30 Million Advance ("Part B"), for a total aggregate principal amount of $120 million.

Notwithstanding Section 1.5 herein, the interest rate on the Fifth Refinancing Note shall be set on Monday, May 1, 2017, with interest accruing on Part A commencing on Sunday, April 30, 2017, and interest accruing on Part B commencing on Monday, May 1, 2017.

Section 2.17 Interest on Fifth Refinancing Note

Notwithstanding Section 1.5 herein, interest on the Fifth Refinancing Note at the rate specified in Section 2.16 shall accrue daily and shall be payable in equal semi-annual instalments on June 30 and December 31(each an "Interest Payment Date"), provided however that the calculation of the amount of the first such interest payment for Part A shall be in respect only of the period from and including April 30, 2017 to but excluding June 30, 2017, and for Part B in respect only of the period from May 1, 2017 to but excluding June 30, 2017.

For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under the Fifth Refinancing Note for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period."

3. **Reference to and Effect on the Agreement.**

On and after this date, each reference in the Agreement to "this Agreement" and each reference to the Agreement in any and all other agreements, documents and instruments delivered by IESO and OEFC shall mean and be a reference to the Agreement as amended by this Amending Agreement. On and after this date, each reference in the Agreement to either "the Note" or "the New Note" and each reference to either "the Note" or "the New Note" in any and all other agreements, documents and instruments delivered by IESO and OEFC shall mean and be a reference to the Fifth Refinancing Note.

4. **Governing Law**

This Amending Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

5. **Counterparts**

This Amending Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.

6. **Enurement**

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

IN ALL OTHER RESPECTS, the Agreement is confirmed by the parties.

IN WITNESS WHEREOF the parties have executed and delivered this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

SCHEDULE 1
FORM OF FIFTH REFINANCING NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

NOTE

Aggregate Principal Amount: $120 million, consisting of: a Part A amount of $90 million ("Part A"), whereon interest accrues commencing on April 30, 2017, and a Part B amount of $30 million ("Part B"), whereon interest accrues commencing on May 1, 2017.

Date: April 30, 2017

Interest Rate: (Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020 + 50 basis points)

Due: June 30, 2020

FOR VALUE RECEIVED, the INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO") existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, PROMISES TO PAY to or to the order of ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC") at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of $120 million in lawful money of Canada, with interest on such amount at the rate, calculated in the manner and payable at the times specified in this Note.

The principal amount of this Note together with all interest accrued thereon shall become due and payable on June 30, 2020.

The principal amount of this Note remaining from time to time unpaid and outstanding shall bear interest from the date of this Note both before and after maturity and both before and after default at the rate per annum equal to the Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020, as determined by the Chief Executive Officer of OEFC or the Chief Operating Officer of OEFC, or by a person designated by either of them, plus fifty basis points (0.50%). Interest at such rate shall accrue daily and shall be payable in arrears in equal semi-annual instalments on June 30 and December 31 (each an "Interest Payment Date") commencing June 30, 2017, provided however that the calculation of the amount of the first such interest payment for Part A shall be in respect only of the period from and including April 30, 2017 to but excluding June 30, 2017, and for Part B in respect only of the period from and including May 1, 2017 to but excluding June 30, 2017.

For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Note for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of an agreement providing for the issuance of a note dated April 1, 1999 between the IESO and OEFC and amended by an amending agreement dated March 23, 2000, an amending agreement dated April 23, 2009, an amending agreement dated May 1, 2011, an amending agreement dated May 1, 2013, an amending agreement dated April 30, 2014, and an amending agreement dated April 30, 2017 (as so amended, the "Agreement"), which Agreement provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

From: William Tan
To: Siva Nathan
Cc: Sarah Harris; Ryan Blackbyrne
Subject: FW: IESO : OFA/OEFC December 31, 2017 - confirmations to KPMG
Date: Tuesday, January 30, 2018 12:41:17 PM
Attachments: SMF9217121516150.pdf

Hello Siva,
Anthony from IESO is following-up on the KPMG request. Would it be possible to provide Anthony or KPMG with an update?
Thanks,
Will

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Monday, January 29, 2018 3:46 PM
To: William Tan
Cc: De Caire, Justin J ; Olga Whiteley ; Natalie Schaus ; Madill, Logan
Subject: RE: IESO : OFA/OEFC December 31, 2017 - confirmations to KPMG
Will – as discussed, please note KPMG has not yet received a OFA reply. Will appreciate your assistance. Regards.

From: Anthony Martinello
Sent: December 15, 2017 4:19 PM
To: 'Ryan Blackbyrne'; 'William Tan'
Cc: 'De Caire, Justin J'; 'Sims, Brendan'; Olga Whiteley; Natalie Schaus
Subject: IESO : OFA/OEFC December 31, 2017 - confirmations to KPMG
Ryan, William,
In connection with their audit of the IESO's financial statements for the year ended December 31, 2017, our auditors, KPMG LLP, have requested confirmation of the IESO's borrowings with Ontario Electricity Financial Corporation and Ontario Financing Authority as at December 31, 2017.
Please see the attached, and please confirm back to KPMG LLP.
If you have any questions, please call/contact:
Justin De Caire
KPMG LLP
80 King Street, Suite 620
P.O. Box 1294
St. Catharines, ON, L2R 7G1
Fax: 905-682-2008
T: 905-687-3284
Regards,

Anthony Martinello Director, Treasury & Pension Operations
Independent Electricity System Operator (IESO) | T: 905-403-6944
Station A, Box 4474, Toronto, ON, M5W 4E5
www.ieso.ca[ieso.ca]

This e-mail message and any files transmitted with it are intended only for the named recipient(s) above and may contain information that is privileged, confidential and/or exempt from disclosure under applicable law. If you are not the intended recipient(s), any dissemination, distribution or copying of this e-mail message or any files transmitted with it is strictly prohibited. If you have received this message in error, or are not the named recipient(s), please notify the sender immediately and delete this e-mail message.

December 15, 2017

Mr. William Tan
Ontario Financing Authority
1 Dundas Street West, Ste. 1400
Toronto, ON. M7A 1Y7

ieso
Independent Electricity System Operator

1600 - 120 Adelaide Street West
Toronto, ON M5H 1T1
t 416 506 2800

www.ieso.ca

RE: IESO borrowings from Ontario Financing Authority

Dear Mr. Tan:

In connection with their audit of our financial statements for the year ended December 31, 2017, our auditors, KPMG LLP, have requested confirmation of the IESO's borrowings with Ontario Financing Authority as at December 31, 2017.

Facility	Total Amount of Debt/facility	Interest Rate	Maturity Date
1. Fair Hydro Credit Facility	Amount outstanding as at December 31, 2017 is : CAD$ (insert amount)	Draws up to $2,000,000,000.00 will be at Province of Ontario's cost of borrowing plus 0.25 percent per annum.	September 30, 2022
2. Credit Facility	Amount outstanding as at December 31, 2017 is : CAD$ (insert amount)	Draws up to $475,000,000.00 will be at Province of Ontario's cost of borrowing plus 0.25 percent per annum.	December 31, 2019

Please confirm the above information and the amounts details by signing below and email or fax this confirmation back directly to our auditors. Should you wish to discuss any details of this confirmation request, please contact:

Justin De Caire
KPMG LLP
80 King Street, Suite 620, P.O. Box 1294, St. Catharines, ON, L2R 7G1
T (905) 687-3284, Fax: 905-682-2008
(jdecaire@kpmg.ca).

Yours truly,

Anthony Martinello
Director, Treasury and Pension Operations

The above information detailing debt securities agrees with our records. To the best of our knowledge we hold no other debt securities for this company. (Note exceptions below, or in a separate letter.)

Financial institution name: _____

Signature: _____

Name and title of official: _____ Date: _____

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To: Siva Nathan
Cc: Sarah Harris; Ryan Blackbyrne
Subject: FW: IESO : OFA/OEFC December 31, 2017 - confirmations to KPMG
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Please see the attached, and please confirm back to KPMG LLP.
If you have any questions, please call/contact:
Justin De Caire
KPMG LLP
80 King Street, Suite 620
P.O. Box 1294
St. Catharines, ON, L2R 7G1
Fax: 905-682-2008
T: 905-687-3284
Regards,

Anthony Martinello Director, Treasury & Pension Operations
Independent Electricity System Operator (IESO) | T: 905-403-6944
Station A, Box 4474, Toronto, ON, M5W 4E5
www.ieso.ca[ieso.ca]

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December 15, 2017

Mr. William Tan
Ontario Financing Authority
1 Dundas Street West, Ste. 1400
Toronto, ON. M7A 1Y7

ieso
Independent Electricity System Operator

1600 - 120 Adelaide Street West
Toronto, ON M5H 1T1
t 416 506 2800

www.ieso.ca

RE: IESO borrowings from Ontario Financing Authority

Dear Mr. Tan:

In connection with their audit of our financial statements for the year ended December 31, 2017, our auditors, KPMG LLP, have requested confirmation of the IESO's borrowings with Ontario Financing Authority as at December 31, 2017.

Facility	Total Amount of Debt/facility	Interest Rate	Maturity Date
1. Fair Hydro Credit Facility	Amount outstanding as at December 31, 2017 is : CAD$ (insert amount)	Draws up to $2,000,000,000.00 will be at Province of Ontario's cost of borrowing plus 0.25 percent per annum.	September 30, 2022
2. Credit Facility	Amount outstanding as at December 31, 2017 is : CAD$ (insert amount)	Draws up to $475,000,000.00 will be at Province of Ontario's cost of borrowing plus 0.25 percent per annum.	December 31, 2019

Please confirm the above information and the amounts details by signing below and email or fax this confirmation back directly to our auditors. Should you wish to discuss any details of this confirmation request, please contact:

Justin De Caire
KPMG LLP
80 King Street, Suite 620, P.O. Box 1294, St. Catharines, ON, L2R 7G1
T (905) 687-3284, Fax: 905-682-2008
(jdecaire@kpmg.ca).

Yours truly,

Anthony Martinello
Director, Treasury and Pension Operations

The above information detailing debt securities agrees with our records. To the best of our knowledge we hold no other debt securities for this company. (Note exceptions below, or in a separate letter.)

Financial institution name: _____

Signature: _____

Name and title of official: _____ Date: _____

From:	Sarah Harris
To:	William Tan
Subject:	FW: IESO loan and credit facility
Date:	Thursday, May 24, 2018 1:20:32 PM
Attachments:	IESOExecutedCopyAgreement loan.pdf IESOExecutedCopyAgreement credit facility.pdf

---

Hi Will,

Could you please look into this and let me know?

Thanks,

Sarah

From: Robert Bozinoski
Sent: Thursday, May 24, 2018 11:45 AM
To: Sarah Harris
Subject: IESO loan and credit facility

Hi Sarah,

Attached are the IESO signed copies of the April 2017 amending agreements with OEFC. The OEFC auditor is asking for the OFA signed copy for their files. Would you be able to provide these?

I recall that Kelley mentioning that some agreements are signed in counterpart.

Thanks

Rob

AMENDING AGREEMENT NO. 6

This Amending Agreement is made as of the 30th day of April, 2017

between:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR
("IESO")

- and -

ONTARIO ELECTRICITY FINANCIAL CORPORATION
("OEFC")

WHEREAS IESO and OEFC have entered into an agreement Providing for the Issuance of a Note dated April 1, 1999 (the "Original Agreement");

AND WHEREAS pursuant to amending agreements dated March 23, 2000, April 23, 2009, May 1, 2011, May 1, 2013, and April 30, 2014 the parties amended the Original Agreement (as so amended, the "Agreement");

AND WHEREAS the parties wish to further amend the Agreement to increase the loan advanced to IESO from a principal amount of C$90 million to a principal amount of up to C$120 million and to extend the maturity date of the loan to June 30, 2020, all of which is to be evidenced through the the issuance of a Fifth Refinancing Note.

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and sufficiency of which are hereby acknowledged by each party), the parties agree as follows:

1. **Defined Terms**

Capitalized terms used in this Amending Agreement and not otherwise defined herein have the meanings specified in the Agreement.

2. **Amendments to Agreement**

(a) Definition of "Loan" in the Agreement is deleted.

(b) Article 1a (The Loan) of the Agreement is deleted in its entirety and replaced with the following:

Article 1a $30 Million Advance

Section 1a.1

Effective April 30, 2017, OEFC will make an advance to IESO in the amount of $30 million (the "$30 Million Advance"). IESO directs OEFC to apply, and OEFC agrees to apply, the $30 Million Advance, first to repay Advances Outstanding (as such term is defined in the Revolving Credit Facility Agreement), if any, under the Revolving Credit Facility Agreement, with any amount remaining out of the $30 Million Advance after repaying all Advances Outstanding to be used by IESO for the purpose of funding new IESO capital expenditures.

(c) The following sections are added to the Agreement following Section 2.15:

" Section 2.16 Fifth Refinancing Note

On April 30, 2017, IESO shall execute and deliver to OEFC a promissory note in the form attached as Schedule 1 (the "Fifth Refinancing Note") which shall be in an aggregate principal amount equal to $120 million, dated as of April 30, 2017 and maturing on June 30, 2020 and bearing interest at a per annum rate equal to the Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020, as determined by the Chief Executive Officer of OEFC or the Chief Operating Officer of OEFC, or by a person designated by either of them, plus fifty basis points (0.50%) (after as well as before default or judgment, with interest on the amounts in default at the same rate). Upon receipt of the Fifth Refinancing Note by OEFC, the Fourth Refinancing Note dated April 30, 2014 shall be of no further force or effect and shall be returned by OEFC to IESO marked "cancelled".

For greater clarity, the Fifth Refinancing Note shall evidence the indebtedness of IESO to OEFC in respect of the principal amount of $90 million under the Fourth Refinancing Note ("Part A") and the additional $30 Million Advance ("Part B"), for a total aggregate principal amount of $120 million.

Notwithstanding Section 1.5 herein, the interest rate on the Fifth Refinancing Note shall be set on Monday, May 1, 2017, with interest accruing on Part A commencing on Sunday, April 30, 2017, and interest accruing on Part B commencing on Monday, May 1, 2017.

Section 2.17 Interest on Fifth Refinancing Note

Notwithstanding Section 1.5 herein, interest on the Fifth Refinancing Note at the rate specified in Section 2.16 shall accrue daily and shall be payable in equal semi-annual instalments on June 30 and December 31(each an "Interest Payment Date"), provided however that the calculation of the amount of the first such interest payment for Part A shall be in respect only of the period from and including April 30, 2017 to but excluding June 30, 2017, and for Part B in respect only of the period from May 1, 2017 to but excluding June 30, 2017.

For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under the Fifth Refinancing Note for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period."

3. **Reference to and Effect on the Agreement.**

On and after this date, each reference in the Agreement to "this Agreement" and each reference to the Agreement in any and all other agreements, documents and instruments delivered by IESO and OEFC shall mean and be a reference to the Agreement as amended by this Amending Agreement. On and after this date, each reference in the Agreement to either "the Note" or "the New Note" and each reference to either "the Note" or "the New Note" in any and all other agreements, documents and instruments delivered by IESO and OEFC shall mean and be a reference to the Fifth Refinancing Note.

4. **Governing Law**

This Amending Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

5. **Counterparts**

This Amending Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.

6. **Enurement**

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

IN ALL OTHER RESPECTS, the Agreement is confirmed by the parties.

IN WITNESS WHEREOF the parties have executed and delivered this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

SCHEDULE 1
FORM OF FIFTH REFINANCING NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

NOTE

Aggregate Principal Amount: $120 million, consisting of: a Part A amount of $90 million ("Part A"), whereon interest accrues commencing on April 30, 2017, and a Part B amount of $30 million ("Part B"), whereon interest accrues commencing on May 1, 2017.

Date: April 30, 2017

Interest Rate: (Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020 + 50 basis points) 1.763%

Due: June 30, 2020

FOR VALUE RECEIVED, the INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO") existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, PROMISES TO PAY to or to the order of ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC") at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of $120 million in lawful money of Canada, with interest on such amount at the rate, calculated in the manner and payable at the times specified in this Note.

The principal amount of this Note together with all interest accrued thereon shall become due and payable on June 30, 2020.

The principal amount of this Note remaining from time to time unpaid and outstanding shall bear interest from the date of this Note both before and after maturity and both before and after default at the rate per annum equal to the Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020, as determined by the Chief Executive Officer of OEFC or the Chief Operating Officer of OEFC, or by a person designated by either of them, plus fifty basis points (0.50%). Interest at such rate shall accrue daily and shall be payable in arrears in equal semi-annual instalments on June 30 and December 31 (each an "Interest Payment Date") commencing June 30, 2017, provided however that the calculation of the amount of the first such interest payment for Part A shall be in respect only of the period from and including April 30, 2017 to but excluding June 30, 2017, and for Part B in respect only of the period from and including May 1, 2017 to but excluding June 30, 2017.

For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Note for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of an agreement providing for the issuance of a note dated April 1, 1999 between the IESO and OEFC and amended by an amending agreement dated March 23, 2000, an amending agreement dated April 23, 2009, an amending agreement dated May 1, 2011, an amending agreement dated May 1, 2013, an amending agreement dated April 30, 2014, and an amending agreement dated April 30, 2017 (as so amended, the "Agreement"), which Agreement provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

AMENDING AGREEMENT NO. 6

This Amending Agreement is effective as of the 30 day of April, 2017.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011, Amending Agreement No. 3 dated April 30, 2013, Amending Agreement No. 4 dated April 30, 2014 and Amending Agreement No. 5 dated December 19, 2014 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $95 million.

AND WHEREAS IESO and OEFC wish to amend the Agreement to increase the revolving line of credit from a principal amount of CDN $95 million to a principal amount of up to CDN $160 million to provide funding for IESO Corporate Requirements (as defined herein);

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for an extension of the mandatory repayment date established in the Agreement to June 30, 2020;

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for the ability for Advances to be made on any business day up to a maximum of 12 times per year;

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. Section 1.1 Definitions of the Agreement is amended as follows:

   i) The definition of "Amalgamation" is deleted.

   ii) The definition of "Commitment" is deleted and replaced with:

   "Commitment" means, at any time, an amount equal to the principal amount of One Hundred and Sixty Million Dollars.

   iii) A definition of "IESO Corporate Requirements" is added as follows:

   "IESO Corporate Requirements" means any borrowing purposes authorized by O. Reg. 280/14 made under the *Electricity Act, 1998* (as such regulation may be amended or

replaced from time to time), other than for funding liquidity requirements relating to the settlement of the Ontario wholesale electricity markets.

iv) A definition of "Ontario's Fair Hydro Plan" is added as follows:

"Ontario's Fair Hydro Plan" means the plan announced March 2, 2017 by the Government of Ontario to affect the Ontario Energy Board's setting of electricity prices for certain Ontario consumers of electricity, which plan is referred to in the Ontario Energy Board's report dated April 20, 2017 and titled "Regulated Price Plan Price Report – May 1, 2017 to April 30, 2018", and including all relevant developments in or changes to such plan from time to time.

v) The definition of "New IESO" is deleted.

vi) The definition of "Note" is deleted and replaced with:

"Note" means the $160 Million Note issued pursuant to Section 2 of Amending Agreement No. 6 dated as of the 30th day of April, 2017.

vii) The definition of "OPA" is deleted.

viii) The definition of "Pre-Amalgamation IESO" is deleted.

2. IESO shall execute and deliver to OEFC a grid promissory note in the form attached as Schedule I hereto which shall be in an aggregate principal amount of up to One Hundred and Sixty Million Dollars (the "$160 Million Note") dated April 30, 2017 and on which shall be recorded the Advances Outstanding under the grid promissory note delivered pursuant to Amending Agreement No. 4. Upon receipt by OEFC of the $160 Million Note dated April 30, 2017, the $95 Million Note dated April 30, 2014 shall be of no further force and effect and shall be returned to the IESO marked "cancelled".

3. Section 2.3 of the Agreement is deleted and replaced by the following:

Section 2.3 Use of Proceeds

IESO shall use the proceeds of Advances for the funding of IESO Corporate Requirements.

4. Section 2.4 of the Agreement is deleted and replaced by the following:

Section 2.4 Mandatory Repayment.

Subject to Sections 3.5 and 5.2 of this Agreement, IESO shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, in full on or before June 30, 2020.

5. Section 3.1 of the Agreement is deleted and replaced by the following:

Section 3.1 Advances.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO under the Credit Facility on any Business Day in a month up to twelve (12) times per annum from and including May 1, 2017 to and including May 29, 2020

6. Paragraph 3.6(c) of the Agreement is deleted and replaced by the following:
   (c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO, provided however that any adverse change in IESO's financial condition related to or resulting from the discharge by IESO of its responsibilities under Ontario's Fair Hydro Plan shall be deemed not to be a material adverse change for the purposes of this Section; and

7. The Form of Borrowing Notice is deleted and replaced with the Form of Borrowing Notice attached hereto as Schedule 1.

8. This Amending Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

SCHEDULE 1

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $160,000,000 Date: 30 April, 2017

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("**IESO**"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid **("Grid")** attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No. 1 dated July 21, 2010, by Amending Agreement No. 2 dated October 14, 2011, by Amending Agreement No. 3 dated April 30, 2013, by Amending Agreement No. 4 dated April 30, 2014, by Amending Agreement No. 5 dated December 19, 2014, and by Amending Agreement No. 6 dated April 30, 2017 (collectively the "Agreement").

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before June 30, 2020.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance or part of an Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Agreement. All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment, demand, protest, notice of dishonour and notice

of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

(Revolving Credit Facility April 30, 2017)

DATE	PRINCIPAL ADVANCED	RATE	REPAYMENT DATE	INTEREST AMOUNT	AMOUNT OF PAYMENT		UNPAID BALANCE			NOTATION MADE BY
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	REFINANCED (AMOUNT & DATE)	

From: Opal Kandelas
To: Sarah Harris
Subject: FW: IESO
Date: Wednesday, November 29, 2017 4:29:01 PM

FYI.

From: John Kim
Sent: Wednesday, November 29, 2017 4:23 PM
To: 'Anthony Martinello'
Cc: Victor Buza ; Gavin He ; Opal Kandelas
Subject: RE: IESO

HI Anthony,
We are OK to have you share the $2bn FHP facility agreement with TD, on the basis as you indicated that they will treat it strictly confidential.
Thanks,
John

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Tuesday, November 21, 2017 10:47 AM
To: John Kim <John.Kim@ofina.on.ca>
Cc: Victor Buza <Victor.Buza@ieso.ca>; Gavin He <Gavin.He@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Subject: RE: IESO

Please move forward and seek the necessary approvals. TD wants to read the $2B agreement to ensure IESO has FH liquidity during the 4 years.

From: John Kim [mailto:John.Kim@ofina.on.ca]
Sent: November 20, 2017 5:17 PM
To: Anthony Martinello
Cc: Victor Buza; Gavin He; William Tan
Subject: RE: IESO

Hi Anthony,
I think the steps we would take to allow it, if at all, could be quite onerous and time-consuming. Are there any specific concern they have that we should be able to address without actually letting them see the agreement?
John

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Monday, November 20, 2017 5:05 PM
To: John Kim <John.Kim@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Cc: Victor Buza <Victor.Buza@ieso.ca>; Gavin He <Gavin.He@ofina.on.ca>
Subject: IESO

John, William,
TD Bank has asked to review the $2B Fair Hydro credit facility executed between IESO and OFA.
TD wants to gain comfort (themselves) that the credit facility is going to support the IESO's fair hydro transactions during the next 4 years.
I have verbally assured them of the above, but they wish to review themselves.
Let me know if I may share and TD will treat the document as confidential.
Regards.

This e-mail message and any files transmitted with it are intended only for the named recipient(s) above and may contain information that is privileged, confidential and/or exempt from disclosure under applicable law. If you are not the intended recipient(s), any dissemination, distribution or copying of this e-mail message or any files transmitted with it is strictly prohibited. If you have received this message in error, or are not the named recipient(s), please notify the sender immediately and delete this e-mail message.

This message, including any attachments, is meant only for the use of the individual(s) to whom it is intended and may contain information that is privileged/confidential. Any unauthorized use, copying or disclosure is strictly prohibited. If you are not the intended recipient or have received this message in error, please notify us immediately by reply e-mail and permanently delete this message, including any attachments, without reading them, and destroy all copies. Thank you.

From: Sarah Harris
To: Lisa Stein
Cc: Opal Kandelas; William Tan
Subject: FW: IESO
Date: Tuesday, November 21, 2017 9:09:22 AM

Hi Lisa…Keeping you in the loop.
Sarah

From: William Tan
Sent: Tuesday, November 21, 2017 8:13 AM
To: Sarah Harris
Subject: FW: IESO
fyi

From: John Kim
Sent: Monday, November 20, 2017 5:17 PM
To: 'Anthony Martinello' <Anthony.Martinello@ieso.ca>
Cc: Victor Buza <Victor.Buza@ieso.ca>; Gavin He <Gavin.He@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
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To: John Kim <John.Kim@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Cc: Victor Buza <Victor.Buza@ieso.ca>; Gavin He <Gavin.He@ofina.on.ca>
Subject: IESO
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TD wants to gain comfort (themselves) that the credit facility is going to support the IESO's fair hydro transactions during the next 4 years.
I have verbally assured them of the above, but they wish to review themselves.
Let me know if I may share and TD will treat the document as confidential.
Regards.

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From: Sarah Harris
To: Lisa Stein
Cc: Opal Kandelas; William Tan
Subject: FW: IESO
Date: Tuesday, November 21, 2017 9:09:22 AM

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Sarah

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Subject: IESO
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TD wants to gain comfort (themselves) that the credit facility is going to support the IESO's fair hydro transactions during the next 4 years.
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From: William Tan
To: Sarah Harris
Subject: FW: IESO
Date: Tuesday, November 21, 2017 8:13:18 AM

---

fyi

From: John Kim
Sent: Monday, November 20, 2017 5:17 PM
To: 'Anthony Martinello'
Cc: Victor Buza ; Gavin He ; William Tan
Subject: RE: IESO

Hi Anthony,

I think the steps we would take to allow it, if at all, could be quite onerous and time-consuming. Are there any specific concern they have that we should be able to address without actually letting them see the agreement?

John

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To: John Kim <John.Kim@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
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Subject: IESO

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From: William Tan
To: Sarah Harris
Subject: FW: IESO
Date: Tuesday, November 21, 2017 8:13:18 AM

---

fyi

From: John Kim
Sent: Monday, November 20, 2017 5:17 PM
To: 'Anthony Martinello'
Cc: Victor Buza ; Gavin He ; William Tan
Subject: RE: IESO

Hi Anthony,

I think the steps we would take to allow it, if at all, could be quite onerous and time-consuming. Are there any specific concern they have that we should be able to address without actually letting them see the agreement?

John

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Monday, November 20, 2017 5:05 PM
To: John Kim <John.Kim@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Cc: Victor Buza <Victor.Buza@ieso.ca>; Gavin He <Gavin.He@ofina.on.ca>
Subject: IESO

John, William,

TD Bank has asked to review the $2B Fair Hydro credit facility executed between IESO and OFA.

TD wants to gain comfort (themselves) that the credit facility is going to support the IESO's fair hydro transactions during the next 4 years.

I have verbally assured them of the above, but they wish to review themselves.

Let me know if I may share and TD will treat the document as confidential.

Regards.

This e-mail message and any files transmitted with it are intended only for the named recipient(s) above and may contain information that is privileged, confidential and/or exempt from disclosure under applicable law. If you are not the intended recipient(s), any dissemination, distribution or copying of this e-mail message or any files transmitted with it is strictly prohibited. If you have received this message in error, or are not the named recipient(s), please notify the sender immediately and delete this e-mail message.

From:	Sarah Harris
To:	William Tan
Subject:	FW: IESO
Date:	Tuesday, November 14, 2017 3:33:36 PM
Attachments:	IESO RPP Grid Note Nov 1st.pdf IESO RPP Notice Oct 20th.pdf IESO RRRP Grid Note Nov 1st.pdf IESO RRRP Notice Oct 20th.pdf

---

From: Sarah Harris
Sent: Thursday, November 02, 2017 10:21 AM
To: William Tan
Subject: FW: IESO

From: LeRoy Ahyee
Sent: Wednesday, November 01, 2017 11:21 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: IESO

As requested.



LeRoy Ahyee
Settlements Officer | Ontario Financing Authority
Ph: 416-325-8076 | Cell: 416-473-1081
LeRoy.Ahyee@ofina.on.ca

Ontario Financing Authority

Line of Credit Grid Note

Entity : IESO

Project: Regulated Price Plan Variance

Schedule of loan transactions to: 01-Nov-2017

Loan Limit: 975,000,000.00

Loan Advanced to: 01-Nov-2017

New Loan and/or Rollover						Actual Repayment				
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19-Oct-2016	$15,431,729.40	0.7900%	21-Nov-2016	33	$11,022.06	$11,022.06	$0.00	$11,022.06	21-Nov-2016	33
21-Nov-2016	$80,224,794.60	0.7800%	21-Dec-2016	30	$51,431.79	$51,431.79	$0.00	$51,431.79	21-Dec-2016	30
21-Dec-2016	$150,501,105.00	0.8300%	20-Jan-2017	30	$102,670.62	$34,297,653.69	$34,194,983.07	$102,670.62	20-Jan-2017	30
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21-Aug-2017	$394,702,336.03	1.0100%	21-Sep-2017	31	$338,578.91	$338,578.91	$0.00	$338,578.91	21-Sep-2017	31
21-Sep-2017	$604,963,600.47	1.2500%	20-Oct-2017	29	$600,820.01	$600,820.01	$0.00	$600,820.01	20-Oct-2017	29
20-Oct-2017	$825,639,102.00	1.2500%	21-Nov-2017	32	$904,809.97	$0.00	$0.00	$0.00		

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Station A, Box 4474
Toronto, ON M5W 4E5
t 905.403.6900
www.ieso.ca

SCHEDULE 2
FORM OF ELECTION NOTICE*

Date: October 18, 2017

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7AIY7

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("**IESO**"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the" **Agreement**", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue all or a portion of an Advance for an additional term, and in that connection with such election, sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day is October 20, 2017
(b) The aggregate amount of the new loan is $825,639,102.00
    i. previous principal amount: $604,963,600.47
    ii. advance: $220,675,501.53
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IESO confirms it will also be paying interest in the amount of $600,820.01.
This transaction relates to the settlement of the Regulated Price Plan (RPP) variance.

Such election shall be confirmed by the IESO by a telephone call to OFA Cash· Management (416) 325-8108.

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement, and are not being used for any other purpose.

Yours truly,
INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: K Marshall

Kimberly Marshall
VP Corporate Services, CFO and Treasurer

Ontario Financing Authority

Line of Credit Grid Note

Entity : IESO

Project: Rural or Remote Electricity Rate Protection Variance

Schedule of loan transactions to: 01-Nov-2017

Loan Limit: 475,000,000.00

Loan Advanced to: 01-Nov-2017

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21-Aug-2017	$7,175,694.39	1.0100%	21-Sep-2017	31	$6,155.37	$6,155.37	$0.00	$6,155.37	21-Sep-2017	31
21-Sep-2017	$9,841,878.70	1.2500%	20-Oct-2017	29	$9,774.47	$9,774.47	$0.00	$9,774.47	20-Oct-2017	29
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Per: K Marshall

Kimberly Marshall
VP Corporate Services, CFO and Treasurer

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Sent: Wednesday, November 01, 2017 11:21 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
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As requested.



LeRoy Ahyee
Settlements Officer | Ontario Financing Authority
Ph: 416-325-8076 | Cell: 416-473-1081
LeRoy.Ahyee@ofina.on.ca

Ontario Financing Authority

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Entity : IESO

Project: Regulated Price Plan Variance

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Per: K Marshall

Kimberly Marshall
VP Corporate Services, CFO and Treasurer

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Yours truly,
INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: K Marshall

Kimberly Marshall
VP Corporate Services, CFO and Treasurer

From:	Lisa Stein
To:	Gavin He
Cc:	Sarah Harris; William Tan; Ryan Blackbyrne; Jean-Francois Beaupre
Subject:	FW: IESO-OEFC - FHP LoC_Nov 2017_v3.docx
Date:	Thursday, November 09, 2017 11:42:34 AM
Attachments:	IESO-OEFC - FHP LoC_Nov 2017_v3.docx

I should add one more comment. I believe there is more than one existing OEFC-IESO facility? Please clearly reference both facilities in the note.
I've copied Ryan and Jean-Francois as well, as per Sarah H.'s request.
Lisa

From: Lisa Stein
Sent: Thursday, November 09, 2017 11:40 AM
To: Gavin He
Cc: Sarah Harris ; William Tan
Subject: IESO-OEFC - FHP LoC_Nov 2017_v3.docx

Hi Gavin,

As per your request, I've reviewed the note and I've made some initial comments and suggested amendments. As an overall comment, I believe the note requires restructuring and further clarification. Once you have had a chance to consider my comments, please send me a revised draft for review or send me a meeting planner and we can discuss further.

Thank you,

Lisa

Lisa N. Stein
Legal Counsel
Ontario Financing Authority
416-325-2320

****
This message, including any attachments, is intended only for the use of the individual(s) to which it is addressed and contains information that is privileged/confidential. Any other distribution, copying or disclosure is strictly prohibited. If you are not the intended recipient or have received this message in error, please notify the sender immediately by reply e-mail and permanently delete this message, including any attachments, without reading it or making a copy. Thank you.
****

OEFC -- IESO CREDIT FACILITY AGREEMENT & THE PERMITTED LIENS

ISSUE

The Independent Electricity System Operator ("IESO") has requested OEFC to ~~reopen the~~amend the existing credit facility agreement between OEFC and IESO (for $XX) to~~-~~address the additional obligations the IESO is taking on under Ontario's Fair Hydro Plan.~~make amendment to the definition of the permitted liens~~.

CONTEXT

To support IESO's role in the implementation and participation under the *Ontario Fair Hydro Plan Act, 2017* ("OFHP Act"), OFA recently amended the credit facility agreement between OFA and the IESO [insert date] (the "OFA Agreement"). One of the amendments to the agreement is to amend the definition of the permitted liens to include any lien arising from the IESO's role and obligations under the OFHP.

The OFA credit facility agreement was amended due to additional roles IESO is taking on under Ontario's Fair Hydro Plan. To fufil its obligation, the IESO will need a general grant of security on any lien arising from the IESO's role and obligations under the OFHP. Therefore, the OFA credit facility agreement was amended to allow for such a general grant of security.

For the same reason, the IESO has requested OEFC to reopen the existing credit facility agreement between OEFC and IESO to make the similar amendment. Specifically, adding a clause in the OEFC credit facility agreement that any lien related to OFHP will not be viewed as negative pledge by OEFC, so those liens can be used to secure the performance of IESO's obligations to OEFC.

RECOMMENDATION

- To maintain a consistent approach with IESO's credit facilities, CEFD staff ~~and IESO~~ are of the view that the exisiting OEFC credit facility ~~should amend~~requires amendments to the permitted liens and negative covenant language to make it the same as, or very similar to, the language in the two OFA Agreements that were signed recently.
- Although the OEFC credit facility is not used for OFHP's purpose, such change to the permitted liens is still required in order for IESO to meet its role and obligation under the OFHP Act.

BACKGROUND

- Currently, under the existing credit facility agreement between OEFC and the IESO, the definition of the "permitted liens" does not include any lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.
- ~~On November 6, 2017, OFA and IESO signed an updated OFA IESO credit facility agreement with respect to changes related to OFHP. Below are the related changes made to the OFA credit facility:~~

~~*Excerpt from the excuted OFA IESO Amending Agreement #10:*~~

~~*The definition of "Permitted Liens" is amended by deleting the word "and" at the end of subsection (i); replacing the "." at the end of subsection (j) and replacing it with "; and" ; and adding the following subsection (k):*~~

~~*"(k) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."*~~

COMMERCIALLY SENSITIVE AND CONFIDENTIAL ADVICE

Commented [LS1]: I recommend moving this to the background section with less detail and explaining the purpose for the amendment on its own, as the IESO OEFC credit facility agreement is separate and needs to be amended on its own merits.

Commented [LS2]: See above.

Commented [LS3]: Is this the only amendment? I'll review again once re-drafted as per above comments.

Commented [LS4]: I don't think this is relevant here

Commented [LS5]: There are no prior references to the FHP Credit Facility Agreement. Again, as per earlier comments, please add a reference to a background section.

Commented [LS6]: Is it actually required?

Formatted: List Paragraph, Indent: Left: 0", Bulleted + Level: 1 + Aligned at: 0.25" + Indent at: 0.5"

Commented [LS7]: This is too detailed for a briefing note. I recommend deleting this.

Electricity Finance Branch / Corporate and Electricity Finance Division / Ontario Financing Authority
November 08, 2017

COMMERCIALLY SENSITIVE AND CONFIDENTIAL ADVICE

From:	Lisa Stein
To:	Gavin He
Cc:	Sarah Harris; William Tan; Ryan Blackbyrne; Jean-Francois Beaupre
Subject:	FW: IESO-OEFC - FHP LoC_Nov 2017_v3.docx
Date:	Thursday, November 09, 2017 11:42:34 AM
Attachments:	IESO-OEFC - FHP LoC_Nov 2017_v3.docx

I should add one more comment. I believe there is more than one existing OEFC-IESO facility? Please clearly reference both facilities in the note.
I've copied Ryan and Jean-Francois as well, as per Sarah H.'s request.
Lisa

From: Lisa Stein
Sent: Thursday, November 09, 2017 11:40 AM
To: Gavin He
Cc: Sarah Harris ; William Tan
Subject: IESO-OEFC - FHP LoC_Nov 2017_v3.docx

Hi Gavin,

As per your request, I've reviewed the note and I've made some initial comments and suggested amendments. As an overall comment, I believe the note requires restructuring and further clarification. Once you have had a chance to consider my comments, please send me a revised draft for review or send me a meeting planner and we can discuss further.

Thank you,

Lisa

Lisa N. Stein
Legal Counsel
Ontario Financing Authority
416-325-2320

****
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OEFC -- IESO CREDIT FACILITY AGREEMENT & THE PERMITTED LIENS

ISSUE

The Independent Electricity System Operator ("IESO") has requested OEFC to ~~reopen the~~amend the existing credit facility agreement between OEFC and IESO (for $XX) to~~-~~address the additional obligations the IESO is taking on under Ontario's Fair Hydro Plan.~~make amendment to the definition of the permitted liens~~.

CONTEXT

To support IESO's role in the implementation and participation under the *Ontario Fair Hydro Plan Act, 2017* ("OFHP Act"), OFA recently amended the credit facility agreement between OFA and the IESO [insert date] (the "OFA Agreement"). One of the amendments to the agreement is to amend the definition of the permitted liens to include any lien arising from the IESO's role and obligations under the OFHP.

The OFA credit facility agreement was amended due to additional roles IESO is taking on under Ontario's Fair Hydro Plan. To fufil its obligation, the IESO will need a general grant of security on any lien arising from the IESO's role and obligations under the OFHP. Therefore, the OFA credit facility agreement was amended to allow for such a general grant of security.

For the same reason, the IESO has requested OEFC to reopen the existing credit facility agreement between OEFC and IESO to make the similar amendment. Specifically, adding a clause in the OEFC credit facility agreement that any lien related to OFHP will not be viewed as negative pledge by OEFC, so those liens can be used to secure the performance of IESO's obligations to OEFC.

RECOMMENDATION

- To maintain a consistent approach with IESO's credit facilities, CEFD staff ~~and IESO~~ are of the view that the exisiting OEFC credit facility ~~should amend~~requires amendments to the permitted liens and negative covenant language to make it the same as, or very similar to, the language in the two OFA Agreements that were signed recently.
- Although the OEFC credit facility is not used for OFHP's purpose, such change to the permitted liens is still required in order for IESO to meet its role and obligation under the OFHP Act.

BACKGROUND

- Currently, under the existing credit facility agreement between OEFC and the IESO, the definition of the "permitted liens" does not include any lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.
- ~~On November 6, 2017, OFA and IESO signed an updated OFA IESO credit facility agreement with respect to changes related to OFHP. Below are the related changes made to the OFA credit facility:~~

~~*Excerpt from the excuted OFA IESO Amending Agreement #10:*~~

~~*The definition of "Permitted Liens" is amended by deleting the word "and" at the end of subsection (i); replacing the "." at the end of subsection (j) and replacing it with "; and" ; and adding the following subsection (k):*~~

~~*"(k) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."*~~

COMMERCIALLY SENSITIVE AND CONFIDENTIAL ADVICE

Commented [LS1]: I recommend moving this to the background section with less detail and explaining the purpose for the amendment on its own, as the IESO OEFC credit facility agreement is separate and needs to be amended on its own merits.

Commented [LS2]: See above.

Commented [LS3]: Is this the only amendment? I'll review again once re-drafted as per above comments.

Commented [LS4]: I don't think this is relevant here

Commented [LS5]: There are no prior references to the FHP Credit Facility Agreement. Again, as per earlier comments, please add a reference to a background section.

Commented [LS6]: Is it actually required?

Formatted: List Paragraph, Indent: Left: 0", Bulleted + Level: 1 + Aligned at: 0.25" + Indent at: 0.5"

Commented [LS7]: This is too detailed for a briefing note. I recommend deleting this.

Electricity Finance Branch / Corporate and Electricity Finance Division / Ontario Financing Authority
November 08, 2017

COMMERCIALLY SENSITIVE AND CONFIDENTIAL ADVICE

From:	Sarah Harris
To:	Jean-Francois Beaupre
Subject:	FW: IESO-Signed Revolving Credit Facility Agreement
Date:	Tuesday, November 07, 2017 10:04:05 AM
Attachments:	FHP Credit Agreement OFA IESO - Nov 6 2017 - IESO Signed.pdf
Importance:	High

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 3:28 PM
To: William Tan
Cc: Lisa Stein ; Sarah Harris ; Anthony Martinello
Subject: IESO-Signed Revolving Credit Facility Agreement
Importance: High

Per my email below – see attached the IESO-signed Revolving Credit Facility Agreement re FHP.
Victor

From: Victor Buza
Sent: November 06, 2017 3:24 PM
To: 'William Tan'
Cc: Lisa Stein; Sarah Harris; Anthony Martinello
Subject: RE: Signatures for FHP and Amending Agreement No. 10
Importance: High

Will,

Please find attached the following documents signed by IESO:

1. Amending Agreement #10 to the Jan. 1, 2005 Credit Agreement;
2. Certified IESO Board Resolution and Incumbency Certificate;
3. Scan of the $2 Billion Grid Note.
4. Intercept Letter Agreement.

I will send the new Revolving Credit Facility Agreement in relation to FHP under a separate email immediately following.

We have already overnighted the original grid note for $2 billion and an original Intercept Letter signed by all parties. Per your request, we will send original agreement signature pages for both agreements as well – can we send those tomorrow or do you need the overnighted too?

Let us know. We look forward to receiving your confirmation of closing.

Victor

Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079
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From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 3:09 PM
To: Victor Buza
Cc: Lisa Stein; Sarah Harris; Anthony Martinello
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hello Victor,

I clarified internally and we would want an original signature page for the FHP Agreement and Amending Agreement No. 10.

Thanks,

Will

From: William Tan
Sent: Monday, November 06, 2017 2:25 PM
To: 'Victor Buza' <Victor.Buza@ieso.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hi Victor,

My apologies. Please scan the separated $2B and $475 MM Grid promissory notes. Forward the $2B promissory note but hold on to the $475MM Grid Promissory Note until November 21.

- Resolution of the Board of Directors
- Incumbency Certificate
- Intercept Letter
- $2 B Grid Promissory Note
- $475 MM Grid Promissory Note

Yes, please forward the documents to myself.

William Tan
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3

Thanks,
Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 2:12 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

I will scan and send all documents you listed in their entirety, not just signature pages. Can you confirm, are you saying you want a scan of the $475MM grid note?

Just so I get it right, should I courier the hardcopies of the Intercept Letter and Note to your attention and address, Will? Call me if it's quicker.

Victor
416-969-6079

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 1:57 PM
To: Victor Buza; Anthony Martinello
Cc: Lisa Stein; Sarah Harris
Subject: FW: Signatures for FHP and Amending Agreement No. 10

Hi Victor,

Thank you for the update. When you send the soft copy signatures, would it be possible to include the signatures within the agreements?

You were probably going to include the following signed soft copies anyway but out of caution I have listed them below:

- Resolution of the Board of Directors
- Incumbency Certificate

- Intercept Letter
- $2 B Grid Note
- $475 MM Grid Note

Hardcopy of the Intercept Letter and $2B Grid Note – overnight delivery is fine.
Per s. 16 AA #10 - Anthony and I discussed on Friday that $475MM Grid note would be signed today but held by IESO until November 21. After the borrowing notice and election notices are actioned, OFA will produce the grid notes to evidence payment and advancements. IESO will then send the new $475MM prom note to OFA. Once received OFA will send the $975MM cancelled prom note to IESO.
Thanks,
Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 10:48 AM
To: William Tan <William.Tan@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hi Will – I have a signing meeting scheduled with our signatory at 2:30pm this afternoon – so I will send you counterpart signatures and a scanned version of the Intercept Letter by 3:00pm or possibly earlier.
Hardcopy of Intercept Letter to follow as you prefer – overnight or pickup? We also need to make arrangements re delivery of the $2Bn Grid Note.
Per s.16 of AA#10, the other Note for $475MM is to be delivered following the Effective Time in exchange for the return by OFA of the Nov 30 2016 Note for $975MM.
Victor

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 10:33 AM
To: Anthony Martinello
Cc: Lisa Stein; Victor Buza; Sarah Harris
Subject: Signatures for FHP and Amending Agreement No. 10

Good morning Anthony,
Just checking-in on approximately when we can expect the documents to be executed so I may prepare my signatory.
Thanks,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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INDEPENDENT ELECTRICITY SYSTEM OPERATOR

as Borrower

and

ONTARIO FINANCING AUTHORITY

as Lender

REVOLVING CREDIT FACILITY AGREEMENT

Date: November 6, 2017

REVOLVING CREDIT FACILITY AGREEMENT

THIS AGREEMENT is made as of the 6th day of November 2017,

BETWEEN:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, a statutory corporation without share capital existing under Part II of the *Electricity Act, 1998* (the "**IESO**")
(as Borrower)

AND

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* (the "**OFA**" and together with the IESO, the "**Parties**")
(as Lender)

RECITALS:

WHEREAS the IESO has requested a revolving credit facility for up to a maximum principal amount of $2 billion from the OFA for the purpose of supporting the IESO's role in the implementation and administration of the *Ontario Fair Hydro Plan Act, 2017*.

THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the Parties agree as follows:

ARTICLE 1

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"Advances" means advances made by the OFA to the IESO under Article 3 and "Advance" means any one of such advances, and in the case of an election by the IESO under Section 3.3, includes a "Continued Advance", as defined in Section 3.3(1), as applicable.

"Advances Outstanding" means, at any time, an amount equal to the aggregate principal amount of all Advances outstanding at such time.

"Agreement", "herein", "hereby", "hereor', "hereunder" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression "Article" or "Section" followed by a number means the specified Article or Section of this Agreement.

"Borrowing Notice" has the meaning specified in Section 3.2(1).

"Business Day" means any day that is not a day on which banks are generally authorized or required by law or executive order to be closed in the City of Toronto.

"Clean Energy Adjustment" has the same meaning as that term is defined in the OFHP.

"Commitment" means, at any time, an amount equal to $2 billion.

"Consolidated Assets" means, at any time, the book value of the assets of the IESO and the Subsidiaries, determined as of such time on a consolidated basis in accordance with GAAP.

"Continued Advance" has the meaning specified in Section 3.3(1).

"Credit Facility" means the revolving credit facility to be made available to the IESO by the OFA under this Agreement for the purposes specified in Section 2.2.

"Current Repayment Date" has the meaning specified in Section 3.3(2).

"Default" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"Dollars" or **"$"** means lawful currency of Canada.

"Election Notice" has the meaning specified in Section 3.3(2).

"Event of Default" has the meaning specified in Section 5.1.

"First Advance" has the meaning specified in Section 3.2(3).

"GAAP" means accounting policies and standards as established by the Chartered Professional Accountants of Canada, at the relevant time and applied on a consistent basis.

"Grid Note" has the meaning specified in Section 3.2(2).

"Indebtedness" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) every obligation of such Person for borrowed money;

(b) every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments;

(c) every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) every capital lease obligation of such Person;

(f) the Swap Termination Value of each Swap Contract of such Person; and

(g) every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"Lien" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"Material Subsidiary" means, at any time, a Subsidiary which has consolidated assets with a book value of more than $25 million determined in accordance with GAAP.

"**New Repayment Date**" has the meaning specified in Section 3.3(2).

"**OFHP**" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

"Permitted Liens" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) any obligations or duties, affecting the property of the IESO to any municipality or governmental, statutory or public authority, with respect to any franchise, grant, license

or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by the IESO or such Material Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by the IESO or such Material Subsidiary;

(d) any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) the right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) any undetermined or inchoate Liens and charges incidental to the current operations of the IESO or a Material Subsidiary that have not at the time been filed against the IESO or such Material Subsidiary; provided, however, that if any such Lien or charge shall have been filed, the IESO or such Material Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) any Lien the validity of which is being contested at the time by the IESO or a Material Subsidiary in good faith and the enforcement of which has been stayed;

(h) any easements, rights-of-way and servitudes that in the opinion of the IESO will not in the aggregate materially and adversely impair the use or value of the land for the purpose for which it is held or occupied by the IESO or a Material Subsidiary;

(i) any Liens and privileges arising out of judgments or awards with respect to which the IESO or a Material Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall have secured a stay of execution pending such appeal or proceedings for review;

(j) any other Liens of a nature similar to the foregoing which do not in the opinion of the IESO, acting reasonably, materially impair the use of the property subject thereto or the operation of the business of the IESO or any Material Subsidiary or the value of such property for the purpose of any such business; and

(k) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other

lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

"Person" means any individual, corporation, partnership joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"Purchase Money Mortgage" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or part of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"Repayment Date" means, in respect of the repayment of Advances, the repayment date contained in the most recent Borrowing Notice or Election Notice.

"Stated Maturity" when used with respect to any Indebtedness or any installment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such installment of interest is due and payable.

"Subsidiary" means:

(a) a corporation more than 50% of the voting power or the outstanding Voting Shares of which is owned, directly or indirectly, by the IESO or by one or more other Subsidiaries or by the IESO and one or more other Subsidiaries; or

(b) any Person (other than a corporation) in which the IESO, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

"Swap Contract" means any agreement whether or not in writing, relating to any transaction or derivative transaction including a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction currency swap, cross-currency rate swap, swaption, currency option or other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.

"Swap Termination Value" means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap contracts:

(a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and

(b) for any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.

"Voting Shares" of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings.

The division of this Agreement into Articles and Sections and the insertion of headings are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and vice versa and words importing gender may include any gender. In this Agreement, (a) the words "including" and "includes" mean "including (or includes) without limitation", and (b) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" each mean "to but excluding".

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with GAAP.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the next succeeding Business Day.

ARTICLE 2
REVOLVING CREDIT FACILITY

Section 2.1 Availability.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO. The OFA shall make each Advance in Dollars.

Section 2.2 Use of Proceeds.

The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the *Electricity Act, 1998*, as such regulation may be amended or replaced from time to time, subject to the condition that proceeds of Advances may be used only for IESO's financing needs and requirements of any kind arising in connection with the IESO's role with respect to and obligations under the OFHP.

Section 2.3 Credit Facility Limit.

The Advances Outstanding shall not at any time exceed the Commitment. The Credit Facility shall revolve and no payment under the Credit Facility shall reduce the Commitment.

Section 2.4 Mandatory Repayment.

Subject to Sections 2.5 and 5.2, the IESO shall repay each Advance together with the interest accrued thereon on the applicable Repayment Date, and, in any event, shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder on September 30, 2022.

Section 2.5 Prepayments.

The IESO is not entitled to prepay any part of the Advances Outstanding or the interest accrued thereon without the prior written consent of the OFA.

Section 2.6 Payments under this Agreement.

(1) The OFA shall make Advances to the IESO under this Agreement to or to the order of the IESO by wire transfer of immediately available funds in accordance with wire transfer instructions given by the IESO to the OFA from time to time, or in such other manner as the IESO may specify to the OFA from time to time.

(2) The IESO shall make any payment required hereunder to be made by it to the OFA, to or to the order of the OFA, by wire transfer of immediately available funds in accordance with wire transfer instruction given by the OFA to the IESO from time to time, or in such other manner as the OFA may specify to the IESO from time to time. The IESO shall make each such payment in Canadian Dollars.

Section 2.7 Computations of Interest.

(1) All computations of interest shall be made by the OFA taking into account the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest is payable on the basis of a year of 365 days or 366 days, as the case may be.

(2) For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Agreement for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

Section 2.8 Limit on Rate of Interest.

(1) Notwithstanding any provision contained in this Agreement, the IESO shall not be obliged to make any payments of interest or other amounts payable to the OFA hereunder in excess of the amount or rate which would be prohibited by applicable law or would result in the receipt by the OFA of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada)).

(2) In the event that any such payments are limited or prohibited as provided in Section 2.8(1), the OFA shall have no further obligation to make any Advances available hereunder and the Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, shall become immediately due and payable.

Section 2.9 Application of Payments.

All payments made by the IESO under this Agreement shall be applied firstly to the payment of interest payable to the OFA on late payments of principal or interest hereunder, secondly, to the payment of accrued and unpaid interest payable to the OFA hereunder and thirdly, to the payment of the outstanding principal amount of any Advances payable to the OFA.

ARTICLE 3
ADVANCES

Section 3.1 Advances.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO under the Credit Facility from time to time on any Business Day prior to September 23, 2022.

Section 3.2 Procedure for Advances.

(1) Subject to Section 3.3(5), each Advance shall be made subject to two Business Days' prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each notice of an Advance (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1, other than a Borrowing Notice that is included in an Election Notice as permitted by Section 3.3(3). Each Borrowing Notice shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance; (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall not be earlier than 5 days and not later than 95 days after the date of the requested Advance. Each Borrowing Notice shall also certify the use of proceeds of the Advance which shall in any case be in accordance with Section 2.2. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, the IESO shall execute and deliver to the OFA a grid promissory note in respect of Advances substantially in the form of Schedule 3 (the "**Grid Note**"). The IESO authorizes the OFA to record on the Grid Note (a) the date and amount of each Advance or Continued Advance; (b) the applicable rate of interest for each Advance or Continued Advance; (c) the Repayment Date of each Advance or Continued Advance; (d) the date and amount of each payment of interest and each payment of principal or portion thereof in respect of each Advance or Continued Advance; and (e) Advances Outstanding. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such Advances and repayments; provided that the failure of the OFA to record any amount, rate or date shall not affect the obligation of the IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement.

(3) Respecting the first Advance to be made under this Agreement (the "**First Advance**"), a specified portion thereof (the "**Repayment Amount**") shall be used to repay a portion of the IESO's outstanding indebtedness to the OFA under the credit agreement between the Parties dated January 1, 2005, as amended (the "**Existing Credit Facility**"). The amount of the Repayment Amount shall be detailed in the Borrowing Notice issued in respect of the First Advance. Concurrently with the First Advance, OFA shall provide to IESO an updated grid in respect of the grid note issued under the Existing Credit Facility evidencing the repayment of the Repayment Amount thereunder.

Section 3.3 Elections Regarding Advances.

(1) The IESO may elect to continue all or a portion of the principal amount of any Advance and any amount of interest on such Advance (together, the "**Continued Advance**") for a further period of at least 5 days and up to a maximum of 95 days beginning on the then current Repayment Date in accordance with Section 3.3(2).

(2) Each notice to continue an Advance for a further period (an "**Election Notice**") shall be provided by the IESO to the OFA at least two Business Days prior to the Repayment Date of the Advance (the "**Current Repayment Date**"), and in each case, not later than

10:00 a.m. (Toronto time). Each such Election Notice shall be given substantially in the form of Schedule 2 and shall be irrevocable and binding upon the IESO and shall specify: (a) the Current Repayment Date; (b) the new aggregate total amount of the proposed Continued Advance; (c) the amount of interest or principal, if any, to be paid or re-paid by the IESO with respect to such Advance on the Current Repayment Date; and (d) the new Repayment Date of the proposed Continued Advance, which shall be no earlier than 5 days and not later than 95 days after the current Repayment Date (the "**New Repayment Date**"). If the IESO fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date.

(3) An Election Notice with respect to a proposed Continued Advance may include a Borrowing Notice for a further Advance proposed to be made on the Current Repayment Date. The Repayment Date of such further Advance shall be the New Repayment Date of the Continued Advance that is specified in the Election Notice. Such Borrowing Notice shall be given substantially in the form of Schedule 2.

(4) The calculation of interest on a Continued Advance shall be determined in the same manner as an Advance under Section 3.4 and shall be recorded on the Grid Note in accordance with Section 3.2(2).

(5) Any portion of an Advance not continued for a further period in accordance with Section 3.3(2) shall be repayable on the applicable Repayment Date.

(6) The Credit Facility shall at all times rank *pari passu* with all other unsubordinated and unsecured Indebtedness of the IESO, subject to the existence of any Liens that secure Indebtedness, as permitted by subections 4.6 (a) through (e) hereof.

(7) All amounts owing in respect of the Advances shall be paid without exercising any right of set off or counterclaim by the IESO.

Section 3.4 Interest on Advances.

(1) The IESO shall pay interest on the unpaid principal amount of each Advance in accordance with this Section 3.4 from and including the date of such Advance until the principal amount of such Advance is repaid in full.

(2) Interest shall accrue on the principal amount of each Advance from and including the date of the Advance to but excluding the Repayment Date of such Advance, at an annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum, before as well as after the date such principal amount or interest thereon becomes due hereunder and both before and after Default and shall be payable on the Repayment Date for such Advance. Any amount of interest arising hereunder which is not paid when due shall bear interest at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment. The amount of interest payable on an Advance will be calculated by the

OFA by dividing the interest rate applicable to the Advance by 365 or 366, as the case may be, and multiplying the result by the principal amount of the Advance and further multiplying the result by the number of days in the period from the date of the Advance to the Repayment Date of the Advance.

(3) If the IESO elects to continue an Advance in accordance with Section 3.3(2), the OFA shall determine the interest rate applicable after the original Repayment Date of the Advance and endorse the said rate on the grid forming part of the Grid Note in respect of Advances held by it.

Section 3.5 Conditions Precedent

The obligation of the OFA to make the Advances to the IESO pursuant to Section 2.1 is subject to the following conditions being satisfied to the OFA's satisfaction at the time of making each Advance:

(a) that the representations and warranties of the IESO contained in this Agreement are true and correct as at the date of making the Advance;

(b) that no Event of Default has occurred and is continuing;

(c) that there shall, in the reasonable opinion of the OFA, have been no material adverse change in the financial condition of the IESO or a Material Subsidiary; and

(d) that the OFA has received such other documentation which it has reasonably requested to ensure that the IESO is in compliance with the terms and conditions of this Agreement, including certified true copies of any necessary resolutions, a written legal opinion from counsel to the IESO confirming that the borrowing is within the legal powers of the IESO and that the Agreement is a direct, unsecured obligation of the IESO enforceable against the IESO in form satisfactory to the OFA.

ARTICLE 4
COVENANTS OF THE IESO

Section 4.1 Repayment of Advances.

The IESO will duly and punctually pay all amounts owing under this Agreement in accordance with the terms and subject to the conditions of this Agreement.

Section 4.2 IESO will Maintain its Corporate Existence.

The IESO will at all times maintain its corporate existence.

Section 4.3 Maintenance of Properties.

The IESO will cause all property owned by the IESO or any Material Subsidiary to be maintained and kept in good condition, repair and working order, all as in the judgment of the IESO or any Material Subsidiary may be necessary for the proper operation of such property, except as and to the extent that the IESO or any Material Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 4.3 shall prevent the IESO or any Material Subsidiary from discontinuing the maintenance of any such property or decommissioning any such property if such discontinuance or decommissioning is, in the judgment of the IESO or any such Material Subsidiary, desirable in the conduct of its business or the business of any such Material Subsidiary, or has been directly or indirectly requested or required by the Province of Ontario.

Section 4.4 Insurance.

The IESO will cause all property owned by the IESO or any Material Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the mature and to the extent that such property is usually insured by companies operating similar businesses.

Section 4.5 Conduct of Business.

The IESO will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in accordance with good business practice.

Section 4.6 Negative Pledge.

The IESO will not, and will not permit any Material Subsidiary to, create, incur or assume any Lien, charging the interest of the IESO or any Material Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, all amounts owing under this Agreement are secured equally and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) the creation, incurrence or assumption of any Purchase Money Mortgage;

(b) the grant of any Lien in the normal course of business to any banks or financial institutions for present or future Indebtedness of the IESO or any Material Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) any extension, renewal or replacement of any of the Liens referred to in Sections 4.6(a), (b) or (c), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased; and

(e) any Lien charging the interest of the IESO or any Material Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 4.6(a), (b) or (c), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 4.6(e) which is outstanding at such time does not exceed 10% of Consolidated Assets at such time.

Section 4.7 Payment of OFA Expenses

In addition to any liability of the IESO to the OFA under any other provision of this Agreement, the IESO will, on demand, reimburse and indemnify OFA for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OFA in connection with the Agreement (including those services incurred in the preservation of rights under or enforcement of this Agreement at any time during the continuance of a Default or Event of Default and for any reasonable loss or expense incurred by OFA as a result of any failure by the IESO to fulfill any of its obligations under this Agreement). All such costs, charges and expenses shall bear interest at the Province of Ontario's cost of funds plus 0.25 percent per annum (as determined by the OFA) calculated and payable monthly not in advance from in each case from the date on which the OFA incurs the cost, charge or expense until the date on which the IESO reimbursement the OFA therefor. The OFA agrees, acting reasonably, to invoice the IESO for any such costs, charges and expense as they are incurred, together with interest at the aforesaid rate (with interest on overdue interest).

Section 4.8 Reporting.

The IESO will promptly provide to the OFA any reports or supporting documents that the OFA may request from time to time.

Section 4.9 Late Repayment of Advance.

In the event that the IESO fails to repay the principal amount of any Advance and all interest accrued thereon when due, the IESO shall pay interest on the unpaid amount of such Advance at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment.

ARTICLE 5
EVENTS OF DEFAULT AND REMEDIES

Section 5.1 Event of Default.

Wherever used in this Agreement, the term "Event of Default" means any of the following:

(a) the IESO's failure to pay any interest upon any Advance when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) failure to pay the principal amount of any Advance on the applicable Repayment Date or the Advances Outstanding, all interest accrued thereon and all other amounts owing under this Agreement on September 30, 2022;

(c) failure on the part of the IESO to observe or perform its obligations set forth in Section 4.1;

(d) failure on the part of the IESO to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 20 days after the date on which written notice of such failure shall have been given to the IESO by the OFA;

(e) any representation or warranty made by the IESO in this Agreement or in any certificate or other document at any time delivered hereunder to the OFA was incorrect or misleading in any material respect;

(f) one or more breaches by the IESO of its covenants under one or more evidences of Indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $5 million, which breaches:

(i) constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist, or

(ii) have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived or rescinded);

(g) the IESO or any Material Subsidiary:

(i) becomes unable to meet its obligations as they generally become due or has ceased paying its current obligations in the ordinary course of business as they generally become due;

(ii) admits in writing its inability to pay its debts generally or makes a general assignment for the benefit its creditors or files a proposal or other scheme

of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) institutes or has instituted against it any proceeding seeking:

(A) to adjudicate it as bankrupt or insolvent,

(B) liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors, or

(C) the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets,

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismissed or unstayed for a period of 30 days, or any remedy sought in any such proceeding (including the entry of order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

(iv) takes any corporate action to authorize any of the actions in Sections 5.1 (g)(i) to (iii); or

(h) if there shall be rendered against the IESO or any Material Subsidiary a final judgment or judgments for the payment of money in an aggregate amount in excess of $5 million by a court or courts of competent jurisdiction, and the IESO or any Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 5.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case the OFA may at its option, in addition to any other remedy available to the OFA at law, by written notice to the IESO, take any or all of the following actions:

(a) suspend the right of the IESO to request any further Advance until the Event of Default has been cured to the OFA's satisfaction or, if the Event of Default is not

cured within three (3) Business Days after the date on which written notice of such Event of Default shall have been given to the IESO by the OFA, declare all amounts owing hereunder including all interest accrued to be due and payable immediately, by a notice in writing to the IESO, and upon any such declaration all such amounts shall become immediately due and payable.

(b) invoke the Intercept pursuant to section 5.7 of this Agreement to require payment of any amount due and payable under this Agreement.

Section 5.3 Suits for Enforcement by the OFA.

If an Event of Default occurs and is continuing, the OFA may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in the OFA by this Agreement or by law.

Section 5.4 OFA May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of the IESO under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property of the IESO, or if any other judicial proceedings relative to the IESO, its creditors or its property are pending, the OFA shall be entitled and empowered, by intention in such proceeding or otherwise:

(a) to file and prove a claim for all amounts owing under this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of the OFA (including any claim for fees and disbursements of the OFA, its agents and counsel) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claim.

Section 5.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to the OFA is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.6 Delay or Omission not Waiver.

No delay or omission of the OFA to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right or remedy given by this Article 5 or by law to OFA may be exercised from time to time, and as often as may be deemed expedient, by the OFA.

Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of even date herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the *Capital Investment Plan Act, 1993* (the "**Intercept Letter**"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("**Appropriated Funds**"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("**Intercept**").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

(e) The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or

inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail.

ARTICLE 6
REPRESENTATIONS AND WARRANTIES OF IESO

Section 6.1 Representations and Warranties of IESO

The IESO represents and warrants to the OFA that:

(a) the borrowing of money (including principal and accrued interest) by the IESO and the execution, delivery and performance of this Agreement are within the powers and capacities of the IESO and have been duly authorized by all necessary legal action and proper proceedings;

(b) the execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the compliance with the terms and conditions of this Agreement will not conflict with or result in a breach of any of the terms or provisions of the constituting documents or by-laws of the IESO, laws of Ontario, including laws of Canada applicable therein, applicable to the IESO or any contractual or other obligation binding on the IESO;

(c) this Agreement will, when executed and delivered, constitute the legal, valid and binding obligation of the IESO enforceable against it in accordance with its terms; and

(d) the monies advanced under this Agreement shall be used only by the IESO for the purposes set out in Section 2.2.

Section 6.2 Continuation of Representation and Warranties

The representations and warranties set out in Section 6.1 herein shall survive the execution and delivery of this Agreement, the making of each Advance by the OFA, notwithstanding any investigations or examinations which may be made by counsel for the OFA.

ARTICLE 7
GENERAL

Section 7.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy or other means of electronic communication addressed:

If to the IESO, to it at:

Independent Electricity System Operator
120 Adelaide Street West, Suite 1600
Toronto, ON M5H 1T1

Attention: Chief Financial Officer
Telephone: (416)969-6232
Facsimile: (905)403-6913

If to the OFA, to it at:

Ontario Financing Authority 1 Dundas Street West
Suite 1400 Toronto, Ontario M7A 1Y7

Attention: Executive Director & Chief Investment Officer – Capital Markets Division
Telephone: (416)325-8930
Facsimile: (416)860-8346

provided that any Borrowing Notice or Election Notice shall be addressed as indicated on Schedule 1 or Schedule 2 respectively.

Any communication hereunder shall be deemed to have been validly and effectively given if (a) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p.m. (Toronto time), otherwise on the next Business Day, (b) transmitted by facsimile or other means of electronic communication, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice give in accordance with this Section 7.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 7.1.

Section 7.2 Successors and Assigns.

This Agreement shall be binding on and enure to the benefit of the OFA and the IESO and their respective successors and permitted assigns, except that the IESO shall not, without the

prior written consent of the OFA assign, pledge or hypothecate any rights or obligations with respect to this Agreement.

Section 7.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of the Parties.

Section 7.4 Waiver.

(1) No waiver of any provisions of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) of this Agreement nor shall such waiver be binding unless executed in writing by the party to be bound by the waiver.

(2) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude another or further exercise of such right or the exercise of any other right.

Section 7.5 Further Assurances.

Each of the IESO and the OFA shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement

Section 7.6 Severability.

In case any provision in this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement shall not in any way be affected or impaired thereby.

Section 7.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 7.8 Entire Agreement.

This Agreement, including the schedules hereto and any other agreements expressly referred to herein, constitutes the whole agreement between the Parties with respect to the matters dealt with in it, and it supersedes any prior agreement, undertakings, discussions and the like respecting the matters dealt with in this Agreement and entered into by the Parties before the date the OFA signs this Agreement.

Section 7.9 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Agreement.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first written above.

ONTARIO FINANCING AUTHORITY

Per: _____

Name:
Title:

I have authority to bind the corporation.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: K Marshall

Name: Kimberly Marshall
Title: Vice President, Corporate Services;
Chief Financial Officer; Treasurer

I have authority to bind the corporation.

SCHEDULE 1

FORM OF BORROWING NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The principal amount of the Proposed Advance is $_____;
(c) The Repayment Date of the Proposed Advance is _____. [Not earlier than 5 days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:

Authorized Signatory

SCHEDULE 2

FORM OF ELECTION NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is _____.

(b) The aggregate amount of the proposed Continued Advance is $_____, which is comprised of:
   i. principal amount (or portion thereof) of Advance which is to be continued $_____; and
   ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date $_____;

(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): $ _____

(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _____. [Insert date not earlier than 5 days and not later than 95 days after the current Repayment Date for the Advance.]

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: $_____
The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Name:

Authorized Signatory

SCHEDULE 3 – FORM OF GRID NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $2,000,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR (the "**IESO**"), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY** ("**OFA**") at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement (as defined below).

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the Revolving Credit Facility Agreement dated **[INSERT DATE]** as amended, supplemented or restated from time to time, between the Borrower and the OFA (the "Agreement"). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:
Authorized Signatory

Revolving Credit Facility Grid Note

Ontario Financing Authority
Line of Credit Grid Note

Entity : Independent Electricity System Operator
Loan Limit:

Project:
Schedule of loan transactions to:
Loan Advanced to:

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days

From:	Sarah Harris
To:	Jean-Francois Beaupre
Subject:	FW: IESO-Signed Revolving Credit Facility Agreement
Date:	Tuesday, November 07, 2017 10:04:05 AM
Attachments:	FHP Credit Agreement OFA IESO - Nov 6 2017 - IESO Signed.pdf
Importance:	High

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 3:28 PM
To: William Tan
Cc: Lisa Stein ; Sarah Harris ; Anthony Martinello
Subject: IESO-Signed Revolving Credit Facility Agreement
Importance: High

Per my email below – see attached the IESO-signed Revolving Credit Facility Agreement re FHP.
Victor

From: Victor Buza
Sent: November 06, 2017 3:24 PM
To: 'William Tan'
Cc: Lisa Stein; Sarah Harris; Anthony Martinello
Subject: RE: Signatures for FHP and Amending Agreement No. 10
Importance: High

Will,

Please find attached the following documents signed by IESO:

1. Amending Agreement #10 to the Jan. 1, 2005 Credit Agreement;
2. Certified IESO Board Resolution and Incumbency Certificate;
3. Scan of the $2 Billion Grid Note.
4. Intercept Letter Agreement.

I will send the new Revolving Credit Facility Agreement in relation to FHP under a separate email immediately following.

We have already overnighted the original grid note for $2 billion and an original Intercept Letter signed by all parties. Per your request, we will send original agreement signature pages for both agreements as well – can we send those tomorrow or do you need the overnighted too?

Let us know. We look forward to receiving your confirmation of closing.

Victor

Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079
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From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 3:09 PM
To: Victor Buza
Cc: Lisa Stein; Sarah Harris; Anthony Martinello
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hello Victor,

I clarified internally and we would want an original signature page for the FHP Agreement and Amending Agreement No. 10.

Thanks,

Will

From: William Tan
Sent: Monday, November 06, 2017 2:25 PM
To: 'Victor Buza' <Victor.Buza@ieso.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hi Victor,

My apologies. Please scan the separated $2B and $475 MM Grid promissory notes. Forward the $2B promissory note but hold on to the $475MM Grid Promissory Note until November 21.

- Resolution of the Board of Directors
- Incumbency Certificate
- Intercept Letter
- $2 B Grid Promissory Note
- $475 MM Grid Promissory Note

Yes, please forward the documents to myself.

William Tan
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3

Thanks,
Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 2:12 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

I will scan and send all documents you listed in their entirety, not just signature pages. Can you confirm, are you saying you want a scan of the $475MM grid note?

Just so I get it right, should I courier the hardcopies of the Intercept Letter and Note to your attention and address, Will? Call me if it's quicker.

Victor
416-969-6079

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 1:57 PM
To: Victor Buza; Anthony Martinello
Cc: Lisa Stein; Sarah Harris
Subject: FW: Signatures for FHP and Amending Agreement No. 10

Hi Victor,

Thank you for the update. When you send the soft copy signatures, would it be possible to include the signatures within the agreements?

You were probably going to include the following signed soft copies anyway but out of caution I have listed them below:

- Resolution of the Board of Directors
- Incumbency Certificate

- Intercept Letter
- $2 B Grid Note
- $475 MM Grid Note

Hardcopy of the Intercept Letter and $2B Grid Note – overnight delivery is fine.
Per s. 16 AA #10 - Anthony and I discussed on Friday that $475MM Grid note would be signed today but held by IESO until November 21. After the borrowing notice and election notices are actioned, OFA will produce the grid notes to evidence payment and advancements. IESO will then send the new $475MM prom note to OFA. Once received OFA will send the $975MM cancelled prom note to IESO.
Thanks,
Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 10:48 AM
To: William Tan <William.Tan@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hi Will – I have a signing meeting scheduled with our signatory at 2:30pm this afternoon – so I will send you counterpart signatures and a scanned version of the Intercept Letter by 3:00pm or possibly earlier.
Hardcopy of Intercept Letter to follow as you prefer – overnight or pickup? We also need to make arrangements re delivery of the $2Bn Grid Note.
Per s.16 of AA#10, the other Note for $475MM is to be delivered following the Effective Time in exchange for the return by OFA of the Nov 30 2016 Note for $975MM.
Victor

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 10:33 AM
To: Anthony Martinello
Cc: Lisa Stein; Victor Buza; Sarah Harris
Subject: Signatures for FHP and Amending Agreement No. 10

Good morning Anthony,
Just checking-in on approximately when we can expect the documents to be executed so I may prepare my signatory.
Thanks,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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INDEPENDENT ELECTRICITY SYSTEM OPERATOR

as Borrower

and

ONTARIO FINANCING AUTHORITY

as Lender

REVOLVING CREDIT FACILITY AGREEMENT

Date: November 6, 2017

REVOLVING CREDIT FACILITY AGREEMENT

THIS AGREEMENT is made as of the 6th day of November 2017,

BETWEEN:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, a statutory corporation without share capital existing under Part II of the *Electricity Act, 1998* (the "**IESO**")
(as Borrower)

AND

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* (the "**OFA**" and together with the IESO, the "**Parties**")
(as Lender)

RECITALS:

WHEREAS the IESO has requested a revolving credit facility for up to a maximum principal amount of $2 billion from the OFA for the purpose of supporting the IESO's role in the implementation and administration of the *Ontario Fair Hydro Plan Act, 2017*.

THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the Parties agree as follows:

ARTICLE 1

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"Advances" means advances made by the OFA to the IESO under Article 3 and "Advance" means any one of such advances, and in the case of an election by the IESO under Section 3.3, includes a "Continued Advance", as defined in Section 3.3(1), as applicable.

"Advances Outstanding" means, at any time, an amount equal to the aggregate principal amount of all Advances outstanding at such time.

"Agreement", "herein", "hereby", "hereor', "hereunder" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression "Article" or "Section" followed by a number means the specified Article or Section of this Agreement.

"Borrowing Notice" has the meaning specified in Section 3.2(1).

"Business Day" means any day that is not a day on which banks are generally authorized or required by law or executive order to be closed in the City of Toronto.

"Clean Energy Adjustment" has the same meaning as that term is defined in the OFHP.

"Commitment" means, at any time, an amount equal to $2 billion.

"Consolidated Assets" means, at any time, the book value of the assets of the IESO and the Subsidiaries, determined as of such time on a consolidated basis in accordance with GAAP.

"Continued Advance" has the meaning specified in Section 3.3(1).

"Credit Facility" means the revolving credit facility to be made available to the IESO by the OFA under this Agreement for the purposes specified in Section 2.2.

"Current Repayment Date" has the meaning specified in Section 3.3(2).

"Default" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"Dollars" or **"$"** means lawful currency of Canada.

"Election Notice" has the meaning specified in Section 3.3(2).

"Event of Default" has the meaning specified in Section 5.1.

"First Advance" has the meaning specified in Section 3.2(3).

"GAAP" means accounting policies and standards as established by the Chartered Professional Accountants of Canada, at the relevant time and applied on a consistent basis.

"Grid Note" has the meaning specified in Section 3.2(2).

"Indebtedness" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) every obligation of such Person for borrowed money;

(b) every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments;

(c) every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) every capital lease obligation of such Person;

(f) the Swap Termination Value of each Swap Contract of such Person; and

(g) every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"Lien" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"Material Subsidiary" means, at any time, a Subsidiary which has consolidated assets with a book value of more than $25 million determined in accordance with GAAP.

"**New Repayment Date**" has the meaning specified in Section 3.3(2).

"**OFHP**" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

"Permitted Liens" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) any obligations or duties, affecting the property of the IESO to any municipality or governmental, statutory or public authority, with respect to any franchise, grant, license

or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by the IESO or such Material Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by the IESO or such Material Subsidiary;

(d) any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) the right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) any undetermined or inchoate Liens and charges incidental to the current operations of the IESO or a Material Subsidiary that have not at the time been filed against the IESO or such Material Subsidiary; provided, however, that if any such Lien or charge shall have been filed, the IESO or such Material Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) any Lien the validity of which is being contested at the time by the IESO or a Material Subsidiary in good faith and the enforcement of which has been stayed;

(h) any easements, rights-of-way and servitudes that in the opinion of the IESO will not in the aggregate materially and adversely impair the use or value of the land for the purpose for which it is held or occupied by the IESO or a Material Subsidiary;

(i) any Liens and privileges arising out of judgments or awards with respect to which the IESO or a Material Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall have secured a stay of execution pending such appeal or proceedings for review;

(j) any other Liens of a nature similar to the foregoing which do not in the opinion of the IESO, acting reasonably, materially impair the use of the property subject thereto or the operation of the business of the IESO or any Material Subsidiary or the value of such property for the purpose of any such business; and

(k) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other

lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

"Person" means any individual, corporation, partnership joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"Purchase Money Mortgage" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or part of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"Repayment Date" means, in respect of the repayment of Advances, the repayment date contained in the most recent Borrowing Notice or Election Notice.

"Stated Maturity" when used with respect to any Indebtedness or any installment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such installment of interest is due and payable.

"Subsidiary" means:

(a) a corporation more than 50% of the voting power or the outstanding Voting Shares of which is owned, directly or indirectly, by the IESO or by one or more other Subsidiaries or by the IESO and one or more other Subsidiaries; or

(b) any Person (other than a corporation) in which the IESO, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

"Swap Contract" means any agreement whether or not in writing, relating to any transaction or derivative transaction including a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction currency swap, cross-currency rate swap, swaption, currency option or other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.

"Swap Termination Value" means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap contracts:

(a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and

(b) for any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.

"Voting Shares" of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings.

The division of this Agreement into Articles and Sections and the insertion of headings are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and vice versa and words importing gender may include any gender. In this Agreement, (a) the words "including" and "includes" mean "including (or includes) without limitation", and (b) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" each mean "to but excluding".

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with GAAP.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the next succeeding Business Day.

ARTICLE 2
REVOLVING CREDIT FACILITY

Section 2.1 Availability.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO. The OFA shall make each Advance in Dollars.

Section 2.2 Use of Proceeds.

The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the *Electricity Act, 1998*, as such regulation may be amended or replaced from time to time, subject to the condition that proceeds of Advances may be used only for IESO's financing needs and requirements of any kind arising in connection with the IESO's role with respect to and obligations under the OFHP.

Section 2.3 Credit Facility Limit.

The Advances Outstanding shall not at any time exceed the Commitment. The Credit Facility shall revolve and no payment under the Credit Facility shall reduce the Commitment.

Section 2.4 Mandatory Repayment.

Subject to Sections 2.5 and 5.2, the IESO shall repay each Advance together with the interest accrued thereon on the applicable Repayment Date, and, in any event, shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder on September 30, 2022.

Section 2.5 Prepayments.

The IESO is not entitled to prepay any part of the Advances Outstanding or the interest accrued thereon without the prior written consent of the OFA.

Section 2.6 Payments under this Agreement.

(1) The OFA shall make Advances to the IESO under this Agreement to or to the order of the IESO by wire transfer of immediately available funds in accordance with wire transfer instructions given by the IESO to the OFA from time to time, or in such other manner as the IESO may specify to the OFA from time to time.

(2) The IESO shall make any payment required hereunder to be made by it to the OFA, to or to the order of the OFA, by wire transfer of immediately available funds in accordance with wire transfer instruction given by the OFA to the IESO from time to time, or in such other manner as the OFA may specify to the IESO from time to time. The IESO shall make each such payment in Canadian Dollars.

Section 2.7 Computations of Interest.

(1) All computations of interest shall be made by the OFA taking into account the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest is payable on the basis of a year of 365 days or 366 days, as the case may be.

(2) For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Agreement for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

Section 2.8 Limit on Rate of Interest.

(1) Notwithstanding any provision contained in this Agreement, the IESO shall not be obliged to make any payments of interest or other amounts payable to the OFA hereunder in excess of the amount or rate which would be prohibited by applicable law or would result in the receipt by the OFA of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada)).

(2) In the event that any such payments are limited or prohibited as provided in Section 2.8(1), the OFA shall have no further obligation to make any Advances available hereunder and the Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, shall become immediately due and payable.

Section 2.9 Application of Payments.

All payments made by the IESO under this Agreement shall be applied firstly to the payment of interest payable to the OFA on late payments of principal or interest hereunder, secondly, to the payment of accrued and unpaid interest payable to the OFA hereunder and thirdly, to the payment of the outstanding principal amount of any Advances payable to the OFA.

ARTICLE 3
ADVANCES

Section 3.1 Advances.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO under the Credit Facility from time to time on any Business Day prior to September 23, 2022.

Section 3.2 Procedure for Advances.

(1) Subject to Section 3.3(5), each Advance shall be made subject to two Business Days' prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each notice of an Advance (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1, other than a Borrowing Notice that is included in an Election Notice as permitted by Section 3.3(3). Each Borrowing Notice shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance; (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall not be earlier than 5 days and not later than 95 days after the date of the requested Advance. Each Borrowing Notice shall also certify the use of proceeds of the Advance which shall in any case be in accordance with Section 2.2. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, the IESO shall execute and deliver to the OFA a grid promissory note in respect of Advances substantially in the form of Schedule 3 (the "**Grid Note**"). The IESO authorizes the OFA to record on the Grid Note (a) the date and amount of each Advance or Continued Advance; (b) the applicable rate of interest for each Advance or Continued Advance; (c) the Repayment Date of each Advance or Continued Advance; (d) the date and amount of each payment of interest and each payment of principal or portion thereof in respect of each Advance or Continued Advance; and (e) Advances Outstanding. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such Advances and repayments; provided that the failure of the OFA to record any amount, rate or date shall not affect the obligation of the IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement.

(3) Respecting the first Advance to be made under this Agreement (the "**First Advance**"), a specified portion thereof (the "**Repayment Amount**") shall be used to repay a portion of the IESO's outstanding indebtedness to the OFA under the credit agreement between the Parties dated January 1, 2005, as amended (the "**Existing Credit Facility**"). The amount of the Repayment Amount shall be detailed in the Borrowing Notice issued in respect of the First Advance. Concurrently with the First Advance, OFA shall provide to IESO an updated grid in respect of the grid note issued under the Existing Credit Facility evidencing the repayment of the Repayment Amount thereunder.

Section 3.3 Elections Regarding Advances.

(1) The IESO may elect to continue all or a portion of the principal amount of any Advance and any amount of interest on such Advance (together, the "**Continued Advance**") for a further period of at least 5 days and up to a maximum of 95 days beginning on the then current Repayment Date in accordance with Section 3.3(2).

(2) Each notice to continue an Advance for a further period (an "**Election Notice**") shall be provided by the IESO to the OFA at least two Business Days prior to the Repayment Date of the Advance (the "**Current Repayment Date**"), and in each case, not later than

10:00 a.m. (Toronto time). Each such Election Notice shall be given substantially in the form of Schedule 2 and shall be irrevocable and binding upon the IESO and shall specify: (a) the Current Repayment Date; (b) the new aggregate total amount of the proposed Continued Advance; (c) the amount of interest or principal, if any, to be paid or re-paid by the IESO with respect to such Advance on the Current Repayment Date; and (d) the new Repayment Date of the proposed Continued Advance, which shall be no earlier than 5 days and not later than 95 days after the current Repayment Date (the "**New Repayment Date**"). If the IESO fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date.

(3) An Election Notice with respect to a proposed Continued Advance may include a Borrowing Notice for a further Advance proposed to be made on the Current Repayment Date. The Repayment Date of such further Advance shall be the New Repayment Date of the Continued Advance that is specified in the Election Notice. Such Borrowing Notice shall be given substantially in the form of Schedule 2.

(4) The calculation of interest on a Continued Advance shall be determined in the same manner as an Advance under Section 3.4 and shall be recorded on the Grid Note in accordance with Section 3.2(2).

(5) Any portion of an Advance not continued for a further period in accordance with Section 3.3(2) shall be repayable on the applicable Repayment Date.

(6) The Credit Facility shall at all times rank *pari passu* with all other unsubordinated and unsecured Indebtedness of the IESO, subject to the existence of any Liens that secure Indebtedness, as permitted by subections 4.6 (a) through (e) hereof.

(7) All amounts owing in respect of the Advances shall be paid without exercising any right of set off or counterclaim by the IESO.

Section 3.4 Interest on Advances.

(1) The IESO shall pay interest on the unpaid principal amount of each Advance in accordance with this Section 3.4 from and including the date of such Advance until the principal amount of such Advance is repaid in full.

(2) Interest shall accrue on the principal amount of each Advance from and including the date of the Advance to but excluding the Repayment Date of such Advance, at an annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum, before as well as after the date such principal amount or interest thereon becomes due hereunder and both before and after Default and shall be payable on the Repayment Date for such Advance. Any amount of interest arising hereunder which is not paid when due shall bear interest at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment. The amount of interest payable on an Advance will be calculated by the

OFA by dividing the interest rate applicable to the Advance by 365 or 366, as the case may be, and multiplying the result by the principal amount of the Advance and further multiplying the result by the number of days in the period from the date of the Advance to the Repayment Date of the Advance.

(3) If the IESO elects to continue an Advance in accordance with Section 3.3(2), the OFA shall determine the interest rate applicable after the original Repayment Date of the Advance and endorse the said rate on the grid forming part of the Grid Note in respect of Advances held by it.

Section 3.5 Conditions Precedent

The obligation of the OFA to make the Advances to the IESO pursuant to Section 2.1 is subject to the following conditions being satisfied to the OFA's satisfaction at the time of making each Advance:

(a) that the representations and warranties of the IESO contained in this Agreement are true and correct as at the date of making the Advance;

(b) that no Event of Default has occurred and is continuing;

(c) that there shall, in the reasonable opinion of the OFA, have been no material adverse change in the financial condition of the IESO or a Material Subsidiary; and

(d) that the OFA has received such other documentation which it has reasonably requested to ensure that the IESO is in compliance with the terms and conditions of this Agreement, including certified true copies of any necessary resolutions, a written legal opinion from counsel to the IESO confirming that the borrowing is within the legal powers of the IESO and that the Agreement is a direct, unsecured obligation of the IESO enforceable against the IESO in form satisfactory to the OFA.

ARTICLE 4
COVENANTS OF THE IESO

Section 4.1 Repayment of Advances.

The IESO will duly and punctually pay all amounts owing under this Agreement in accordance with the terms and subject to the conditions of this Agreement.

Section 4.2 IESO will Maintain its Corporate Existence.

The IESO will at all times maintain its corporate existence.

Section 4.3 Maintenance of Properties.

The IESO will cause all property owned by the IESO or any Material Subsidiary to be maintained and kept in good condition, repair and working order, all as in the judgment of the IESO or any Material Subsidiary may be necessary for the proper operation of such property, except as and to the extent that the IESO or any Material Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 4.3 shall prevent the IESO or any Material Subsidiary from discontinuing the maintenance of any such property or decommissioning any such property if such discontinuance or decommissioning is, in the judgment of the IESO or any such Material Subsidiary, desirable in the conduct of its business or the business of any such Material Subsidiary, or has been directly or indirectly requested or required by the Province of Ontario.

Section 4.4 Insurance.

The IESO will cause all property owned by the IESO or any Material Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the mature and to the extent that such property is usually insured by companies operating similar businesses.

Section 4.5 Conduct of Business.

The IESO will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in accordance with good business practice.

Section 4.6 Negative Pledge.

The IESO will not, and will not permit any Material Subsidiary to, create, incur or assume any Lien, charging the interest of the IESO or any Material Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, all amounts owing under this Agreement are secured equally and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) the creation, incurrence or assumption of any Purchase Money Mortgage;

(b) the grant of any Lien in the normal course of business to any banks or financial institutions for present or future Indebtedness of the IESO or any Material Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) any extension, renewal or replacement of any of the Liens referred to in Sections 4.6(a), (b) or (c), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased; and

(e) any Lien charging the interest of the IESO or any Material Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 4.6(a), (b) or (c), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 4.6(e) which is outstanding at such time does not exceed 10% of Consolidated Assets at such time.

Section 4.7 Payment of OFA Expenses

In addition to any liability of the IESO to the OFA under any other provision of this Agreement, the IESO will, on demand, reimburse and indemnify OFA for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OFA in connection with the Agreement (including those services incurred in the preservation of rights under or enforcement of this Agreement at any time during the continuance of a Default or Event of Default and for any reasonable loss or expense incurred by OFA as a result of any failure by the IESO to fulfill any of its obligations under this Agreement). All such costs, charges and expenses shall bear interest at the Province of Ontario's cost of funds plus 0.25 percent per annum (as determined by the OFA) calculated and payable monthly not in advance from in each case from the date on which the OFA incurs the cost, charge or expense until the date on which the IESO reimbursement the OFA therefor. The OFA agrees, acting reasonably, to invoice the IESO for any such costs, charges and expense as they are incurred, together with interest at the aforesaid rate (with interest on overdue interest).

Section 4.8 Reporting.

The IESO will promptly provide to the OFA any reports or supporting documents that the OFA may request from time to time.

Section 4.9 Late Repayment of Advance.

In the event that the IESO fails to repay the principal amount of any Advance and all interest accrued thereon when due, the IESO shall pay interest on the unpaid amount of such Advance at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment.

ARTICLE 5
EVENTS OF DEFAULT AND REMEDIES

Section 5.1 Event of Default.

Wherever used in this Agreement, the term "Event of Default" means any of the following:

(a) the IESO's failure to pay any interest upon any Advance when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) failure to pay the principal amount of any Advance on the applicable Repayment Date or the Advances Outstanding, all interest accrued thereon and all other amounts owing under this Agreement on September 30, 2022;

(c) failure on the part of the IESO to observe or perform its obligations set forth in Section 4.1;

(d) failure on the part of the IESO to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 20 days after the date on which written notice of such failure shall have been given to the IESO by the OFA;

(e) any representation or warranty made by the IESO in this Agreement or in any certificate or other document at any time delivered hereunder to the OFA was incorrect or misleading in any material respect;

(f) one or more breaches by the IESO of its covenants under one or more evidences of Indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $5 million, which breaches:

(i) constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist, or

(ii) have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived or rescinded);

(g) the IESO or any Material Subsidiary:

(i) becomes unable to meet its obligations as they generally become due or has ceased paying its current obligations in the ordinary course of business as they generally become due;

(ii) admits in writing its inability to pay its debts generally or makes a general assignment for the benefit its creditors or files a proposal or other scheme

of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) institutes or has instituted against it any proceeding seeking:

(A) to adjudicate it as bankrupt or insolvent,

(B) liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors, or

(C) the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets,

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismissed or unstayed for a period of 30 days, or any remedy sought in any such proceeding (including the entry of order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

(iv) takes any corporate action to authorize any of the actions in Sections 5.1 (g)(i) to (iii); or

(h) if there shall be rendered against the IESO or any Material Subsidiary a final judgment or judgments for the payment of money in an aggregate amount in excess of $5 million by a court or courts of competent jurisdiction, and the IESO or any Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 5.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case the OFA may at its option, in addition to any other remedy available to the OFA at law, by written notice to the IESO, take any or all of the following actions:

(a) suspend the right of the IESO to request any further Advance until the Event of Default has been cured to the OFA's satisfaction or, if the Event of Default is not

cured within three (3) Business Days after the date on which written notice of such Event of Default shall have been given to the IESO by the OFA, declare all amounts owing hereunder including all interest accrued to be due and payable immediately, by a notice in writing to the IESO, and upon any such declaration all such amounts shall become immediately due and payable.

(b) invoke the Intercept pursuant to section 5.7 of this Agreement to require payment of any amount due and payable under this Agreement.

Section 5.3 Suits for Enforcement by the OFA.

If an Event of Default occurs and is continuing, the OFA may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in the OFA by this Agreement or by law.

Section 5.4 OFA May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of the IESO under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property of the IESO, or if any other judicial proceedings relative to the IESO, its creditors or its property are pending, the OFA shall be entitled and empowered, by intention in such proceeding or otherwise:

(a) to file and prove a claim for all amounts owing under this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of the OFA (including any claim for fees and disbursements of the OFA, its agents and counsel) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claim.

Section 5.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to the OFA is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.6 Delay or Omission not Waiver.

No delay or omission of the OFA to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right or remedy given by this Article 5 or by law to OFA may be exercised from time to time, and as often as may be deemed expedient, by the OFA.

Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of even date herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the *Capital Investment Plan Act, 1993* (the "**Intercept Letter**"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("**Appropriated Funds**"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("**Intercept**").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

(e) The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or

inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail.

ARTICLE 6
REPRESENTATIONS AND WARRANTIES OF IESO

Section 6.1 Representations and Warranties of IESO

The IESO represents and warrants to the OFA that:

(a) the borrowing of money (including principal and accrued interest) by the IESO and the execution, delivery and performance of this Agreement are within the powers and capacities of the IESO and have been duly authorized by all necessary legal action and proper proceedings;

(b) the execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the compliance with the terms and conditions of this Agreement will not conflict with or result in a breach of any of the terms or provisions of the constituting documents or by-laws of the IESO, laws of Ontario, including laws of Canada applicable therein, applicable to the IESO or any contractual or other obligation binding on the IESO;

(c) this Agreement will, when executed and delivered, constitute the legal, valid and binding obligation of the IESO enforceable against it in accordance with its terms; and

(d) the monies advanced under this Agreement shall be used only by the IESO for the purposes set out in Section 2.2.

Section 6.2 Continuation of Representation and Warranties

The representations and warranties set out in Section 6.1 herein shall survive the execution and delivery of this Agreement, the making of each Advance by the OFA, notwithstanding any investigations or examinations which may be made by counsel for the OFA.

ARTICLE 7
GENERAL

Section 7.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy or other means of electronic communication addressed:

If to the IESO, to it at:

Independent Electricity System Operator
120 Adelaide Street West, Suite 1600
Toronto, ON M5H 1T1

Attention: Chief Financial Officer
Telephone: (416)969-6232
Facsimile: (905)403-6913

If to the OFA, to it at:

Ontario Financing Authority 1 Dundas Street West
Suite 1400 Toronto, Ontario M7A 1Y7

Attention: Executive Director & Chief Investment Officer – Capital Markets Division
Telephone: (416)325-8930
Facsimile: (416)860-8346

provided that any Borrowing Notice or Election Notice shall be addressed as indicated on Schedule 1 or Schedule 2 respectively.

Any communication hereunder shall be deemed to have been validly and effectively given if (a) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p.m. (Toronto time), otherwise on the next Business Day, (b) transmitted by facsimile or other means of electronic communication, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice give in accordance with this Section 7.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 7.1.

Section 7.2 Successors and Assigns.

This Agreement shall be binding on and enure to the benefit of the OFA and the IESO and their respective successors and permitted assigns, except that the IESO shall not, without the

prior written consent of the OFA assign, pledge or hypothecate any rights or obligations with respect to this Agreement.

Section 7.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of the Parties.

Section 7.4 Waiver.

(1) No waiver of any provisions of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) of this Agreement nor shall such waiver be binding unless executed in writing by the party to be bound by the waiver.

(2) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude another or further exercise of such right or the exercise of any other right.

Section 7.5 Further Assurances.

Each of the IESO and the OFA shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement

Section 7.6 Severability.

In case any provision in this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement shall not in any way be affected or impaired thereby.

Section 7.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 7.8 Entire Agreement.

This Agreement, including the schedules hereto and any other agreements expressly referred to herein, constitutes the whole agreement between the Parties with respect to the matters dealt with in it, and it supersedes any prior agreement, undertakings, discussions and the like respecting the matters dealt with in this Agreement and entered into by the Parties before the date the OFA signs this Agreement.

Section 7.9 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Agreement.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first written above.

ONTARIO FINANCING AUTHORITY

Per: _____

Name:
Title:

I have authority to bind the corporation.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: K Marshall

Name: Kimberly Marshall
Title: Vice President, Corporate Services;
Chief Financial Officer; Treasurer

I have authority to bind the corporation.

SCHEDULE 1

FORM OF BORROWING NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The principal amount of the Proposed Advance is $_____;
(c) The Repayment Date of the Proposed Advance is _____. [Not earlier than 5 days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:

Authorized Signatory

SCHEDULE 2

FORM OF ELECTION NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is _____.

(b) The aggregate amount of the proposed Continued Advance is $_____, which is comprised of:
   i. principal amount (or portion thereof) of Advance which is to be continued $_____; and
   ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date $_____;

(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): $ _____

(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _____. [Insert date not earlier than 5 days and not later than 95 days after the current Repayment Date for the Advance.]

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: $_____
The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Name:

Authorized Signatory

SCHEDULE 3 – FORM OF GRID NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $2,000,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR (the "**IESO**"), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY** ("**OFA**") at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement (as defined below).

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the Revolving Credit Facility Agreement dated **[INSERT DATE]** as amended, supplemented or restated from time to time, between the Borrower and the OFA (the "Agreement"). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:
Authorized Signatory

Revolving Credit Facility Grid Note

Ontario Financing Authority
Line of Credit Grid Note

Entity : Independent Electricity System Operator
Loan Limit:

Project:
Schedule of loan transactions to:
Loan Advanced to:

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days

From: Opal Kandelas
To: Sarah Harris
Subject: FW: IESO
Date: Wednesday, November 29, 2017 4:29:01 PM

FYI.

From: John Kim
Sent: Wednesday, November 29, 2017 4:23 PM
To: 'Anthony Martinello'
Cc: Victor Buza ; Gavin He ; Opal Kandelas
Subject: RE: IESO

HI Anthony,
We are OK to have you share the $2bn FHP facility agreement with TD, on the basis as you indicated that they will treat it strictly confidential.
Thanks,
John

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Tuesday, November 21, 2017 10:47 AM
To: John Kim <John.Kim@ofina.on.ca>
Cc: Victor Buza <Victor.Buza@ieso.ca>; Gavin He <Gavin.He@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Subject: RE: IESO

Please move forward and seek the necessary approvals. TD wants to read the $2B agreement to ensure IESO has FH liquidity during the 4 years.

From: John Kim [mailto:John.Kim@ofina.on.ca]
Sent: November 20, 2017 5:17 PM
To: Anthony Martinello
Cc: Victor Buza; Gavin He; William Tan
Subject: RE: IESO

Hi Anthony,
I think the steps we would take to allow it, if at all, could be quite onerous and time-consuming. Are there any specific concern they have that we should be able to address without actually letting them see the agreement?
John

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Monday, November 20, 2017 5:05 PM
To: John Kim <John.Kim@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Cc: Victor Buza <Victor.Buza@ieso.ca>; Gavin He <Gavin.He@ofina.on.ca>
Subject: IESO

John, William,
TD Bank has asked to review the $2B Fair Hydro credit facility executed between IESO and OFA.
TD wants to gain comfort (themselves) that the credit facility is going to support the IESO's fair hydro transactions during the next 4 years.
I have verbally assured them of the above, but they wish to review themselves.
Let me know if I may share and TD will treat the document as confidential.
Regards.

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From: Sarah Harris
To: William Tan
Subject: FW: IESO/OEFC $160M Credit Facility - Notice for Sep 4/18
Date: Wednesday, August 29, 2018 11:46:49 AM
Attachments: IESO FORM OF BORROWING NOTICE for Roll.docx

Hi Will,
Please save this in the directory.
Thanks,
Sarah

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Wednesday, August 29, 2018 11:38 AM
To: William Tan
Cc: Sarah Neville ; Sarah Harris ; Olga Whiteley
Subject: RE: IESO/OEFC $160M Credit Facility - Notice for Sep 4/18

Hi Will – thanks for your email. Having looked at our records and correspondence, I agree with your analysis that the revised Form of Borrowing Notice should have been attached to Amendment No. 6 and was not.

Going forward, we will ensure the form of notice makes reference to "IESO Corporate Requirements" as indicated, and we agree to use the general format for showing the numbers as in the version provided by Sarah this morning (see attached). Also, a minor detail but we will head it "Borrowing Notice" when we send it over, rather than "Form of Borrowing Notice" (assuming you agree).

Let me know if there is anything else you require.

Best Regards,
Victor

Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079
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From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: August 28, 2018 7:10 PM
To: Victor Buza
Cc: Sarah Neville; Sarah Harris; Olga Whiteley
Subject: RE: IESO/OEFC $160M Credit Facility - Notice for Sep 4/18

CAUTION: This email originated from outside of the organization. Exercise caution when clicking on links or opening attachments even if you recognize the sender.

Hello Victor,

RE: Use of Funds – IESO Corporate Requirements

I hope you are enjoying the warm weather. I am emailing you regarding the Form of Borrowing Notice under the OEFC/IESO $160M Revolving Credit Facility. Olga has provided a Borrowing Notice from Amending Agreement No. 5, requesting an **new** advance of $30M and **roll-over** of $30M. According to our records the most current version of the Borrowing Notice is from Amending Agreement No. 6. We noticed the Grid Promissory Note was incorrectly attached as Schedule 1. The key addition to the Borrowing Notice is under Use of Funds to include "IESO Corporate

Requirements". I have attached a copy of the Borrowing Notice that was supposed to be included as Schedule 1, in AA No.6. Please review the notice and acknowledge that this will be the correct Borrowing Notice going forward.

For your reference I have included AA No. 6, Olga's request and Borrowing Notice.

Thanks,

Will

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]

Sent: Tuesday, August 28, 2018 9:46 AM

To: CASHP <CASHP@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>

Cc: Anthony Martinello <Anthony.Martinello@ieso.ca>

Subject: IESO/OEFC $160M Credit Facility - Notice for Sep 4/18

Please find attached notice for September 4 regarding IESO's $160M facility.

Regards.

Olga Whiteley | Treasury and Pension Operations

Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
Station A, Box 4474, Toronto, ON M5W 4E5
Web: www.ieso.ca [ieso.ca] [na01.safelinks.protection.outlook.com] | Email: olga.whiteley@ieso.ca

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FORM OF BORROWING NOTICE

Date:

Ontario Electricity Financial Corporation **("OEFC")**
c/o Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A1Y7

Attention: Cash Management
(Fax No. (416-204-7920)

Dear Sirs:

The undersigned, Independent Electricity System Operator ("IESO refers to the Revolving Credit Facility Agreement dated April 23, 2010 (as amended, supplemented or restated from time to time, the **"Agreement"**, the terms defined therein being used herein as therein defined) between IESO and OEFC, and gives you notice pursuant to Section 3.2 of the Agreement that IESO requests an Advance under the Agreement, and, in that connection, sets forth below the information relating to such Advance (the **"Proposed Advance"**) as required by Section 3.2 of the Agreement:

(a) The date of the proposed Advance, being a Business Day is September 4, 2018;
(b) The aggregate amount of the Proposed Advance is $60,000,000.00 which is comprised of:
    (i) $30,000,000 principal amount of an Advance due and payable on September 4, 2018 which will be rolled. IESO confirms that it will pay all interest accrued and outstanding in the amount of $57,008.22 in respect of this Advance on September 4, 2018; and
    (ii) a new Advance in the amount of $30,000,000.00.

Use of Funds

The undersigned herby certifies that the funds requested under this notice will be used for the following purposes:

IESO Corporate Requirements.

IESO hereby certifies that:

The representations and warranties of IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received previously as Advances under the Agreement have been expended or are being held solely for the purpose for which they were advanced; no part of said funds has been nor any part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Authorized Signature

Per: _____
Authorized Signature

*To be confirmed by telephone call to OEFC Cash Management (416) 325-8108

From:	Sarah Harris
To:	Alfonso Soriano; Jensen Chong; Risa Thau; Carlos Yep; James Devine
Cc:	William Tan
Subject:	FW: IESO/OEFC $160M Credit Facility - Notice for Sep 4/18
Date:	Wednesday, August 29, 2018 10:15:25 AM
Attachments:	IESO FORM OF BORROWING NOTICE for Roll.docx

Hello,

Please note that for any future notices under the above captioned credit facility, IESO's "Use of Funds" should state "IESO Corporate Requirements".

Thanks,

Sarah

From: Sarah Harris
Sent: Wednesday, August 29, 2018 10:10 AM
To: 'Olga Whiteley'
Cc: Nurudin Kaba ; LeRoy Ahyee ; Carlos Yep ; William Tan
Subject: RE: IESO/OEFC $160M Credit Facility - Notice for Sep 4/18

Hello Olga,

Please find attached a notice with draft language for the advance. Please note that the Use of Funds should also state "IESO Corporate Requirements", as this was updated in Amending Agreement #6.

Thanks,

Sarah

From: William Tan
Sent: Tuesday, August 28, 2018 2:51 PM
To: 'Olga Whiteley' <Olga.Whiteley@ieso.ca>
Cc: Nurudin Kaba <Nurudin.Kaba@ofina.on.ca>; LeRoy Ahyee <LeRoy.Ahyee@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>
Subject: RE: IESO/OEFC $160M Credit Facility - Notice for Sep 4/18

Hello Olga,

I am currently reviewing the agreement and will advise on suitable language to use on the Borrowing Notice.

Thanks,

Will

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]
Sent: Tuesday, August 28, 2018 9:46 AM
To: CASHP <CASHP@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>
Cc: Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: IESO/OEFC $160M Credit Facility - Notice for Sep 4/18

Please find attached notice for September 4 regarding IESO's $160M facility.

Regards.

Olga Whiteley | Treasury and Pension Operations
Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
Station A, Box 4474, Toronto, ON M5W 4E5
Web: www.ieso.ca [ieso.ca] | Email: olga.whiteley@ieso.ca

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FORM OF BORROWING NOTICE

Date:

Ontario Electricity Financial Corporation **("OEFC")**
c/o Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A1Y7

Attention: Cash Management
(Fax No. (416-204-7920)

Dear Sirs:

The undersigned, Independent Electricity System Operator ("IESO refers to the Revolving Credit Facility Agreement dated April 23, 2010 (as amended, supplemented or restated from time to time, the **"Agreement"**, the terms defined therein being used herein as therein defined) between IESO and OEFC, and gives you notice pursuant to Section 3.2 of the Agreement that IESO requests an Advance under the Agreement, and, in that connection, sets forth below the information relating to such Advance (the **"Proposed Advance"**) as required by Section 3.2 of the Agreement:

(a) The date of the proposed Advance, being a Business Day is September 4, 2018;
(b) The aggregate amount of the Proposed Advance is $60,000,000.00 which is comprised of:
    (i) $30,000,000 principal amount of an Advance due and payable on September 4, 2018 which will be rolled. IESO confirms that it will pay all interest accrued and outstanding in the amount of $57,008.22 in respect of this Advance on September 4, 2018; and
    (ii) a new Advance in the amount of $30,000,000.00.

Use of Funds

The undersigned herby certifies that the funds requested under this notice will be used for the following purposes:

IESO Corporate Requirements.

IESO hereby certifies that:

The representations and warranties of IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received previously as Advances under the Agreement have been expended or are being held solely for the purpose for which they were advanced; no part of said funds has been nor any part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Authorized Signature

Per: _____
Authorized Signature

*To be confirmed by telephone call to OEFC Cash Management (416) 325-8108

From:	LeRoy Ahyee
To:	Sarah Harris
Cc:	William Tan; Nurudin Kaba
Subject:	FW: IESO/OEFC $160M Credit Facility - Notice for Sep 4/18
Date:	Tuesday, August 28, 2018 2:08:50 PM
Attachments:	Rollover Notice.pdf

Hello Sarah:

As discussed, IESO requires an advance of $30MM **plus** a roll of the maturing $30MM. This is not clear on the attached.

Regards,

LeRoy

LeRoy Ahyee

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]

Sent: Tuesday, August 28, 2018 9:46 AM

To: CASHP ; SETTLEMENT

Cc: Anthony Martinello

Subject: IESO/OEFC $160M Credit Facility - Notice for Sep 4/18

Please find attached notice for September 4 regarding IESO's $160M facility.

Regards.

Olga Whiteley | Treasury and Pension Operations

Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
Station A, Box 4474, Toronto, ON M5W 4E5
Web: www.ieso.ca [ieso.ca] | Email: olga.whiteley@ieso.ca

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ieso
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Powering Tomorrow.

Independent Electricity System Operator
Station A, Box 4474
Toronto, ON M5W 4E5
t 905.403.6900
www.ieso.ca

SCHEDULE 1 TO AMENDING AGREEMENT NO. 5

FORM OF BORROWING NOTICE

August 28, 2018

Ontario Electricity Financial Corporation **("OEFC")**
c/o Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A1Y7

Attention: Cash Management
Fax No. 416-204-7920

Dear Sirs:

The undersigned, Independent Electricity System Operator ("IESO") refers to the Revolving Credit Facility Agreement dated April 23, 2010 (as amended, supplemented or restated from time to time, the **"Agreement"**, the terms defined therein being used herein as therein defined) between IESO and OEFC, and gives you notice pursuant to Section 3.2 of the Agreement that IESO requests an Advance under the Agreement, and, in that connection, sets forth below the information relating to such Advance (the **"Proposed Advance"**) as required by Section 3.2 of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is **September 4**, **2018;**
(b) The aggregate amount of the Proposed New Advance is **CAD$30,000,0000.00 (thirty million dollars);**

IESO confirms that the CAD$30,000,000.00 (thirty million) advance due and payable on September 4, 2018 will be rolled, and that interest in the amount of CAD$57,008.22 will be paid.

Use of Funds

The undersigned herby certifies that the funds requested under this notice will be used for the following purposes:

(1) **For liquidity purposes.**

IESO hereby certifies that:

The representations and warranties of IESO contained in the Agreement are true and correct as at the date hereof.

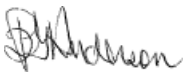
No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received previously as Advances under the Agreement have been expended or are being held solely for the purpose for which they were advanced; no part of said funds has been nor any part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR



Per: _____

Barbara Anderson
VP, Corporate Services & CFO

*To be confirmed by telephone call to OEFC Cash Management (416) 325-8108

From: Ryan Blackburne
To: Sarah Harris
Subject: FW: IESO/OEFC $160M Credit Facility - Notice for Sep 4/18
Date: Tuesday, August 28, 2018 12:22:43 PM
Attachments: Rollover Notice.pdf
image001.png
image002.png
Credit Facility Agreement, April 23, 2010, executed..pdf
Grid Promissory Note-template .pdf

Hi Sarah,

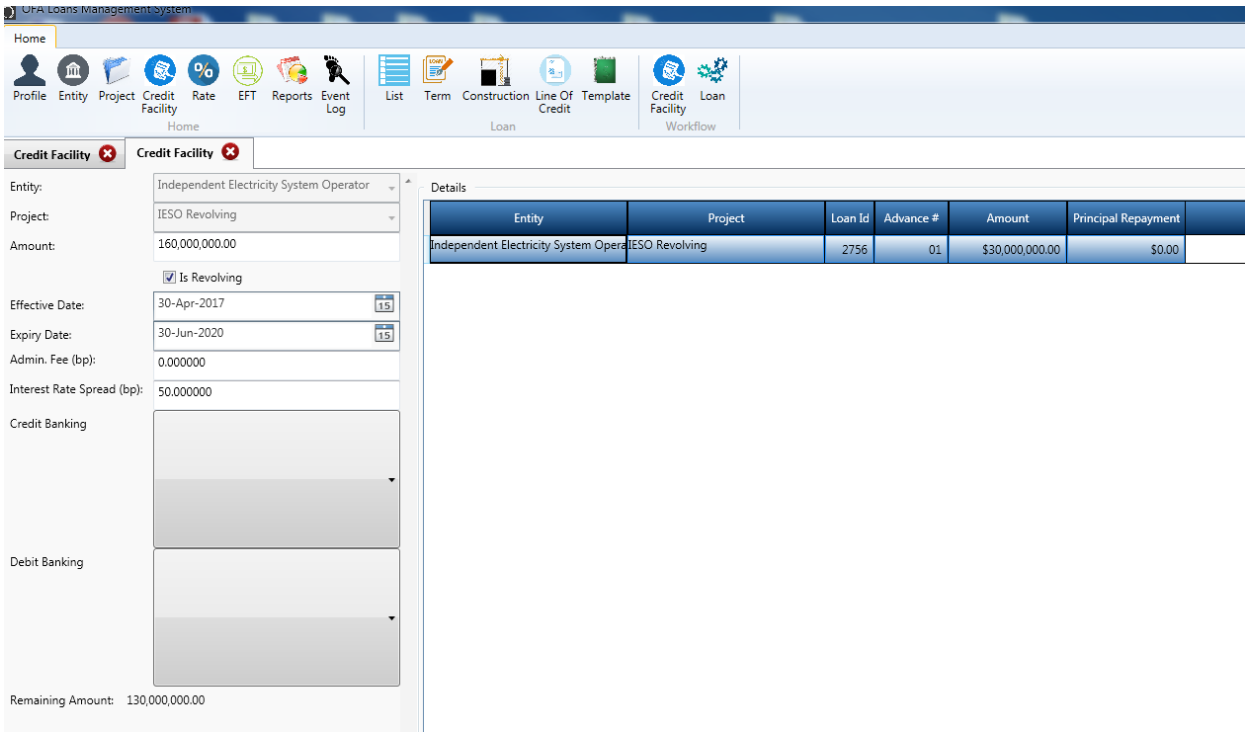
As per the email chain below, we received the attached $30M advance request from IESO with an advance date of September 4, 2018. I spoke with Ricky Lai and he said the desk is already aware of the request and the details have already been entered into OLMS (confirmed as per screenshots below).

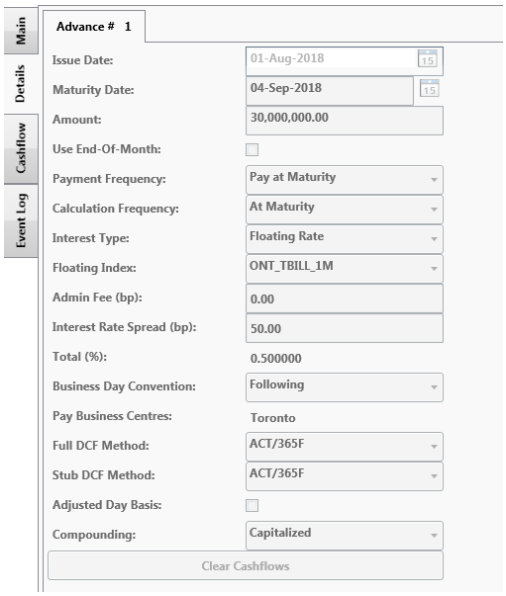
As per section 3.2 of the attached credit facility agreement dated April 23, 2010 there does not appear to be any additional documentation requirements on our end. The next step will be for IESO to deliver an executed Grid Promissory Note in the form of the attached pdf on or before the advance date (September 4, 2018).

I was wondering if we could sit down and discuss the way I should be recording these advances going forward. You may recall that I assisted on drafting Amending Agreement No.7 for this facility back in December 2017 for the purposes of the Ontario Fair Hydro Plan (permitted liens etc). However, this is my first time observing an Advance under this facility and I was not able to find procedures similar to what we have for OPG advances. It does look like Documentation have been tracking the grid notes we receive under this credit facility agreement in the following folder:

Z:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010-$160M\Advances

However, I'm uncertain if this is up to date as the last Grid Note saved in this folder is for an advance dated March 1, 2013.





Thanks,
Ryan

From: LeRoy Ahyee
Sent: Tuesday, August 28, 2018 10:41 AM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Subject: FW: IESO/OEFC $160M Credit Facility - Notice for Sep 4/18

As discussed.

LeRoy Ahyee

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]
Sent: Tuesday, August 28, 2018 9:46 AM
To: CASHP <CASHP@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>
Cc: Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: IESO/OEFC $160M Credit Facility - Notice for Sep 4/18

Please find attached notice for September 4 regarding IESO's $160M facility.

Regards.

Olga Whiteley | Treasury and Pension Operations
Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
Station A, Box 4474, Toronto, ON M5W 4E5
Web: www.ieso.ca [ieso.ca] | Email: olga.whiteley@ieso.ca

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Station A, Box 4474
Toronto, ON M5W 4E5
t 905.403.6900
www.ieso.ca

SCHEDULE 1 TO AMENDING AGREEMENT NO. 5

FORM OF BORROWING NOTICE

August 28, 2018

Ontario Electricity Financial Corporation **("OEFC")**
c/o Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A1Y7

Attention: Cash Management
Fax No. 416-204-7920

Dear Sirs:

The undersigned, Independent Electricity System Operator ("IESO") refers to the Revolving Credit Facility Agreement dated April 23, 2010 (as amended, supplemented or restated from time to time, the **"Agreement"**, the terms defined therein being used herein as therein defined) between IESO and OEFC, and gives you notice pursuant to Section 3.2 of the Agreement that IESO requests an Advance under the Agreement, and, in that connection, sets forth below the information relating to such Advance (the **"Proposed Advance"**) as required by Section 3.2 of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is **September 4**, **2018;**
(b) The aggregate amount of the Proposed New Advance is **CAD$30,000,0000.00 (thirty million dollars);**

IESO confirms that the CAD$30,000,000.00 (thirty million) advance due and payable on September 4, 2018 will be rolled, and that interest in the amount of CAD$57,008.22 will be paid.

Use of Funds

The undersigned herby certifies that the funds requested under this notice will be used for the following purposes:

(1) **For liquidity purposes.**

IESO hereby certifies that:

The representations and warranties of IESO contained in the Agreement are true and correct as at the date hereof.

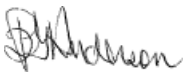
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IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received previously as Advances under the Agreement have been expended or are being held solely for the purpose for which they were advanced; no part of said funds has been nor any part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR



Per: _____

Barbara Anderson
VP, Corporate Services & CFO

*To be confirmed by telephone call to OEFC Cash Management (416) 325-8108

OFA Loans Management System

Home

Profile | Entity | Project | Credit Facility | Rate | EFT | Reports | Event Log — Home

List | Term | Construction | Line Of Credit | Template — Loan

Credit Facility | Loan — Workflow

Credit Facility | Credit Facility

Entity: Independent Electricity System Operator

Project: IESO Revolving

Amount: 160,000,000.00

☑ Is Revolving

Effective Date: 30-Apr-2017

Expiry Date: 30-Jun-2020

Admin. Fee (bp): 0.000000

Interest Rate Spread (bp): 50.000000

Credit Banking

Debit Banking

Remaining Amount: 130,000,000.00

Details

Entity	Project	Loan Id	Advance #	Amount	Principal Repayment
Independent Electricity System Opera	IESO Revolving	2756	01	$30,000,000.00	$0.00

Main | Details | Cashflow | Event Log

Advance # 1

Issue Date:	01-Aug-2018
Maturity Date:	04-Sep-2018
Amount:	30,000,000.00
Use End-Of-Month:	☐
Payment Frequency:	Pay at Maturity
Calculation Frequency:	At Maturity
Interest Type:	Floating Rate
Floating Index:	ONT_TBILL_1M
Admin Fee (bp):	0.00
Interest Rate Spread (bp):	50.00
Total (%):	0.500000
Business Day Convention:	Following
Pay Business Centres:	Toronto
Full DCF Method:	ACT/365F
Stub DCF Method:	ACT/365F
Adjusted Day Basis:	☐
Compounding:	Capitalized

Clear Cashflows

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

as Borrower

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION

as Lender

REVOLVING CREDIT FACILITY AGREEMENT

Dated: April 23, 2010

THIS CREDIT FACILITY AGREEMENT is made on the 23rd day of April, 2010

between:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")

RECITAL:

IESO has requested a revolving line of credit from OEFC in the amount of up to Sixty Million Dollars for the purpose of replacing the current IESO revolving line of credit with the Toronto-Dominion Bank which is used for liquidity purposes that may also be used to fund corporate requirements. OEFC has agreed to lend such amount to IESO on the terms and conditions set out herein.

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the parties agree as follows:

ARTICLE 1
DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"Advance Date" has the meaning set forth in Section 3.2.

"Advances" means advances made by OEFC to IESO under Article 3 and **"Advance"** means any one of such advances.

"Advances Outstanding" means, at any time, an amount equal to the aggregate principal amount of all Advances outstanding at such time.

"Agreement", "herein", "hereby", "hereof", "hereunder" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression **"Article"** or **"Section"** followed by a number means the specified Article or Section of this Agreement.

"Borrowing Notice" has the meaning specified in Section 3.2.

"Business Day" means any day other than a Saturday, Sunday or a statutory or civic holiday in Toronto, Ontario.

"Commitment" means, at any time, an amount equal to the principal amount of Sixty Million Dollars.

"Consolidated Assets" means, at any time, the book value of IESO and the Subsidiaries, determined as of such time on a consolidated basis in accordance with generally accepted accounting principles.

"Credit Facility" means the revolving credit facility to be made available to IESO by OEFC under this Agreement for the purposes specified in Section 2.3.

"Default" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"Disposition" has the meaning specified in Section 6.1.

"Dollars" or "$" means lawful currency of Canada.

"Event of Default" has the meaning specified in Section 5.1.

"IESO" means Independent Electricity System Operator, a corporation existing under the laws of the Province of Ontario, until a successor corporation shall have succeeded to all of the rights and obligations of Independent Electricity System Operator pursuant to Section 6.1 and thereafter **"IESO"** shall mean such successor corporation (or any successor thereto which shall have become such pursuant to Section 6.1).

"Indebtedness" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) every obligation of such Person for borrowed money;

(b) every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments;

(c) every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) every capital lease obligation of such Person; and

(f) the Swap Termination Value of each Swap Contract of such Person; and

(g) every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"Interest Payment Date" means with respect to each Advance means the first Business Day of each month.

"Interest Rate" means the Province of Ontario's cost of borrowing for a 30 day term, as determined as of the first Business Day of each month by OEFC, plus 0.25 percent per annum.

"Interest Reset Date" has the meaning specified in section 3.3(2)(i).

"Lien" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"Material Subsidiary" means, at any time, a Subsidiary which, together with its subsidiaries, has consolidated assets with a book value of more than Twenty-Five Million Dollars determined as of such time in accordance with generally accepted accounting principles.

"Note" means the note of IESO issued under this Agreement.

"Permitted Liens" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) any obligations or duties, affecting the property of IESO or a Material Subsidiary, to any municipality or governmental, statutory or public authority, with respect to any franchise, grant, license or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by IESO or such Material Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by IESO or such Material Subsidiary;

(d) any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) the right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) any undetermined or inchoate Liens and charges incidental to the current operations of IESO or a Material Subsidiary that have not at the time been filed against IESO or such Material Subsidiary; provided, however, that if any such Lien or charge shall have been filed, IESO or such Material Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) any Lien the validity of which is being contested at the time by IESO or a Material Subsidiary in good faith and the enforcement of which has been stayed;

(h) any easements, rights-of-way and servitudes that in the opinion of IESO will not in the aggregate materially and adversely impair the use or value of the land for the purpose for which it is held or occupied by IESO or a Material Subsidiary;

(i) any Liens and privileges arising out of judgments or awards with respect to which IESO or a Material Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall have secured a stay of execution pending such appeal or proceedings for review; and

(j) pledges of cash or cash equivalents to secure IESO's or a Material Subsidiary's liabilities from time to time under Swap Contracts and pledges of cash or cash equivalents in an aggregate amount not exceeding $25 million at any time to secure IESO's or a Material Subsidiary's liabilities from time to time under commodity swap, commodity option and commodity future contracts entered into in the ordinary course of business for the purpose of directly mitigating risks associated with fluctuations in prices or availability of commodities purchased or to be purchased by IESO or a Material Subsidiary in the ordinary course of business, and not entered into for the purposes of speculation; and

(k) any other Liens of a nature similar to the foregoing which do not in the opinion of IESO, acting reasonably, materially impair the use of the property subject thereto or the operation of the business of IESO or any Material Subsidiary or the value of such property for the purpose of any such business.

"Person" means any individual, corporation, partnership joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"Purchase Money Mortgage" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or part of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"Stated Maturity" when used with respect to any Indebtedness or any installment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such installment of interest is due and payable.

"Subsidiary" means:

(a) a corporation: (i) more than 50% of the voting power or the outstanding Voting Shares of which is owned, directly or indirectly, by IESO or by one or more other Subsidiaries or by IESO and one or more other Subsidiaries; or (ii) in the case of a non-share capital corporation, that the IESO has the power to appoint a majority of the Board of Directors; or

(b) any Person (other than a corporation) in which IESO, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

"Swap Contract" means any agreement whether or not in writing, relating to any transaction or derivative transaction including a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction currency swap, cross-currency rate swap, swaption, currency option or other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.

"Swap Termination Value" means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap contracts:

(a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and

(b) for any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.

"Voting Shares" of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings and Table of Contents.

The division of this Agreement into Articles and Sections the insertion of headings and the provision of a Table of Contents are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and vice versa and words importing gender may include any gender. In this Agreement, (a) the words **"including"** and **"includes"** mean "including (or includes) without limitation", and (b) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" each mean "to but excluding".

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with generally accepted accounting principles. Generally accepted accounting principles refer to accounting principles generally accepted in Canada as recommended in the Handbook of the Canadian Institute of Chartered Accountants at the relevant time applied on a consistent basis.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the following Business Day.

ARTICLE 2
REVOLVING CREDIT FACILITY

Section 2.1 Availability.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO up to the amount of the Commitment. OEFC shall make each Advance in Canadian Dollars.

Section 2.2 Commitment and Facility Limits.

The Advances Outstanding to IESO under the Credit Facility shall not at any time exceed the Commitment. The Credit Facility shall revolve and no payment under the Credit Facility shall reduce the Commitment.

Section 2.3 Use of Proceeds.

IESO shall use the proceeds of Advances for the following purposes for which it is authorized to borrow funds:

(a) to repay the revolving line of credit with the Toronto Dominion Bank;

(b) for liquidity purposes; and

(c) to fund corporate requirements.

Section 2.4 Mandatory Repayment.

Subject to Sections 3.5 and 5.2, IESO, shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder in full on or before April 30, 2013.

Section 2.5 Advances and Payments under this Agreement.

(1) OEFC shall make Advances to IESO under this Agreement to the order of IESO by wire transfer of immediately available funds in accordance with wire transfer instructions given by IESO to OEFC from time to time, or in such other manner as IESO may specify to OEFC from time to time.

(2) IESO shall make any payment required hereunder to be made by it to OEFC, to or to the order of OEFC, by wire transfer of immediately available funds in accordance with wire transfer instruction given by OEFC to IESO from time to time, or in such other manner as OEFC may specify to IESO from time to time. IESO shall make each such payment in Canadian Dollars

Section 2.6 Evidence of Indebtedness.

IESO authorizes OEFC to open and maintain records evidencing IESO's obligations under this Agreement and to record therein all advances, interest rates, accrued interest, payments of principal and interest and the aggregate principal and accrued interest outstanding from time to time under this Agreement. IESO agrees that the records kept by the OEFC in the absence of manifest error, shall be prima facie evidence of the indebtedness of IESO and the matters recorded provided that the failure of the OEFC to record or correctly record any amount or date shall not affect the obligation of IESO to repay the aggregate principal amounts and accrued interest thereon owing under this Agreement.

ARTICLE 3
ADVANCES AND INTEREST

Section 3.1 Advances.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO under the Credit Facility on the first Business Day of each month from and including May 3, 2010 to and including April 1, 2013.

Section 3.2 Procedure for Advances.

(1) Each Advance shall be made subject to four Business Day's prior notice given not later than 10:00 a.m. (Toronto time) by IESO to OEFC. Each notice of an Advance (a **"Borrowing Notice"**) shall be substantially in the form of Schedule 1, shall be irrevocable and binding on IESO and shall specify (a) the requested date of the Advance (the **"Advance Date"**), and (b) the principal amount of the Advance which shall be in a minimum amount of $1,000,000.00 (unless otherwise agreed to by OEFC), and in increments of $1,000,000.00 (or such other increments as may be agreed to by OEFC). OEFC will make the principal amount of each Advance available to IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, IESO shall execute and deliver to OEFC a grid promissory note (the "Note") in respect of Advances substantially in the form of Schedule 2. IESO authorizes OEFC to record on the grid promissory note (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal amount of the grid promissory note. Such notations, in the absence of manifest error, shall be prima facie evidence of the such advances and repayments; provided that the failure of OEFC to record any amount, rate or date shall not affect the obligation of IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement.

(3) In the event that funds are not received by IESO on the Advance Date, IESO and OEFC agree to take all steps necessary to amend the date of the Advance, without amending the Interest Rate that was agreed to with respect to such Advance.

(4) The Note shall at all times rank *pari passu* with all other unsubordinated Indebtedness of IESO, subject to the existence of any Permitted Liens of IESO.

(5) All amounts owing in respect of the Advances shall be paid without exercising any right or set off or counterclaim by IESO.

Section 3.3 Interest on Advances.

(1) IESO shall pay interest on the principal amount of each Advance then outstanding in accordance with this Section 3.3 from and including the date of such Advance until the principal amount of such Advance is repaid in full.

(2) Interest shall accrue on the principal amount of each Advance from and including the date of the Advance to but excluding the first Interest Payment Date following the date of the Advance, at the rate equal to the Interest Rate, and shall be payable on the Interest Payment Date for such Advance. The amount of interest payable on an Advance will be calculated by OEFC by dividing the Interest Rate applicable to the Advance by 365 or 366, as the case may be, and multiplying the result by the principal amount of the Advance then outstanding and further multiplying the result by the number of days in the period from the date of the Advance to the Interest Payment Date.

(i) If an Advance is outstanding on an Interest Payment Date, the interest rate applicable to such Advance shall be reset automatically by OEFC on that date (the "Interest Reset Date"), at the Interest Rate determined as of the Interest Reset Date.

(ii) For each Advance, OEFC shall notify IESO via email of the Interest Rate on the Advance Date and on each Interest Reset Date.

(3) Upon four Business Days prior notice by IESO, OEFC may at its discretion agree to capitalize the interest on any Advance on an Interest Payment Date, which shall be determined in the following manner: each such interest payment due on the Interest Payment Date shall be deemed to form part of the principal amount of the outstanding Advance and interest shall accrue and be payable thereon in accordance with Section 3.3(2). OEFC shall record on the grid forming part of the note: (a) the date and amount of the new Advance; (b) the applicable rate of interest for the Advance; and (c) the outstanding principal amount of the grid promissory note.

(4) Interest shall accrue on the principal amount of each Advance at the Interest Rate as determined from time to time, before as well as after the date such principal amount or interest thereon becomes due hereunder and both before and after default.

Section 3.4 Computations of Interest.

(1) All computations of interest shall be made by OEFC taking into account the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest is payable on the basis of a year of 365 days or 366 days, as the case may be.

(2) For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Agreement for any

period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

Section 3.5 Limit on Rate of Interest.

(1) Notwithstanding any provision contained in this Agreement, IESO shall not be obliged to make any payments of interest or other amounts payable to OEFC hereunder in excess of the amount or rate which would be prohibited by applicable law or would result in the receipt by OEFC of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada), as amended from time to time).

(2) In the event that any such payments are limited or prohibited as provided in Section 3.5(1), OEFC shall have no further obligation to make any Advances available hereunder and the Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, shall become immediately due and payable.

Section 3.6 Conditions Precedent

The obligation of OEFC to make the Advances pursuant to Section 2.1 is subject to the following conditions being met to OEFC's satisfaction at the time of making each Advance:

(a) that the representations and warranties of IESO contained in this Agreement are true and correct as at the date of making the Advance;

(b) that no Event of Default has occurred and is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default;

(c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO; and

(d) that OEFC has received such other documentation which it has reasonably requested to ensure that IESO is in compliance with the terms and conditions of this Agreement, including certified true copies of any necessary resolutions including resolutions authorizing the borrowing and authorized signatories.

ARTICLE 4

COVENANTS OF IESO

Section 4.1 Payment of Advances.

IESO will duly and punctually pay or cause to be paid all amounts owing under this Agreement in accordance with the terms and subject to the conditions of this Agreement.

Section 4.2 Use of Proceeds

The monies advanced under this Agreement shall be used only by IESO for the purposes set out in Section 2.3.

Section 4.3 IESO will Maintain its Corporate Existence.

Subject to Section 6.1, IESO will at all times maintain its corporate existence.

Section 4.4 Maintenance of Properties.

IESO will cause all property owned by IESO or any Material Subsidiary to be maintained and kept in good condition, repair and working order, all as in the judgment of IESO or any Material Subsidiary may be necessary for the proper operation of such property, except as and to the extent that IESO or any Material Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 4.4 shall prevent IESO or any Material Subsidiary from discontinuing the maintenance of any such property or decommissioning any such property if such discontinuance or decommissioning is, in the judgment of IESO or any Material Subsidiary, desirable in the conduct of its business or the business of any such Material Subsidiary, or has been directly or indirectly requested or required by the Province of Ontario.

Section 4.5 Insurance.

IESO will cause all property owned by IESO or any Material Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the nature and to the extent that such property is usually insured by companies operating similar businesses.

Section 4.6 Conduct of Business.

Subject to Section 4.3, IESO will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in a proper, efficient and business-like manner and in accordance with good business practice.

Section 4.7 Negative Pledge.

IESO will not, and will not permit any Material Subsidiary to, create, incur or assume any Lien, charging the interest of IESO or any Material Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, all amounts owing under this Agreement are secured equally and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) the creation, incurrence or assumption of any Purchase Money Mortgage;

(b) the grant of any Lien in the normal course of business to any banks or financial institutions for present or future indebtedness of IESO or any Material Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) any extension, renewal or replacement of any of the Liens referred to in Sections 4.7(a), (b) or (c), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased; and

(e) any Lien charging the interest of IESO or any Material Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 4.7(a), (b) or (c), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 4.6(e) which is outstanding at such time does not exceed 10% of Consolidated Assets at such time.

Section 4.8 Payment of OEFC Expenses.

IESO will, on demand, reimburse and indemnify OEFC for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OEFC in connection with the preservation of rights under or enforcement of this Agreement at

any time during the continuance of a Default or Event of Default. All such costs, charges and expenses shall bear interest at the Province's cost of funds plus 0.25 percent per annum (as determined by OEFC) calculated and payable monthly not in advance from in each case from the date on which OEFC incurs the cost, charge or expense until the date on which IESO reimbursement OEFC therefor. OEFC agrees, acting reasonably, to invoice IESO for any such costs, charges and expense as they are incurred, together with interest at the aforesaid rate (with interest on overdue interest).

Section 4.9 Reporting Requirements.

IESO covenants to provide to OEFC, or at its direction, to the Province of Ontario and the Ontario Financing Authority,

(a) any available information respecting its financial position which may be reasonably requested by OEFC, the Province of Ontario or the Ontario Financing Authority from time to time; and

(b) any additional reports or supporting documentation which may be reasonably requested by the OEFC, the Province of Ontario or the Ontario Financing Authority from time to time.

ARTICLE 5
EVENTS OF DEFAULT AND REMEDIES

Section 5.1 Event of Default.

Wherever used in this Agreement, the term **"Event of Default"** means any of the following:

(a) failure to pay any interest upon any Advance when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) failure to pay the principal amount of the Advances Outstanding, all interest accrued thereon and all other amounts owing under this Agreement on April 30, 2013;

(c) failure on the part of IESO to observe or perform its obligations set forth in Section 6.1;

(d) failure on the part of IESO to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 30 days after

the date on which written notice of such failure shall have been given to IESO by OEFC;

(e) any representation or warranty made by IESO in this Agreement or in any certificate or other document at any time delivered hereunder to OEFC was incorrect or misleading in any material respect;

(f) one or more breaches by IESO of its covenants under one or more evidences of indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $25 million, which breaches:

(i) constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist; or

(ii) have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived or rescinded);

(g) IESO, or any Material Subsidiary:

(i) becomes generally not able to pay its debts as they become due;

(ii) admits in writing its inability to pay its debts generally or makes a general assignment for the benefit of its creditors or files a proposal or other scheme of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) institutes or has instituted against it any proceeding seeking:

(A) to adjudicate it a bankrupt or insolvent;

(B) liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy / insolvency / reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors; or

(C) the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets;

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismisssed or unstayed for a period of 30 days, or any remedy sought in any such proceeding (including the entry of order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

(iv) takes any corporate action to authorize any of the actions in Sections 5.1(g)(i) to (iii); or

(h) if there shall be rendered against IESO or any Material Subsidiary a final judgment or judgments for the payment of money in an aggregate amount in excess of $5 million by a court or courts of competent jurisdiction, and IESO or any Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 5.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case OEFC may declare all amounts owing hereunder to be due and payable immediately, by a notice in writing to IESO, and upon any such declaration all such amounts shall become immediately due and payable.

Section 5.3 Suits for Enforcement by OEFC.

If an Event of Default occurs and is continuing, OEFC may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in OEFC by this Agreement or by law.

Section 5.4 OEFC May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of IESO under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property

of IESO, or if any other judicial proceedings relative to IESO, its creditors or its property are pending, OEFC shall be entitled and empowered, by intention in such proceeding or otherwise:

(a) to file and prove a claim for all amounts owing under this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of OEFC (including any claim for fees and disbursements of OEFC, its agents and counsel as contemplated under Section 4.7) allowed in such judicial proceeding; and

(b) to collect and receive any moneys or other property payable or deliverable on any such claim.

Section 5.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to OEFC is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.6 Delay or Omission not Waiver.

No delay or omission of OEFC to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right or remedy given by this Article 5 or by law to OEFC may be exercised from time to time, and as often as may be deemed expedient, by OEFC.

ARTICLE 6

CONSOLIDATION, AMALGAMATION, MERGER OF IESO

Section 6.1 Certain Requirements in Respect of Merger, etc.

IESO may not and may not cause any Material Subsidiary, in a single transaction or a series of related transactions, amalgamate or consolidate with or merge into any other Person, or permit any other Person to amalgamate or consolidate with or merge into IESO or the Material Subsidiary, or directly or indirectly transfer, sell, lease or otherwise dispose of all or substantially all of its property or assets (a "Disposition") to any Person without the written consent of OEFC.

Section 6.2 Successor Substituted.

Upon any consolidation, amalgamation, merger or Disposition described in, and complying with the provisions of, Section 6.1 in which IESO is not the continuing corporation, the successor Person shall succeed to all of the rights and obligations of IESO under this Agreement, and from time to time may exercise every right and power of IESO under this Agreement.

ARTICLE 7
REPRESENTATIONS AND WARRANTIES OF IESO

Section 7.1 Representations and Warranties of IESO.

IESO represents and warrants to OEFC that:

(a) the borrowing of money (including principal and accrued interest) by IESO and the execution, delivery and performance of this Agreement are within the powers and capacities of IESO and have been duly authorized by all necessary legal action and proper proceedings;

(b) the execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the compliance with the terms and conditions of this Agreement will not conflict with or result in a breach of any of the terms or provisions of the constituting documents or by-laws of IESO, laws of Ontario, including laws of Canada applicable therein, applicable to IESO or any contractual or other obligation binding on IESO; and

(c) this Agreement will, when executed and delivered, constitute the legal, valid and binding obligation of IESO enforceable against it in accordance with its terms.

Section 7.2 Continuation of Representation and Warranties.

The representations and warranties set out in Section 7.1 herein shall survive the execution and delivery of this Agreement, the making of each advance by OEFC, notwithstanding any investigations or examinations which may be made by counsel for OEFC.

ARTICLE 8

GENERAL

Section 8.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy or other means of electronic communication addressed:

If to IESO, to it at:
Independent Electricity System Operator
655 Bay Street, Suite 410
Toronto, ON M5G 2K4
Attention: Chief Financial Officer
Telephone:
Telecopier:

If to OEFC, to it at:

Ontario Electricity Financial Corporation
c/o Ontario Financing Authority
1 Dundas Street West
Suite 1400
Toronto, ON M7A IY7

Attention: Executive Director - Capital Markets Division
Telephone: (416) 325-8930
Telecopier: (416) 325-8111

provided that any Borrowing Notice shall be addressed as indicated on Schedule 1.

Any communication hereunder shall be deemed to have been validly and effectively given if (a) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p. m (Toronto time), otherwise on the next Business Day, (b) transmitted by telecopier other means of electronic communication, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice given in accordance with this Section 8.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 8.1.

Section 8.2 Successors and Assigns.

This Agreement shall be binding on and enure to the benefit of OEFC and IESO and their respective successors and permitted assigns, except that IESO shall not, without the prior written consent of OEFC assign, pledge or hypothecate any rights or obligations with respect to this Agreement.

Section 8.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of OEFC and IESO.

Section 8.4 Waiver.

(1) No waiver of any provisions of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) or this Agreement nor shall such waiver be binding unless executed in writing by the party to be bound by the waiver.

(2) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude another or further exercise of such right or the exercise of any other right.

Section 8.5 Further Assurances.

Each of IESO and OEFC shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement.

Section 8.6 Severability.

In case any provision in this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement shall not in any way be affected or impaired thereby.

Section 8.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 8.8 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF the parties have executed this Agreement as of the 23rd day of April, 2010.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Ted Leonard
Vice President, Finance and Chief Financial Officer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: ~~Michael D. Manning~~ DAVID PETERS
Title: ~~Chief Operating Officer~~ DIRECTOR, DEBT MANAGEMENT
CAPITAL MARKETS DIVISION
ONTARIO FINANCING AUTHORITY

SCHEDULE 1

FORM OF BORROWING NOTICE

Date:

Ontario Electricity Financial Corporation **("OEFC")**
c/o Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A1Y7

Attention: Cash Management
(Fax No. (416-204-7920)

Dear Sirs:

The undersigned, Independent Electricity System Operator ("IESO"), refer to the Revolving Credit Facility Agreement dated •, 2010 (as amended, supplemented or restated from time to time, the **"Agreement"**, the terms defined therein being used herein as therein defined) between IESO and OEFC, and gives you notice pursuant to Section 3.2 of the Agreement that IESO requests an Advance under the Agreement, and, in that connection, sets forth below the information relating to such Advance (the **"Proposed Advance"**) as required by Section 3.2 of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is •;
(b) The aggregate amount of the Proposed Advance is •;

IESO hereby certifies that:

The representations and warranties of IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received previously as Advances under the Agreement have been expended or are being held solely for the purpose for which they were advanced; no part of said funds has been nor any part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Authorized Signature

Per: _____
Authorized Signature

*To be confirmed by telephone call to OEFC Cash Management (416) 325-8108

SCHEDULE 2

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $60,000,000 Date: •

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("**IESO**"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid (**"Grid"**) attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement (as defined below).

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before April 30, 2013.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Revolving Credit Facility Agreement dated as of April 30, 2010 between IESO and OEFC (the "**Agreement**"). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Credit Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment, demand, protest, notice of dishonest and notice of

non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Authorized Signature

Per: _____
Authorized Signature

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID
(Revolving Credit Facility April 30, 2010)

DATE	PRINCIPAL ADVANCED	INTEREST RATE	INTEREST RESET DATE	INTEREST RESET RATE	PRINCIPAL PAYMENT DATE AND AMOUNT	INTEREST PAYMENT DATE AND AMOUNT	UNPAID PRINCIPAL BALANCE	NOTATION MADE BY

SCHEDULE 2

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $60,000,000 Date: •

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("**IESO**"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid (**"Grid"**) attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement (as defined below).

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before April 30, 2013.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Revolving Credit Facility Agreement dated as of April 30, 2010 between IESO and OEFC (the "**Agreement**"). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Credit Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment, demand, protest, notice of dishonest and notice of

non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Authorized Signature

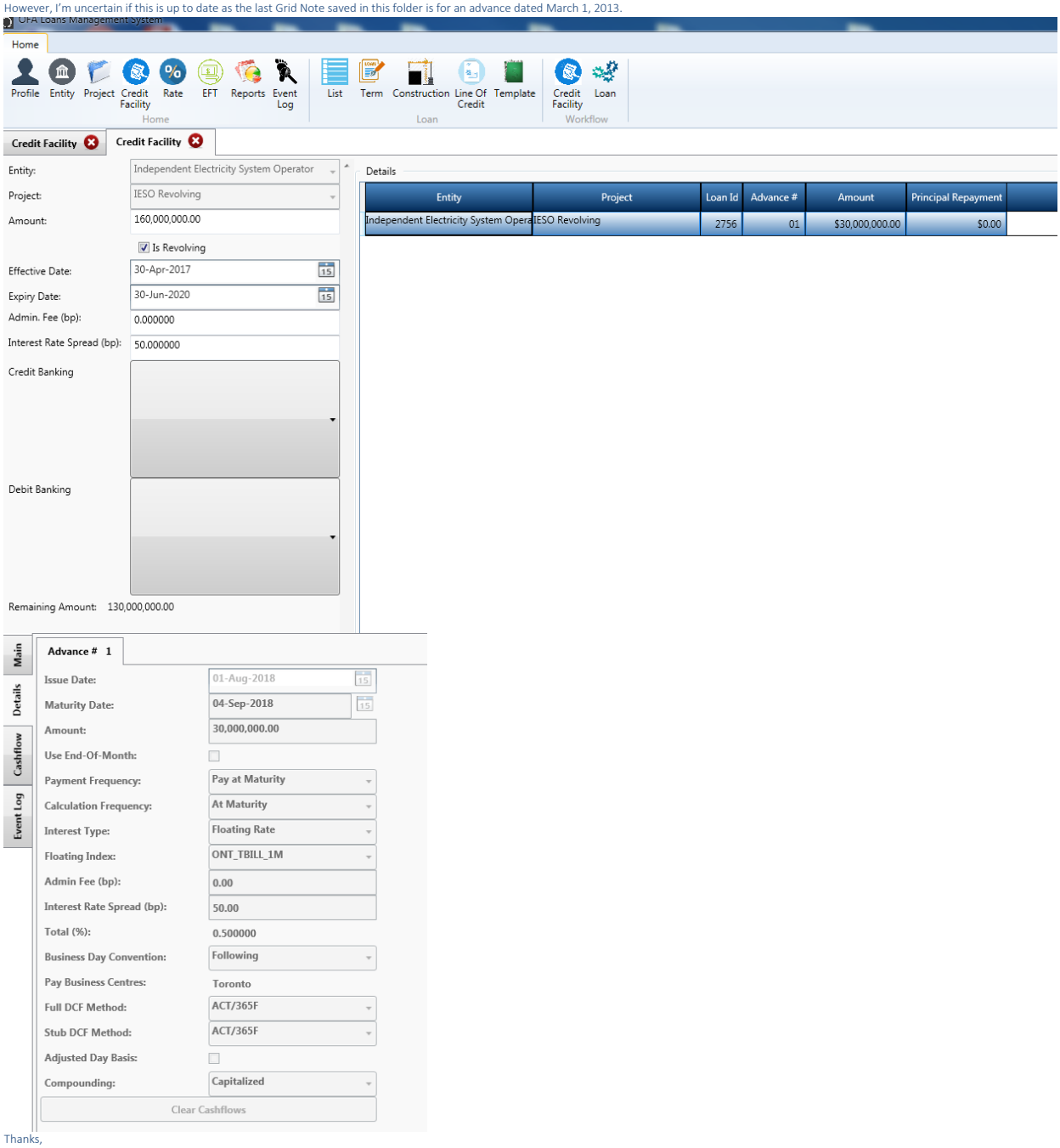
Per: _____
Authorized Signature

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID
(Revolving Credit Facility April 30, 2010)

DATE	PRINCIPAL ADVANCED	INTEREST RATE	INTEREST RESET DATE	INTEREST RESET RATE	PRINCIPAL PAYMENT DATE AND AMOUNT	INTEREST PAYMENT DATE AND AMOUNT	UNPAID PRINCIPAL BALANCE	NOTATION MADE BY

From: Ryan Blackbyrne
To: Sarah Harris
Subject: FW: IESO/OEFC $160M Credit Facility - Notice for Sep 4/18
Date: Tuesday, August 28, 2018 12:22:43 PM
Attachments: Rollover Notice.pdf
image001.png
image002.png
Credit Facility Agreement, April 23, 2010, executed..pdf
Grid Promissory Note-template .pdf

Hi Sarah,
As per the email chain below, we received the attached $30M advance request from IESO with an advance date of September 4, 2018. I spoke with Ricky Lai and he said the desk is already aware of the request and the details have already been entered into OLMS (confirmed as per screenshots below).
As per section 3.2 of the attached credit facility agreement dated April 23, 2010 there does not appear to be any additional documentation requirements on our end. The next step will be for IESO to deliver an executed Grid Promissory Note in the form of the attached pdf on or before the advance date (September 4, 2018).
I was wondering if we could sit down and discuss the way I should be recording these advances going forward. You may recall that I assisted on drafting Amending Agreement No.7 for this facility back in December 2017 for the purposes of the Ontario Fair Hydro Plan (permitted liens etc). However, this is my first time observing an Advance under this facility and I was not able to find procedures similar to what we have for OPG advances. It does look like Documentation have been tracking the grid notes we receive under this credit facility agreement in the following folder:
Z:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010-$160M\Advances
However, I'm uncertain if this is up to date as the last Grid Note saved in this folder is for an advance dated March 1, 2013.



Thanks,
Ryan

From: LeRoy Ahyee
Sent: Tuesday, August 28, 2018 10:41 AM
To: Ryan Blackbyrne
Subject: FW: IESO/OEFC $160M Credit Facility - Notice for Sep 4/18
As discussed.
LeRoy Ahyee

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]
Sent: Tuesday, August 28, 2018 9:46 AM
To: CASHP <CASHP@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>
Cc: Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: IESO/OEFC $160M Credit Facility - Notice for Sep 4/18

Please find attached notice for September 4 regarding IESO's $160M facility.

Regards.

Olga Whiteley | Treasury and Pension Operations
Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
Station A, Box 4474, Toronto, ON M5W 4E5
Web: www.ieso.ca [ieso.ca] | Email: olga.whiteley@ieso.ca

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ieso
Connecting Today.
Powering Tomorrow.

Independent Electricity System Operator
Station A, Box 4474
Toronto, ON M5W 4E5
t 905.403.6900
www.ieso.ca

SCHEDULE 1 TO AMENDING AGREEMENT NO. 5

FORM OF BORROWING NOTICE

August 28, 2018

Ontario Electricity Financial Corporation **("OEFC")**
c/o Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A1Y7

Attention: Cash Management
Fax No. 416-204-7920

Dear Sirs:

The undersigned, Independent Electricity System Operator ("IESO") refers to the Revolving Credit Facility Agreement dated April 23, 2010 (as amended, supplemented or restated from time to time, the **"Agreement"**, the terms defined therein being used herein as therein defined) between IESO and OEFC, and gives you notice pursuant to Section 3.2 of the Agreement that IESO requests an Advance under the Agreement, and, in that connection, sets forth below the information relating to such Advance (the **"Proposed Advance"**) as required by Section 3.2 of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is **September 4**, **2018;**
(b) The aggregate amount of the Proposed New Advance is **CAD$30,000,0000.00 (thirty million dollars);**

IESO confirms that the CAD$30,000,000.00 (thirty million) advance due and payable on September 4, 2018 will be rolled, and that interest in the amount of CAD$57,008.22 will be paid.

Use of Funds

The undersigned herby certifies that the funds requested under this notice will be used for the following purposes:

(1) **For liquidity purposes.**

IESO hereby certifies that:

The representations and warranties of IESO contained in the Agreement are true and correct as at the date hereof.

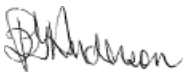
No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received previously as Advances under the Agreement have been expended or are being held solely for the purpose for which they were advanced; no part of said funds has been nor any part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR



Per: _____

Barbara Anderson
VP, Corporate Services & CFO

*To be confirmed by telephone call to OEFC Cash Management (416) 325-8108

OFA Loans Management System

Home

Profile | Entity | Project | Credit Facility | Rate | EFT | Reports | Event Log — Home

List | Term | Construction | Line Of Credit | Template — Loan

Credit Facility | Loan — Workflow

Credit Facility | Credit Facility

Entity: Independent Electricity System Operator

Project: IESO Revolving

Amount: 160,000,000.00

☑ Is Revolving

Effective Date: 30-Apr-2017

Expiry Date: 30-Jun-2020

Admin. Fee (bp): 0.000000

Interest Rate Spread (bp): 50.000000

Credit Banking

Debit Banking

Remaining Amount: 130,000,000.00

Details

Entity	Project	Loan Id	Advance #	Amount	Principal Repayment
Independent Electricity System Opera	IESO Revolving	2756	01	$30,000,000.00	$0.00

Main | Details | Cashflow | Event Log

Advance # 1

Issue Date:	01-Aug-2018
Maturity Date:	04-Sep-2018
Amount:	30,000,000.00
Use End-Of-Month:	☐
Payment Frequency:	Pay at Maturity
Calculation Frequency:	At Maturity
Interest Type:	Floating Rate
Floating Index:	ONT_TBILL_1M
Admin Fee (bp):	0.00
Interest Rate Spread (bp):	50.00
Total (%):	0.500000
Business Day Convention:	Following
Pay Business Centres:	Toronto
Full DCF Method:	ACT/365F
Stub DCF Method:	ACT/365F
Adjusted Day Basis:	☐
Compounding:	Capitalized

Clear Cashflows

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

as Borrower

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION

as Lender

REVOLVING CREDIT FACILITY AGREEMENT

Dated: April 23, 2010

THIS CREDIT FACILITY AGREEMENT is made on the 23rd day of April, 2010

between:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")

RECITAL:

IESO has requested a revolving line of credit from OEFC in the amount of up to Sixty Million Dollars for the purpose of replacing the current IESO revolving line of credit with the Toronto-Dominion Bank which is used for liquidity purposes that may also be used to fund corporate requirements. OEFC has agreed to lend such amount to IESO on the terms and conditions set out herein.

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the parties agree as follows:

ARTICLE 1
DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"Advance Date" has the meaning set forth in Section 3.2.

"Advances" means advances made by OEFC to IESO under Article 3 and **"Advance"** means any one of such advances.

"Advances Outstanding" means, at any time, an amount equal to the aggregate principal amount of all Advances outstanding at such time.

"Agreement", "herein", "hereby", "hereof", "hereunder" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression **"Article"** or **"Section"** followed by a number means the specified Article or Section of this Agreement.

"Borrowing Notice" has the meaning specified in Section 3.2.

"Business Day" means any day other than a Saturday, Sunday or a statutory or civic holiday in Toronto, Ontario.

"Commitment" means, at any time, an amount equal to the principal amount of Sixty Million Dollars.

"Consolidated Assets" means, at any time, the book value of IESO and the Subsidiaries, determined as of such time on a consolidated basis in accordance with generally accepted accounting principles.

"Credit Facility" means the revolving credit facility to be made available to IESO by OEFC under this Agreement for the purposes specified in Section 2.3.

"Default" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"Disposition" has the meaning specified in Section 6.1.

"Dollars" or "$" means lawful currency of Canada.

"Event of Default" has the meaning specified in Section 5.1.

"IESO" means Independent Electricity System Operator, a corporation existing under the laws of the Province of Ontario, until a successor corporation shall have succeeded to all of the rights and obligations of Independent Electricity System Operator pursuant to Section 6.1 and thereafter **"IESO"** shall mean such successor corporation (or any successor thereto which shall have become such pursuant to Section 6.1).

"Indebtedness" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) every obligation of such Person for borrowed money;

(b) every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments;

(c) every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) every capital lease obligation of such Person; and

(f) the Swap Termination Value of each Swap Contract of such Person; and

(g) every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"Interest Payment Date" means with respect to each Advance means the first Business Day of each month.

"Interest Rate" means the Province of Ontario's cost of borrowing for a 30 day term, as determined as of the first Business Day of each month by OEFC, plus 0.25 percent per annum.

"Interest Reset Date" has the meaning specified in section 3.3(2)(i).

"Lien" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"Material Subsidiary" means, at any time, a Subsidiary which, together with its subsidiaries, has consolidated assets with a book value of more than Twenty-Five Million Dollars determined as of such time in accordance with generally accepted accounting principles.

"Note" means the note of IESO issued under this Agreement.

"Permitted Liens" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) any obligations or duties, affecting the property of IESO or a Material Subsidiary, to any municipality or governmental, statutory or public authority, with respect to any franchise, grant, license or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by IESO or such Material Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by IESO or such Material Subsidiary;

(d) any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) the right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) any undetermined or inchoate Liens and charges incidental to the current operations of IESO or a Material Subsidiary that have not at the time been filed against IESO or such Material Subsidiary; provided, however, that if any such Lien or charge shall have been filed, IESO or such Material Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) any Lien the validity of which is being contested at the time by IESO or a Material Subsidiary in good faith and the enforcement of which has been stayed;

(h) any easements, rights-of-way and servitudes that in the opinion of IESO will not in the aggregate materially and adversely impair the use or value of the land for the purpose for which it is held or occupied by IESO or a Material Subsidiary;

(i) any Liens and privileges arising out of judgments or awards with respect to which IESO or a Material Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall have secured a stay of execution pending such appeal or proceedings for review; and

(j) pledges of cash or cash equivalents to secure IESO's or a Material Subsidiary's liabilities from time to time under Swap Contracts and pledges of cash or cash equivalents in an aggregate amount not exceeding $25 million at any time to secure IESO's or a Material Subsidiary's liabilities from time to time under commodity swap, commodity option and commodity future contracts entered into in the ordinary course of business for the purpose of directly mitigating risks associated with fluctuations in prices or availability of commodities purchased or to be purchased by IESO or a Material Subsidiary in the ordinary course of business, and not entered into for the purposes of speculation; and

(k) any other Liens of a nature similar to the foregoing which do not in the opinion of IESO, acting reasonably, materially impair the use of the property subject thereto or the operation of the business of IESO or any Material Subsidiary or the value of such property for the purpose of any such business.

"Person" means any individual, corporation, partnership joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"Purchase Money Mortgage" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or part of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"Stated Maturity" when used with respect to any Indebtedness or any installment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such installment of interest is due and payable.

"Subsidiary" means:

(a) a corporation: (i) more than 50% of the voting power or the outstanding Voting Shares of which is owned, directly or indirectly, by IESO or by one or more other Subsidiaries or by IESO and one or more other Subsidiaries; or (ii) in the case of a non-share capital corporation, that the IESO has the power to appoint a majority of the Board of Directors; or

(b) any Person (other than a corporation) in which IESO, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

"Swap Contract" means any agreement whether or not in writing, relating to any transaction or derivative transaction including a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction currency swap, cross-currency rate swap, swaption, currency option or other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.

"Swap Termination Value" means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap contracts:

(a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and

(b) for any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.

"Voting Shares" of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings and Table of Contents.

The division of this Agreement into Articles and Sections the insertion of headings and the provision of a Table of Contents are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and vice versa and words importing gender may include any gender. In this Agreement, (a) the words **"including"** and **"includes"** mean "including (or includes) without limitation", and (b) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" each mean "to but excluding".

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with generally accepted accounting principles. Generally accepted accounting principles refer to accounting principles generally accepted in Canada as recommended in the Handbook of the Canadian Institute of Chartered Accountants at the relevant time applied on a consistent basis.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the following Business Day.

ARTICLE 2
REVOLVING CREDIT FACILITY

Section 2.1 Availability.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO up to the amount of the Commitment. OEFC shall make each Advance in Canadian Dollars.

Section 2.2 Commitment and Facility Limits.

The Advances Outstanding to IESO under the Credit Facility shall not at any time exceed the Commitment. The Credit Facility shall revolve and no payment under the Credit Facility shall reduce the Commitment.

Section 2.3 Use of Proceeds.

IESO shall use the proceeds of Advances for the following purposes for which it is authorized to borrow funds:

(a) to repay the revolving line of credit with the Toronto Dominion Bank;

(b) for liquidity purposes; and

(c) to fund corporate requirements.

Section 2.4 Mandatory Repayment.

Subject to Sections 3.5 and 5.2, IESO, shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder in full on or before April 30, 2013.

Section 2.5 Advances and Payments under this Agreement.

(1) OEFC shall make Advances to IESO under this Agreement to the order of IESO by wire transfer of immediately available funds in accordance with wire transfer instructions given by IESO to OEFC from time to time, or in such other manner as IESO may specify to OEFC from time to time.

(2) IESO shall make any payment required hereunder to be made by it to OEFC, to or to the order of OEFC, by wire transfer of immediately available funds in accordance with wire transfer instruction given by OEFC to IESO from time to time, or in such other manner as OEFC may specify to IESO from time to time. IESO shall make each such payment in Canadian Dollars

Section 2.6 Evidence of Indebtedness.

IESO authorizes OEFC to open and maintain records evidencing IESO's obligations under this Agreement and to record therein all advances, interest rates, accrued interest, payments of principal and interest and the aggregate principal and accrued interest outstanding from time to time under this Agreement. IESO agrees that the records kept by the OEFC in the absence of manifest error, shall be prima facie evidence of the indebtedness of IESO and the matters recorded provided that the failure of the OEFC to record or correctly record any amount or date shall not affect the obligation of IESO to repay the aggregate principal amounts and accrued interest thereon owing under this Agreement.

ARTICLE 3
ADVANCES AND INTEREST

Section 3.1 Advances.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO under the Credit Facility on the first Business Day of each month from and including May 3, 2010 to and including April 1, 2013.

Section 3.2 Procedure for Advances.

(1) Each Advance shall be made subject to four Business Day's prior notice given not later than 10:00 a.m. (Toronto time) by IESO to OEFC. Each notice of an Advance (a **"Borrowing Notice"**) shall be substantially in the form of Schedule 1, shall be irrevocable and binding on IESO and shall specify (a) the requested date of the Advance (the **"Advance Date"**), and (b) the principal amount of the Advance which shall be in a minimum amount of $1,000,000.00 (unless otherwise agreed to by OEFC), and in increments of $1,000,000.00 (or such other increments as may be agreed to by OEFC). OEFC will make the principal amount of each Advance available to IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, IESO shall execute and deliver to OEFC a grid promissory note (the "Note") in respect of Advances substantially in the form of Schedule 2. IESO authorizes OEFC to record on the grid promissory note (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal amount of the grid promissory note. Such notations, in the absence of manifest error, shall be prima facie evidence of the such advances and repayments; provided that the failure of OEFC to record any amount, rate or date shall not affect the obligation of IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement.

(3) In the event that funds are not received by IESO on the Advance Date, IESO and OEFC agree to take all steps necessary to amend the date of the Advance, without amending the Interest Rate that was agreed to with respect to such Advance.

(4) The Note shall at all times rank *pari passu* with all other unsubordinated Indebtedness of IESO, subject to the existence of any Permitted Liens of IESO.

(5) All amounts owing in respect of the Advances shall be paid without exercising any right or set off or counterclaim by IESO.

Section 3.3 Interest on Advances.

(1) IESO shall pay interest on the principal amount of each Advance then outstanding in accordance with this Section 3.3 from and including the date of such Advance until the principal amount of such Advance is repaid in full.

(2) Interest shall accrue on the principal amount of each Advance from and including the date of the Advance to but excluding the first Interest Payment Date following the date of the Advance, at the rate equal to the Interest Rate, and shall be payable on the Interest Payment Date for such Advance. The amount of interest payable on an Advance will be calculated by OEFC by dividing the Interest Rate applicable to the Advance by 365 or 366, as the case may be, and multiplying the result by the principal amount of the Advance then outstanding and further multiplying the result by the number of days in the period from the date of the Advance to the Interest Payment Date.

(i) If an Advance is outstanding on an Interest Payment Date, the interest rate applicable to such Advance shall be reset automatically by OEFC on that date (the "Interest Reset Date"), at the Interest Rate determined as of the Interest Reset Date.

(ii) For each Advance, OEFC shall notify IESO via email of the Interest Rate on the Advance Date and on each Interest Reset Date.

(3) Upon four Business Days prior notice by IESO, OEFC may at its discretion agree to capitalize the interest on any Advance on an Interest Payment Date, which shall be determined in the following manner: each such interest payment due on the Interest Payment Date shall be deemed to form part of the principal amount of the outstanding Advance and interest shall accrue and be payable thereon in accordance with Section 3.3(2). OEFC shall record on the grid forming part of the note: (a) the date and amount of the new Advance; (b) the applicable rate of interest for the Advance; and (c) the outstanding principal amount of the grid promissory note.

(4) Interest shall accrue on the principal amount of each Advance at the Interest Rate as determined from time to time, before as well as after the date such principal amount or interest thereon becomes due hereunder and both before and after default.

Section 3.4 Computations of Interest.

(1) All computations of interest shall be made by OEFC taking into account the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest is payable on the basis of a year of 365 days or 366 days, as the case may be.

(2) For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Agreement for any

period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

Section 3.5 Limit on Rate of Interest.

(1) Notwithstanding any provision contained in this Agreement, IESO shall not be obliged to make any payments of interest or other amounts payable to OEFC hereunder in excess of the amount or rate which would be prohibited by applicable law or would result in the receipt by OEFC of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada), as amended from time to time).

(2) In the event that any such payments are limited or prohibited as provided in Section 3.5(1), OEFC shall have no further obligation to make any Advances available hereunder and the Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, shall become immediately due and payable.

Section 3.6 Conditions Precedent

The obligation of OEFC to make the Advances pursuant to Section 2.1 is subject to the following conditions being met to OEFC's satisfaction at the time of making each Advance:

(a) that the representations and warranties of IESO contained in this Agreement are true and correct as at the date of making the Advance;

(b) that no Event of Default has occurred and is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default;

(c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO; and

(d) that OEFC has received such other documentation which it has reasonably requested to ensure that IESO is in compliance with the terms and conditions of this Agreement, including certified true copies of any necessary resolutions including resolutions authorizing the borrowing and authorized signatories.

ARTICLE 4

COVENANTS OF IESO

Section 4.1 Payment of Advances.

IESO will duly and punctually pay or cause to be paid all amounts owing under this Agreement in accordance with the terms and subject to the conditions of this Agreement.

Section 4.2 Use of Proceeds

The monies advanced under this Agreement shall be used only by IESO for the purposes set out in Section 2.3.

Section 4.3 IESO will Maintain its Corporate Existence.

Subject to Section 6.1, IESO will at all times maintain its corporate existence.

Section 4.4 Maintenance of Properties.

IESO will cause all property owned by IESO or any Material Subsidiary to be maintained and kept in good condition, repair and working order, all as in the judgment of IESO or any Material Subsidiary may be necessary for the proper operation of such property, except as and to the extent that IESO or any Material Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 4.4 shall prevent IESO or any Material Subsidiary from discontinuing the maintenance of any such property or decommissioning any such property if such discontinuance or decommissioning is, in the judgment of IESO or any Material Subsidiary, desirable in the conduct of its business or the business of any such Material Subsidiary, or has been directly or indirectly requested or required by the Province of Ontario.

Section 4.5 Insurance.

IESO will cause all property owned by IESO or any Material Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the nature and to the extent that such property is usually insured by companies operating similar businesses.

Section 4.6 Conduct of Business.

Subject to Section 4.3, IESO will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in a proper, efficient and business-like manner and in accordance with good business practice.

Section 4.7 Negative Pledge.

IESO will not, and will not permit any Material Subsidiary to, create, incur or assume any Lien, charging the interest of IESO or any Material Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, all amounts owing under this Agreement are secured equally and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) the creation, incurrence or assumption of any Purchase Money Mortgage;

(b) the grant of any Lien in the normal course of business to any banks or financial institutions for present or future indebtedness of IESO or any Material Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) any extension, renewal or replacement of any of the Liens referred to in Sections 4.7(a), (b) or (c), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased; and

(e) any Lien charging the interest of IESO or any Material Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 4.7(a), (b) or (c), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 4.6(e) which is outstanding at such time does not exceed 10% of Consolidated Assets at such time.

Section 4.8 Payment of OEFC Expenses.

IESO will, on demand, reimburse and indemnify OEFC for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OEFC in connection with the preservation of rights under or enforcement of this Agreement at

any time during the continuance of a Default or Event of Default. All such costs, charges and expenses shall bear interest at the Province's cost of funds plus 0.25 percent per annum (as determined by OEFC) calculated and payable monthly not in advance from in each case from the date on which OEFC incurs the cost, charge or expense until the date on which IESO reimbursement OEFC therefor. OEFC agrees, acting reasonably, to invoice IESO for any such costs, charges and expense as they are incurred, together with interest at the aforesaid rate (with interest on overdue interest).

Section 4.9 Reporting Requirements.

IESO covenants to provide to OEFC, or at its direction, to the Province of Ontario and the Ontario Financing Authority,

(a) any available information respecting its financial position which may be reasonably requested by OEFC, the Province of Ontario or the Ontario Financing Authority from time to time; and

(b) any additional reports or supporting documentation which may be reasonably requested by the OEFC, the Province of Ontario or the Ontario Financing Authority from time to time.

ARTICLE 5
EVENTS OF DEFAULT AND REMEDIES

Section 5.1 Event of Default.

Wherever used in this Agreement, the term **"Event of Default"** means any of the following:

(a) failure to pay any interest upon any Advance when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) failure to pay the principal amount of the Advances Outstanding, all interest accrued thereon and all other amounts owing under this Agreement on April 30, 2013;

(c) failure on the part of IESO to observe or perform its obligations set forth in Section 6.1;

(d) failure on the part of IESO to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 30 days after

the date on which written notice of such failure shall have been given to IESO by OEFC;

(e) any representation or warranty made by IESO in this Agreement or in any certificate or other document at any time delivered hereunder to OEFC was incorrect or misleading in any material respect;

(f) one or more breaches by IESO of its covenants under one or more evidences of indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $25 million, which breaches:

(i) constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist; or

(ii) have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived or rescinded);

(g) IESO, or any Material Subsidiary:

(i) becomes generally not able to pay its debts as they become due;

(ii) admits in writing its inability to pay its debts generally or makes a general assignment for the benefit of its creditors or files a proposal or other scheme of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) institutes or has instituted against it any proceeding seeking:

(A) to adjudicate it a bankrupt or insolvent;

(B) liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy / insolvency / reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors; or

(C) the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets;

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismisssed or unstayed for a period of 30 days, or any remedy sought in any such proceeding (including the entry of order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

(iv) takes any corporate action to authorize any of the actions in Sections 5.1(g)(i) to (iii); or

(h) if there shall be rendered against IESO or any Material Subsidiary a final judgment or judgments for the payment of money in an aggregate amount in excess of $5 million by a court or courts of competent jurisdiction, and IESO or any Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 5.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case OEFC may declare all amounts owing hereunder to be due and payable immediately, by a notice in writing to IESO, and upon any such declaration all such amounts shall become immediately due and payable.

Section 5.3 Suits for Enforcement by OEFC.

If an Event of Default occurs and is continuing, OEFC may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in OEFC by this Agreement or by law.

Section 5.4 OEFC May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of IESO under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property

of IESO, or if any other judicial proceedings relative to IESO, its creditors or its property are pending, OEFC shall be entitled and empowered, by intention in such proceeding or otherwise:

(a) to file and prove a claim for all amounts owing under this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of OEFC (including any claim for fees and disbursements of OEFC, its agents and counsel as contemplated under Section 4.7) allowed in such judicial proceeding; and

(b) to collect and receive any moneys or other property payable or deliverable on any such claim.

Section 5.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to OEFC is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.6 Delay or Omission not Waiver.

No delay or omission of OEFC to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right or remedy given by this Article 5 or by law to OEFC may be exercised from time to time, and as often as may be deemed expedient, by OEFC.

ARTICLE 6

CONSOLIDATION, AMALGAMATION, MERGER OF IESO

Section 6.1 Certain Requirements in Respect of Merger, etc.

IESO may not and may not cause any Material Subsidiary, in a single transaction or a series of related transactions, amalgamate or consolidate with or merge into any other Person, or permit any other Person to amalgamate or consolidate with or merge into IESO or the Material Subsidiary, or directly or indirectly transfer, sell, lease or otherwise dispose of all or substantially all of its property or assets (a "Disposition") to any Person without the written consent of OEFC.

Section 6.2 Successor Substituted.

Upon any consolidation, amalgamation, merger or Disposition described in, and complying with the provisions of, Section 6.1 in which IESO is not the continuing corporation, the successor Person shall succeed to all of the rights and obligations of IESO under this Agreement, and from time to time may exercise every right and power of IESO under this Agreement.

ARTICLE 7
REPRESENTATIONS AND WARRANTIES OF IESO

Section 7.1 Representations and Warranties of IESO.

IESO represents and warrants to OEFC that:

(a) the borrowing of money (including principal and accrued interest) by IESO and the execution, delivery and performance of this Agreement are within the powers and capacities of IESO and have been duly authorized by all necessary legal action and proper proceedings;

(b) the execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the compliance with the terms and conditions of this Agreement will not conflict with or result in a breach of any of the terms or provisions of the constituting documents or by-laws of IESO, laws of Ontario, including laws of Canada applicable therein, applicable to IESO or any contractual or other obligation binding on IESO; and

(c) this Agreement will, when executed and delivered, constitute the legal, valid and binding obligation of IESO enforceable against it in accordance with its terms.

Section 7.2 Continuation of Representation and Warranties.

The representations and warranties set out in Section 7.1 herein shall survive the execution and delivery of this Agreement, the making of each advance by OEFC, notwithstanding any investigations or examinations which may be made by counsel for OEFC.

ARTICLE 8

GENERAL

Section 8.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy or other means of electronic communication addressed:

If to IESO, to it at:
Independent Electricity System Operator
655 Bay Street, Suite 410
Toronto, ON M5G 2K4
Attention: Chief Financial Officer
Telephone:
Telecopier:

If to OEFC, to it at:

Ontario Electricity Financial Corporation
c/o Ontario Financing Authority
1 Dundas Street West
Suite 1400
Toronto, ON M7A IY7

Attention: Executive Director - Capital Markets Division
Telephone: (416) 325-8930
Telecopier: (416) 325-8111

provided that any Borrowing Notice shall be addressed as indicated on Schedule 1.

Any communication hereunder shall be deemed to have been validly and effectively given if (a) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p. m (Toronto time), otherwise on the next Business Day, (b) transmitted by telecopier other means of electronic communication, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice given in accordance with this Section 8.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 8.1.

Section 8.2 Successors and Assigns.

This Agreement shall be binding on and enure to the benefit of OEFC and IESO and their respective successors and permitted assigns, except that IESO shall not, without the prior written consent of OEFC assign, pledge or hypothecate any rights or obligations with respect to this Agreement.

Section 8.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of OEFC and IESO.

Section 8.4 Waiver.

(1) No waiver of any provisions of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) or this Agreement nor shall such waiver be binding unless executed in writing by the party to be bound by the waiver.

(2) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude another or further exercise of such right or the exercise of any other right.

Section 8.5 Further Assurances.

Each of IESO and OEFC shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement.

Section 8.6 Severability.

In case any provision in this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement shall not in any way be affected or impaired thereby.

Section 8.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 8.8 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF the parties have executed this Agreement as of the 23rd day of April, 2010.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Ted Leonard
Vice President, Finance and Chief Financial Officer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: ~~Michael D. Manning~~ DAVID PETERS
Title: ~~Chief Operating Officer~~ DIRECTOR, DEBT MANAGEMENT
CAPITAL MARKETS DIVISION
ONTARIO FINANCING AUTHORITY

SCHEDULE 1

FORM OF BORROWING NOTICE

Date:

Ontario Electricity Financial Corporation **("OEFC")**
c/o Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A1Y7

Attention: Cash Management
(Fax No. (416-204-7920)

Dear Sirs:

The undersigned, Independent Electricity System Operator ("IESO"), refer to the Revolving Credit Facility Agreement dated •, 2010 (as amended, supplemented or restated from time to time, the **"Agreement"**, the terms defined therein being used herein as therein defined) between IESO and OEFC, and gives you notice pursuant to Section 3.2 of the Agreement that IESO requests an Advance under the Agreement, and, in that connection, sets forth below the information relating to such Advance (the **"Proposed Advance"**) as required by Section 3.2 of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is •;
(b) The aggregate amount of the Proposed Advance is •;

IESO hereby certifies that:

The representations and warranties of IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received previously as Advances under the Agreement have been expended or are being held solely for the purpose for which they were advanced; no part of said funds has been nor any part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Authorized Signature

Per: _____
Authorized Signature

*To be confirmed by telephone call to OEFC Cash Management (416) 325-8108

SCHEDULE 2

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $60,000,000 Date: •

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("**IESO**"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid (**"Grid"**) attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement (as defined below).

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before April 30, 2013.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Revolving Credit Facility Agreement dated as of April 30, 2010 between IESO and OEFC (the "**Agreement**"). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Credit Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment, demand, protest, notice of dishonest and notice of

non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Authorized Signature

Per: _____
Authorized Signature

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID
(Revolving Credit Facility April 30, 2010)

DATE	PRINCIPAL ADVANCED	INTEREST RATE	INTEREST RESET DATE	INTEREST RESET RATE	PRINCIPAL PAYMENT DATE AND AMOUNT	INTEREST PAYMENT DATE AND AMOUNT	UNPAID PRINCIPAL BALANCE	NOTATION MADE BY

SCHEDULE 2

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $60,000,000 Date: •

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("**IESO**"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid (**"Grid"**) attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement (as defined below).

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before April 30, 2013.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Revolving Credit Facility Agreement dated as of April 30, 2010 between IESO and OEFC (the "**Agreement**"). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

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non-payment.

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IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Authorized Signature

Per: _____
Authorized Signature

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID
(Revolving Credit Facility April 30, 2010)

DATE	PRINCIPAL ADVANCED	INTEREST RATE	INTEREST RESET DATE	INTEREST RESET RATE	PRINCIPAL PAYMENT DATE AND AMOUNT	INTEREST PAYMENT DATE AND AMOUNT	UNPAID PRINCIPAL BALANCE	NOTATION MADE BY

From: LeRoy Ahyee
To: "Olga Whiteley"
Cc: Carlos Yep; Ricky Lai; Documentation
Subject: FW: IESO/OEFC $160M Credit Facility - Notice for Oct 1
Date: Tuesday, September 25, 2018 3:42:45 PM
Attachments: Rollover Notice.pdf

Hello Olga:

Thank you for the attached notice.

Going forward, please include the following on your mailing list:

Carlos Yep – carlos.yep@ofina.on.ca

Ricky Lai – ricky.lai@ofina.on.ca

Documentation Department – Documentation@ofina.on.ca

Kindly let me know whether you have any questions.

Regards,

LeRoy

LeRoy Ahyee

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]

Sent: Tuesday, September 25, 2018 9:50 AM

To: CASHP ; SETTLEMENT

Cc: Anthony Martinello

Subject: IESO/OEFC $160M Credit Facility - Notice for Oct 1

Please find attached notice for October 1 regarding IESO's $160M facility.

Regards.

Olga Whiteley | Treasury and Pension Operations

Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
Station A, Box 4474, Toronto, ON M5W 4E5
Web: www.ieso.ca [ieso.ca] | Email: olga.whiteley@ieso.ca

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ieso
Connecting Today.
Powering Tomorrow.

Independent Electricity System Operator
Station A, Box 4474
Toronto, ON M5W 4E5
t 905.403.6900
www.ieso.ca

BORROWING NOTICE

September 25, 2018

Ontario Electricity Financial Corporation **("OEFC")**
c/o Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A1Y7

Attention: Cash Management
Fax No. (416-204-7920)

Dear Sirs:

The undersigned, Independent Electricity System Operator ("IESO refers to the Revolving Credit Facility Agreement dated April 23, 2010 (as amended, supplemented or restated from time to time, the **"Agreement"**, the terms defined therein being used herein as therein defined) between IESO and OEFC, and gives you notice pursuant to Section 3.2 of the Agreement that IESO requests an Advance under the Agreement, and, in that connection, sets forth below the information relating to such Advance (the **"Proposed Advance"**) as required by Section 3.2 of the Agreement:

(a) The date of the proposed Advance, being a Business Day is **October 1, 2018**;
(b) The aggregate amount of the Proposed Advance is **$105,000,000.00** which is comprised of:
  (i) **$60,000,000.00** principal amount of an Advance due and payable on **October 1, 2018,** which will be rolled. IESO confirms that it will pay all interest accrued and outstanding in the amount of **$90,986.30** in respect of this Advance on **October 1, 2018**; and
  (ii) a new Advance in the amount of **$45,000,000.00**.

Use of Funds

The undersigned hereby certifies that the funds requested under this notice will be used for the following purposes:

IESO Corporate Requirements.

IESO hereby certifies that:

The representations and warranties of IESO contained in the Agreement are true and correct as at the date hereof.

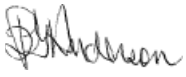
No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received previously as Advances under the Agreement have been expended or are being held solely for the purpose for which they were advanced; no part of said funds has been nor any part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: 
_____
Barbara Anderson
VP, Corporate Services & CFO

*To be confirmed by telephone call to OEFC Cash Management (416) 325-8108

From: William Tan
To: Sarah Harris
Subject: FW: IESO/OEFC Agreements - Authorized Signatories
Date: Friday, April 20, 2018 11:21:26 AM
Attachments: RE Unfamiliar email - Confirm Authorized Representative and Primary Contacts OEFC.msg
FW IESOOEFC Agreements - Authorized Signatories .msg
RE Confirm Authorized Representative and Primary Contacts OEFC.msg

---

FYI Sarah,
I reached out to Anthony Martinello. I couldn't get anything substantial. I contacted their main reception and put in touch with their account payable department without any progress. I sent an email to IT Service Helpdesk to verify it wasn't a phishing email. Finally I reached out to Andrew and it worked out.

From: Opal Kandelas
Sent: Wednesday, April 18, 2018 10:01 AM
To: William Tan ; Sarah Harris
Subject: RE: IESO/OEFC Agreements - Authorized Signatories
Hi Will,
Thanks for your review. Mike was sent the attached email yesterday. Could you please follow up with IESO to determine why they are asking for authorized reps and contacts? No need to copy me on any email stream, but please let me know the results of your findings.
Opal

From: William Tan
Sent: Tuesday, April 17, 2018 12:54 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>
Subject: IESO/OEFC Agreements - Authorized Signatories
Hello,
I have reviewed the agreements and amendments for $120M – IESO OEFC Agreement Providing for Issuance of a Note & $160M – IESO OEFC Revolving Credit Facility and unable to find anything that requires OEFC to provide authorized signatories to IESO. Please let me know if you require any additional information.
Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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From: Olga Whiteley [Olga.Whiteley@ieso.ca]
To: William Tan [William.Tan@ofina.on.ca]
CC: Anthony Martinello [Anthony.Martinello@ieso.ca]
Subject: RE: Unfamiliar email - Confirm Authorized Representative and Primary Contacts OEFC
Date: Friday, April 20, 2018 09:32:28
Attachment 1: FW: New Task: Confirm Authorized Representatives and Primary Contacts: ONTARIO ELECTRICITY FINANCIAL CORPORATION - Request:80290

Hi Will,

This is an email sent by our Online system every three years, so market participants (like OEFC) can review their contacts (not signatories) with IESO. Apparently you have 3 days to respond.

If you have any issues or questions please contact Customer Relations.
Tel: 905.403.6900 Toll-free: 1.888.448.7777 Email: customer.relations@ieso.ca

Regards.

Olga Whiteley | Treasury and Pension Operations
Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
Station A, Box 4474, Toronto, ON M5W 4E5
Web: www.ieso.ca[ieso.ca] | Email: olga.whiteley@ieso.ca

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: April 19, 2018 1:14 PM
To: Anthony Martinello; Olga Whiteley
Subject: Unfamiliar email - Confirm Authorized Representative and Primary Contacts OEFC

Hello Anthony and Olga,

I hope all is well you. May I ask to you direct this query to the appropriate area or provide me with some background regarding this request? My Executive Director received an email requesting OFA to Confirm Authorized Representatives and Primary Contacts. I reviewed our IESO/OEFC Agreements and was unable to find anything with respects to providing authorized signatory information to IESO.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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immediately by reply e-mail and permanently delete this message including any attachments, without reading it or making a copy. Thank you

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From: Mike Manning []
To: Opal Kandelas [Opal.Kandelas@ofina.on.ca]
Subject: FW: New Task: Confirm Authorized Representatives and Primary Contacts: ONTARIO ELECTRICITY FINANCIAL CORPORATION - Request:80290
Date: Tuesday, April 17, 2018 09:34:51

Hi opal:
Can I pass this one to you?

Thanks, Mike

From: Online IESO [mailto:online@ieso.ca]
Sent: Tuesday, April 17, 2018 6:01 AM
Subject: New Task: Confirm Authorized Representatives and Primary Contacts: ONTARIO ELECTRICITY FINANCIAL CORPORATION - Request:80290

Confirm Authorized Representatives and Primary Contacts: ONTARIO ELECTRICITY FINANCIAL CORPORATION - Request:80290

This task was assigned to you and others on Apr 17, 2018 5:00 AM EST
The task priority is Normal

To view the task, please follow this link[online.ieso.ca]

This message has been sent by Appian

From: William Tan []
To: OFA IT Service Desk [ServiceDesk@ofina.on.ca]
Subject: FW: IESO/OEFC Agreements - Authorized Signatories
Date: Friday, April 20, 2018 10:44:03
Attachment 1: FW: New Task: Confirm Authorized Representatives and Primary Contacts: ONTARIO ELECTRICITY FINANCIAL CORPORATION - Request:80290

Hello Service Desk,

May you verify if the link sent to Mike Manning is legitimate? He doesn't recall receiving this in the past. We're not familiar with it. It appears to be legitimate link.

Thanks,

Will

From: Opal Kandelas
Sent: Wednesday, April 18, 2018 10:01 AM
To: William Tan <William.Tan@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO/OEFC Agreements - Authorized Signatories

Hi Will,

Thanks for your review. Mike was sent the attached email yesterday. Could you please follow up with IESO to determine why they are asking for authorized reps and contacts? No need to copy me on any email stream, but please let me know the results of your findings.

Opal

From: William Tan
Sent: Tuesday, April 17, 2018 12:54 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>
Subject: IESO/OEFC Agreements - Authorized Signatories

Hello,

I have reviewed the agreements and amendments for $120M – IESO OEFC Agreement Providing for Issuance of a Note & $160M – IESO OEFC Revolving Credit Facility and unable to find anything that requires OEFC to provide authorized signatories to IESO. Please let me know if you require any additional information.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346

william.tan@ofina.on.ca

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From: Mike Manning []
To: Opal Kandelas [Opal.Kandelas@ofina.on.ca]
Subject: FW: New Task: Confirm Authorized Representatives and Primary Contacts: ONTARIO ELECTRICITY FINANCIAL CORPORATION - Request:80290
Date: Tuesday, April 17, 2018 09:34:51

Hi opal:
Can I pass this one to you?

Thanks, Mike

From: Online IESO [mailto:online@ieso.ca]
Sent: Tuesday, April 17, 2018 6:01 AM
Subject: New Task: Confirm Authorized Representatives and Primary Contacts: ONTARIO ELECTRICITY FINANCIAL CORPORATION - Request:80290

Confirm Authorized Representatives and Primary Contacts: ONTARIO ELECTRICITY FINANCIAL CORPORATION - Request:80290

This task was assigned to you and others on Apr 17, 2018 5:00 AM EST
The task priority is Normal

To view the task, please follow this link[online.ieso.ca]

This message has been sent by Appian

From: Andrew Chan []
To: William Tan [William.Tan@ofina.on.ca]
CC: Mike Manning [Mike.Manning@ofina.on.ca]
Subject: RE: Confirm Authorized Representative and Primary Contacts OEFC
Date: Friday, April 20, 2018 11:20:22

Yes, certainly, William. I will work with IESO on this. Thanks.

From: William Tan
Sent: Friday, April 20, 2018 11:06 AM
To: Andrew Chan <Andrew.Chan@ofina.on.ca>
Cc: Mike Manning <Mike.Manning@ofina.on.ca>
Subject: Confirm Authorized Representative and Primary Contacts OEFC

Hello Andrew,

As per our discussion you have administered similar requests like this in the past. I will leave this in your capable hands. I appreciate your help with this matter Andrew.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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From: William Tan
To: Opal Kandelas
Cc: Sarah Harris
Subject: FW: IESO/OEFC Agreements - Authorized Signatories
Date: Friday, April 20, 2018 2:34:50 PM

Hello Opal,
We didn't get into the details of a Registered Participant and the obligations of one. I only asked him if he was familiar with the term Registered Participant and showed him the email that Mike received. He was both familiar with the term and confirmed that he gets these types of requests.
I hope this helps. If you wish, I can get additional details pertaining to the request below?
Will

From: Opal Kandelas
Sent: Friday, April 20, 2018 2:14 PM
To: William Tan
Cc: Sarah Harris
Subject: Re: IESO/OEFC Agreements - Authorized Signatories
Hi Will,
Thanks for resolving this. Out of curiosity, any idea what the online access is for?
Opal.

Sent from my iPad

On Apr 20, 2018, at 11:15 AM, William Tan <William.Tan@ofina.on.ca> wrote:

> Hello all,
> After some digging around I was able to discover that Andrew Chan normally gets requests like this from Mike and is familiar with the process (Mike, does not have IESO online access). As a result I forwarded the request and copied Mike on the matter.
> Thanks,
> Will
>
> ---
>
> **From:** Opal Kandelas
> **Sent:** Wednesday, April 18, 2018 10:01 AM
> **To:** William Tan <William.Tan@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
> **Subject:** RE: IESO/OEFC Agreements - Authorized Signatories
> Hi Will,
> Thanks for your review. Mike was sent the attached email yesterday. Could you please follow up with IESO to determine why they are asking for authorized reps and contacts? No need to copy me on any email stream, but please let me know the results of your findings.
> Opal
>
> ---
>
> **From:** William Tan
> **Sent:** Tuesday, April 17, 2018 12:54 PM
> **To:** Sarah Harris <Sarah.Harris@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>
> **Subject:** IESO/OEFC Agreements - Authorized Signatories

Hello,

I have reviewed the agreements and amendments for $120M – IESO OEFC Agreement Providing for Issuance of a Note & $160M – IESO OEFC Revolving Credit Facility and unable to find anything that requires OEFC to provide authorized signatories to IESO. Please let me know if you require any additional information.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
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Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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To:	Opal Kandelas
Subject:	FW: IESO/OFA - FH line
Date:	Monday, September 24, 2018 2:08:43 PM
Attachments:	FH rollover notice with advance.pdf

Hi Opal,

From Gadi's CEO corner…"All debt issued under the Fair Hydro Trust will remain outstanding. The Province will be responsible for making all interest and principal payments due on those bonds. Going forward, there will be no issuance by the Fair Hydro Trust".

From: Sarah Harris
Sent: Wednesday, September 19, 2018 1:52 PM
To: John Kim <John.Kim@ofina.on.ca>
Cc: Ken Kandeepan <Ken.Kandeepan@ofina.on.ca>; Mike Manning <Mike.Manning@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Subject: FW: IESO/OFA - FH line

Hi John,

Anthony at IESO has approached us to begin discussions on an increase to the $2B cap to the FHP. Is this a discussion that you would initially be having with IESO?

Thanks,
Sarah

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Wednesday, September 19, 2018 12:56 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>
Subject: RE: IESO/OFA - FH line

We need to begin discussions in Oct 2018 on making an amendment to increase the $2B cap.

The FH Trust did not purchase this month's variance and I have no further info on if or when a purchase will occur.

IESO will be at $1.175B drawn this month.

Should I set up time to talk?

From: Sarah Harris [mailto:Sarah.Harris@ofina.on.ca]

Sent: August 29, 2018 10:59 AM
To: Anthony Martinello
Cc: William Tan
Subject: RE: IESO/OFA - FH line

CAUTION: This email originated from outside of the organization. Exercise caution when clicking on links or opening attachments even if you recognize the sender.

Thank you, Anthony, for the head's up. I will communicate your message internally.

Thanks,
Sarah

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Wednesday, August 29, 2018 8:49 AM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: IESO/OFA - FH line

Will

Just a courtesy email …nothing to do yet.

The IESO:OFA Fair Hydro line of credit is at about $1 billion drawn out of the $2 billion max capacity. We are drawing on avg about $200-300million/month.

The Fair Hydro Trust has not purchased the IESO's reg asset for a few months….if this continues I will be coming back to OFA to seek to increase the line of credit.

Regards.

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ieso
Connecting Today.
Powering Tomorrow.

Independent Electricity System Operator
Station A, Box 4474
Toronto, ON M5W 4E5
t 905.403.6900
www.ieso.ca

SCHEDULE 2
ELECTION NOTICE

September 19, 2018

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7
Delivered Via Email: CASHP@ofina.on.ca

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated November 21, 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is **September 21, 2018.**
(b) The aggregate amount of the proposed Continued Advance is **$999,892,928.53**, which is comprised of:
i. principal amount of Advance which is to be continued **$999,892,928.53**; and
ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date **$0.00**;
(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): **$0.00**;
(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is **October 19, 2018**. [Insert date not earlier than 5 days and not later than 95 days after the current Repayment Date for the Advance.]

IESO confirms it will also be paying interest in the amount of **$1,528,603.44**.

Such election shall be confirmed by IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: **$175,073,329.63**

The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: **$1,174,966,258.16**

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): **This transaction relates to the Fair Hydro Program**.

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

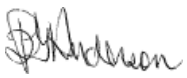
No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR



Per: _____

Barb Anderson
VP, Corporate Services & CFO

From: William Tan
To: Lisa Stein
Cc: Sarah Harris
Subject: FW: IESO/OFA - FH line
Date: Tuesday, September 04, 2018 9:56:17 AM

Hi Lisa,
The immediate matter pertaining to the roller/advance has been resolved.
The matter below to negotiate an increase to the $2B FHP is a separate matter. There is currently nothing to do. Anthony is monitoring the situation and will let us know in early October.
Thanks,
Will

From: Lisa Stein
Sent: Tuesday, September 04, 2018 9:38 AM
To: William Tan
Cc: Sarah Harris
Subject: RE: IESO/OFA - FH line
Hi Will,
I understand that Sarah N. worked on an IESO matter while I was away – has this matter been resolved or is this a new issue?
Thank you,
Lisa

From: William Tan
Sent: Thursday, August 30, 2018 9:32 AM
To: Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Mike Manning <Mike.Manning@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>
Cc: Ken Kandeepan <Ken.Kandeepan@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: IESO/OFA - FH line
Good morning,
Please see message below regarding additional information on the potential $2billion credit facility increase.
Thanks,
Will

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Thursday, August 30, 2018 9:10 AM
To: William Tan <William.Tan@ofina.on.ca>
Subject: Re: IESO/OFA - FH line
If no FH purchase is made during Sept....then we should talk in early Oct to begin the agreement amendment process.....assuming this will take 4-6 weeks.
Regards
Sent from my iPhone

On Aug 30, 2018, at 9:03 AM, William Tan <William.Tan@ofina.on.ca> wrote:

CAUTION: This email originated from outside of the organization. Exercise caution when clicking on links or opening attachments even if you recognize the sender.

Good morning Anthony,

At what level would the line of credit have to reach before you begin the process of increasing the line of credit?

Thanks for the notification.

Will

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]

Sent: Wednesday, August 29, 2018 8:49 AM

To: William Tan <William.Tan@ofina.on.ca>

Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>

Subject: IESO/OFA - FH line

Will

Just a courtesy email …nothing to do yet.

The IESO:OFA Fair Hydro line of credit is at about $1 billion drawn out of the $2 billion max capacity. We are drawing on avg about $200-300million/month.

The Fair Hydro Trust has not purchased the IESO's reg asset for a few months….if this continues I will be coming back to OFA to seek to increase the line of credit.

Regards.

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From: William Tan
To: Opal Kandelas; Mike Manning; John Kim
Cc: Ken Kandeepan; Lisa Stein; Carlos Yep; James Devine; Sarah Harris
Subject: FW: IESO/OFA - FH line
Date: Thursday, August 30, 2018 9:31:54 AM

Good morning,

Please see message below regarding additional information on the potential $2billion credit facility increase.

Thanks,

Will

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Thursday, August 30, 2018 9:10 AM
To: William Tan <William.Tan@ofina.on.ca>
Subject: Re: IESO/OFA - FH line

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> Will
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> **From:** Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
> **Sent:** Wednesday, August 29, 2018 8:49 AM
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Just a courtesy email …nothing to do yet.

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From:	Sarah Harris
To:	Opal Kandelas; Mike Manning; John Kim
Cc:	Ken Kandeepan; Lisa Stein; Carlos Yep; James Devine; William Tan
Subject:	FW: IESO/OFA - FH line
Date:	Wednesday, August 29, 2018 11:06:13 AM

Hello,

Please see message below from IESO. They may approach us looking to increase the $2 billion credit facility.

Thanks,
Sarah

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Wednesday, August 29, 2018 8:49 AM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: IESO/OFA - FH line

Will

Just a courtesy email …nothing to do yet.

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Regards.

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To:	Opal Kandelas; Mike Manning; John Kim
Cc:	Ken Kandeepan; Lisa Stein; Carlos Yep; James Devine; William Tan
Subject:	FW: IESO/OFA - FH line
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Sarah

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Sent: Wednesday, August 29, 2018 8:49 AM

To: William Tan

Cc: Olga Whiteley ; Lisa Stein ; Victor Buza ; Sarah Harris

Subject: IESO/OFA - FH line

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Just a courtesy email …nothing to do yet.

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From: Sarah Harris
To: Opal Kandelas
Subject: FW: IESO/OFA - FH line
Date: Wednesday, September 19, 2018 2:04:55 PM

FYI

From: Sarah Harris
Sent: Wednesday, September 19, 2018 2:04 PM
To: 'Anthony Martinello'
Cc: William Tan ; Victor Buza ; John Kim ; Gavin He ; Shajee Kathirgamanathan
Subject: RE: IESO/OFA - FH line

Hello Anthony,
Thanks for reaching out. In order to initially discuss the details of increasing the $2B, I am going to connect you with John Kim in Corporate &Electricity Finance at the OFA. John has been copied in this e-mail and can be reached at (416) 212-6996.
Additionally, Gavin He and Shajee Kathirgamanathan (both copied) from the same area may also be connecting with you.
Thanks,
Sarah

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Wednesday, September 19, 2018 12:56 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>
Subject: RE: IESO/OFA - FH line

We need to begin discussions in Oct 2018 on making an amendment to increase the $2B cap.
The FH Trust did not purchase this month's variance and I have no further info on if or when a purchase will occur.
IESO will be at $1.175B drawn this month.
Should I set up time to talk?

From: Sarah Harris [mailto:Sarah.Harris@ofina.on.ca]
Sent: August 29, 2018 10:59 AM
To: Anthony Martinello
Cc: William Tan
Subject: RE: IESO/OFA - FH line

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Thank you, Anthony, for the head's up. I will communicate your message internally.
Thanks,
Sarah

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
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To: William Tan <William.Tan@ofina.on.ca>
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Subject: RE: IESO/OFA - FH line

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Will

Just a courtesy email …nothing to do yet.

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From:	Sarah Harris
To:	John Kim
Cc:	Ken Kandeepan; Mike Manning; Opal Kandelas; William Tan
Subject:	FW: IESO/OFA - FH line
Date:	Wednesday, September 19, 2018 1:51:37 PM
Attachments:	FH rollover notice with advance.pdf

Hi John,

Anthony at IESO has approached us to begin discussions on an increase to the $2B cap to the FHP. Is this a discussion that you would initially be having with IESO?

Thanks,
Sarah

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Wednesday, September 19, 2018 12:56 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
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ieso
Connecting Today.
Powering Tomorrow.

Independent Electricity System Operator
Station A, Box 4474
Toronto, ON M5W 4E5
t 905.403.6900
www.ieso.ca

SCHEDULE 2
ELECTION NOTICE

September 19, 2018

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7
Delivered Via Email: CASHP@ofina.on.ca

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated November 21, 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is **September 21, 2018.**
(b) The aggregate amount of the proposed Continued Advance is **$999,892,928.53**, which is comprised of:
i. principal amount of Advance which is to be continued **$999,892,928.53**; and
ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date **$0.00**;
(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): **$0.00**;
(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is **October 19, 2018**. [Insert date not earlier than 5 days and not later than 95 days after the current Repayment Date for the Advance.]

IESO confirms it will also be paying interest in the amount of **$1,528,603.44**.

Such election shall be confirmed by IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: **$175,073,329.63**

The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: **$1,174,966,258.16**

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): **This transaction relates to the Fair Hydro Program**.

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

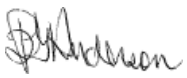
No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR



Per: _____

Barb Anderson
VP, Corporate Services & CFO

From:	Sarah Harris
To:	John Kim
Cc:	Ken Kandeepan; Mike Manning; Opal Kandelas; William Tan
Subject:	FW: IESO/OFA - FH line
Date:	Wednesday, September 19, 2018 1:51:37 PM
Attachments:	FH rollover notice with advance.pdf

Hi John,

Anthony at IESO has approached us to begin discussions on an increase to the $2B cap to the FHP. Is this a discussion that you would initially be having with IESO?

Thanks,

Sarah

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]

Sent: Wednesday, September 19, 2018 12:56 PM

To: Sarah Harris

Cc: William Tan ; Victor Buza

Subject: RE: IESO/OFA - FH line

We need to begin discussions in Oct 2018 on making an amendment to increase the $2B cap.

The FH Trust did not purchase this month's variance and I have no further info on if or when a purchase will occur.

IESO will be at $1.175B drawn this month.

Should I set up time to talk?

From: Sarah Harris [mailto:Sarah.Harris@ofina.on.ca]
Sent: August 29, 2018 10:59 AM
To: Anthony Martinello
Cc: William Tan
Subject: RE: IESO/OFA - FH line

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Thank you, Anthony, for the head's up. I will communicate your message internally.

Thanks,

Sarah

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]

Sent: Wednesday, August 29, 2018 8:49 AM

To: William Tan <William.Tan@ofina.on.ca>

Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>

Subject: IESO/OFA - FH line

Will

Just a courtesy email …nothing to do yet.

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Regards.

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Powering Tomorrow.

Independent Electricity System Operator
Station A, Box 4474
Toronto, ON M5W 4E5
t 905.403.6900
www.ieso.ca

SCHEDULE 2
ELECTION NOTICE

September 19, 2018

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7
Delivered Via Email: CASHP@ofina.on.ca

Attention: Cash Management

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IESO confirms it will also be paying interest in the amount of **$1,528,603.44**.

Such election shall be confirmed by IESO by a telephone call to OFA Cash Management at 416-325-8108.

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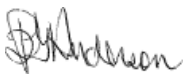
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Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR



Per: _____

Barb Anderson
VP, Corporate Services & CFO

From:	/O=OFA/OU=OFINA ADMINISTRATIVE GROUP/CN=RECIPIENTS/CN=SHARRIS
To:	John Kim
Cc:	Ken Kandeepan; Mike Manning; Opal Kandelas; William Tan
Subject:	FW: IESO/OFA - FH line
Date:	Wednesday, September 19, 2018 1:51:00 PM
Attachments:	FH rollover notice with advance.pdf

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M7A 1Y7
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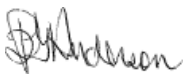
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Per: _____

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VP, Corporate Services & CFO

From: Sarah Harris
To: William Tan
Subject: FW: IESO/OFA - FH line
Date: Wednesday, September 19, 2018 1:50:37 PM
Attachments: FH rollover notice with advance.pdf

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September 19, 2018

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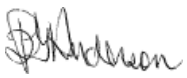
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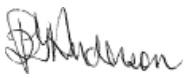
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Per: _____

Barb Anderson
VP, Corporate Services & CFO

From:	William Tan
To:	Lisa Stein
Cc:	Sarah Harris
Subject:	FW: IESO/OFA - FH line
Date:	Tuesday, September 04, 2018 9:56:17 AM

Hi Lisa,

The immediate matter pertaining to the roller/advance has been resolved.
The matter below to negotiate an increase to the $2B FHP is a separate matter. There is currently nothing to do. Anthony is monitoring the situation and will let us know in early October.

Thanks,

Will

From: Lisa Stein
Sent: Tuesday, September 04, 2018 9:38 AM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO/OFA - FH line

Hi Will,

I understand that Sarah N. worked on an IESO matter while I was away – has this matter been resolved or is this a new issue?

Thank you,

Lisa

From: William Tan
Sent: Thursday, August 30, 2018 9:32 AM
To: Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Mike Manning <Mike.Manning@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>
Cc: Ken Kandeepan <Ken.Kandeepan@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: IESO/OFA - FH line

Good morning,

Please see message below regarding additional information on the potential $2billion credit facility increase.

Thanks,

Will

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Thursday, August 30, 2018 9:10 AM
To: William Tan <William.Tan@ofina.on.ca>
Subject: Re: IESO/OFA - FH line

If no FH purchase is made during Sept....then we should talk in early Oct to begin the agreement amendment process.....assuming this will take 4-6 weeks.
Regards
Sent from my iPhone

On Aug 30, 2018, at 9:03 AM, William Tan <William.Tan@ofina.on.ca> wrote:

> **CAUTION:** This email originated from outside of the organization. Exercise caution when clicking on links or opening attachments even if you recognize the sender.
>
> Good morning Anthony,
>
> At what level would the line of credit have to reach before you begin the process of increasing the line of credit?
> Thanks for the notification.
>
> Will
>
> ---
>
> **From:** Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
> **Sent:** Wednesday, August 29, 2018 8:49 AM
> **To:** William Tan <William.Tan@ofina.on.ca>
> **Cc:** Olga Whiteley <Olga.Whiteley@ieso.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
> **Subject:** IESO/OFA - FH line
>
> Will
>
> Just a courtesy email …nothing to do yet.
>
> The IESO:OFA Fair Hydro line of credit is at about $1 billion drawn out of the $2 billion max capacity. We are drawing on avg about $200-300million/month.
>
> The Fair Hydro Trust has not purchased the IESO's reg asset for a few months….if this continues I will be coming back to OFA to seek to increase the line of credit.
>
> Regards.

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To:	Opal Kandelas
Subject:	FW: IESO/OFA - FH line
Date:	Monday, September 24, 2018 2:08:43 PM
Attachments:	FH rollover notice with advance.pdf

Hi Opal,

From Gadi's CEO corner…"All debt issued under the Fair Hydro Trust will remain outstanding. The Province will be responsible for making all interest and principal payments due on those bonds. Going forward, there will be no issuance by the Fair Hydro Trust".

From: Sarah Harris
Sent: Wednesday, September 19, 2018 1:52 PM
To: John Kim <John.Kim@ofina.on.ca>
Cc: Ken Kandeepan <Ken.Kandeepan@ofina.on.ca>; Mike Manning <Mike.Manning@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Subject: FW: IESO/OFA - FH line

Hi John,

Anthony at IESO has approached us to begin discussions on an increase to the $2B cap to the FHP. Is this a discussion that you would initially be having with IESO?

Thanks,
Sarah

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Wednesday, September 19, 2018 12:56 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>
Subject: RE: IESO/OFA - FH line

We need to begin discussions in Oct 2018 on making an amendment to increase the $2B cap.

The FH Trust did not purchase this month's variance and I have no further info on if or when a purchase will occur.

IESO will be at $1.175B drawn this month.

Should I set up time to talk?

From: Sarah Harris [mailto:Sarah.Harris@ofina.on.ca]

Sent: August 29, 2018 10:59 AM
To: Anthony Martinello
Cc: William Tan
Subject: RE: IESO/OFA - FH line

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Thank you, Anthony, for the head's up. I will communicate your message internally.

Thanks,
Sarah

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To: William Tan <William.Tan@ofina.on.ca>
Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: IESO/OFA - FH line

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ieso
Connecting Today.
Powering Tomorrow.

Independent Electricity System Operator
Station A, Box 4474
Toronto, ON M5W 4E5
t 905.403.6900
www.ieso.ca

SCHEDULE 2
ELECTION NOTICE

September 19, 2018

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7
Delivered Via Email: CASHP@ofina.on.ca

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated November 21, 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is **September 21, 2018.**
(b) The aggregate amount of the proposed Continued Advance is **$999,892,928.53**, which is comprised of:
i. principal amount of Advance which is to be continued **$999,892,928.53**; and
ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date **$0.00**;
(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): **$0.00**;
(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is **October 19, 2018**. [Insert date not earlier than 5 days and not later than 95 days after the current Repayment Date for the Advance.]

IESO confirms it will also be paying interest in the amount of **$1,528,603.44**.

Such election shall be confirmed by IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: **$175,073,329.63**

The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: **$1,174,966,258.16**

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): **This transaction relates to the Fair Hydro Program**.

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

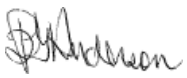
No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR



Per: _____

Barb Anderson
VP, Corporate Services & CFO

From: Carlos Yep
To: Sujeev Jegatheeswaran
Cc: Sarah Harris; William Tan
Subject: FW: IESO/OFA - Signing Authority Documents
Date: Tuesday, June 19, 2018 2:39:51 PM

Hi Sujeev
Please settle the IESO loans
Thanks
Carlos

From: John Kim
Sent: Tuesday, June 19, 2018 2:37 PM
To: Carlos Yep
Subject: RE: IESO/OFA - Signing Authority Documents
As mentioned, I'm fine with the approach, thanks.

From: Carlos Yep
Sent: Tuesday, June 19, 2018 1:47 PM
To: John Kim <John.Kim@ofina.on.ca>
Subject: FW: IESO/OFA - Signing Authority Documents
fyi

From: Sarah Harris
Sent: Tuesday, June 19, 2018 1:05 PM
To: Sujeev Jegatheeswaran <Sujeev.Jegatheeswaran@ofina.on.ca>
Cc: Carlos Yep <Carlos.Yep@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>
Subject: FW: IESO/OFA - Signing Authority Documents
Hello Sujeev,
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I spoke with Carlos about whether the payment would be held back tomorrow morning if we don't receive the executed cert by that time. Carlos is following up with John Kim, but I don't think we don't think we would be holding back the payment if it isn't received tonight.
I will confirm with you when we receive the executed certificate. I have to leave at 3 p.m, however, so if we don't receive the executed cert by then, please follow up with Carlos to confirm that the payment should be released.
Thanks,
Sarah

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Victor,
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If it possible to have the draft executed by end of day, that will be helpful ensuring the payment is released ASAP.
Thanks,
Sarah

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Hi Sarah. Following our call earlier and per item #1 of Will's email below, attached please find the updated form of Incumbency Certificate. Please confirm that this updated form is acceptable and we will proceed to have it executed.
In addition, for your convenience, I also attach the original certified Board Resolution authorizing, among other things, the "Chief Financial Officer or her delegate" with respect to making draws under the Fair Hydro Plan Credit Agreement and for the Existing Credit Facility.
Please call me if you have any questions.
Regards,
Victor

Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079
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From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: June 18, 2018 5:22 PM
To: Olga Whiteley; Anthony Martinello
Cc: Sarah Harris
Subject: RE: IESO - Signing Authority Documents

Hello Olga,
My legal department replied back to me and unfortunately a redacted board resolution and certificate of incumbency is required.
Thanks,
Will

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: June 18, 2018 3:45 PM
To: Anthony Martinello; Olga Whiteley
Cc: Sarah Harris; Carlos Yep; James Devine; Ricky Lai
Subject: RE: IESO - Signing Authority Documents

Hello Anthony and Olga,
I am following-up to get an indication of the solution you wish to pursue. Also, when will you be providing the documents. As a heads-up I will be out-of-the-office on Tuesday. For signatory related documents please coordinate with Sarah Harris.

Thanks,
Will

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Subject: IESO - Signing Authority Documents

Hello Anthony,

As per conversation regarding the required signing authority documents for Barb Anderson VP, & CFO on the election notices for June 20. Please provide completed documents for one of the following options below before June 20.

While option 6 is a suitable solution, it should be viewed as a temporary solution. Therefore, I recommend option 1, as a comprehensive long-term solution.

Options provided in May, 2018:

1. Certified resolution of the board of directors for IESO authorizing both the Fair Hydro Plan Credit Agreement and for the Existing Credit Facility authorizing the signatory and Updated Incumbency Certificate.
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5. A certificate from the IESO Corporate Secretary stating that the IESO ~~CEO~~ CFO has signing authority.
6. A signature under seal of the corporation.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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From:	Sarah Harris
To:	Sujeev Jegatheeswaran
Cc:	Carlos Yep; William Tan; James Devine
Subject:	FW: IESO/OFA - Signing Authority Documents
Date:	Tuesday, June 19, 2018 1:04:49 PM

Hello Sujeev,

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Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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From:	Sarah Harris
To:	Lisa Stein
Subject:	FW: IESO/OFA - Signing Authority Documents
Date:	Tuesday, June 19, 2018 12:32:33 PM
Attachments:	Certified IESO Brd Resol"n June 14_17 re Credit Facilities - Nov 6 2017 per J Rattray.pdf Incumbency Certificate - revised - re OFA FHP and 2005 Facilities - June 19 2018.doc

---

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Tuesday, June 19, 2018 12:28 PM
To: Sarah Harris
Cc: Anthony Martinello ; Olga Whiteley ; William Tan
Subject: RE: IESO/OFA - Signing Authority Documents

Hi Sarah. Following our call earlier and per item #1 of Will's email below, attached please find the updated form of Incumbency Certificate. Please confirm that this updated form is acceptable and we will proceed to have it executed.

In addition, for your convenience, I also attach the original certified Board Resolution authorizing, among other things, the "Chief Financial Officer or her delegate" with respect to making draws under the Fair Hydro Plan Credit Agreement and for the Existing Credit Facility.

Please call me if you have any questions.

Regards,

Victor

Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079

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From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: June 18, 2018 5:22 PM
To: Olga Whiteley; Anthony Martinello
Cc: Sarah Harris
Subject: RE: IESO - Signing Authority Documents

Hello Olga,

My legal department replied back to me and unfortunately a redacted board resolution and certificate of incumbency is required.

Thanks,

Will

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: June 18, 2018 3:45 PM
To: Anthony Martinello; Olga Whiteley
Cc: Sarah Harris; Carlos Yep; James Devine; Ricky Lai
Subject: RE: IESO - Signing Authority Documents

Hello Anthony and Olga,

I am following-up to get an indication of the solution you wish to pursue. Also, when will you be providing the documents. As a heads-up I will be out-of-the-office on Tuesday. For signatory related documents please coordinate with Sarah Harris.

Thanks,

Will

From: William Tan
Sent: Monday, June 18, 2018 11:38 AM
To: 'Anthony Martinello' <Anthony.Martinello@ieso.ca>; Olga Whiteley <Olga.Whiteley@ieso.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>; Ricky Lai <Ricky.Lai@ofina.on.ca>
Subject: IESO - Signing Authority Documents

Hello Anthony,

As per conversation regarding the required signing authority documents for Barb Anderson VP, & CFO on the election notices for June 20. Please provide completed documents for one of the following options below before June 20.

While option 6 is a suitable solution, it should be viewed as a temporary solution. Therefore, I recommend option 1, as a comprehensive long-term solution.

Options provided in May, 2018:

1. Certified resolution of the board of directors for IESO authorizing both the Fair Hydro Plan Credit Agreement and for the Existing Credit Facility authorizing the signatory and Updated Incumbency Certificate.
2. ~~A delegation of authority from the (former) IESO CFO to the IESO CEO (or other authorized signatories).~~
3. A general signing authority resolution of the IESO Board of Directors.
4. By-law or other document in place providing authorization to the IESO ~~CEO~~ CFO.
5. A certificate from the IESO Corporate Secretary stating that the IESO ~~CEO~~ CFO has signing authority.
6. A signature under seal of the corporation.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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" Resolution of the Board of Directors
Independent Electricity System Operator

June 14, 2017

In Respect of the establishment of a new credit facility and revision of existing credit facilities in relation to the Fair Hydro Plan

---

WHEREAS, as further described in the memorandum to the Audit Committee entitled "Fair Hydro Plan Credit Facility" dated June 13, 2017 (the "**Memorandum**"), the Corporation has determined that in order to support the IESO's role in the Fair Hydro Plan it requires greater credit liquidity;

AND WHEREAS the Corporation proposes to enter into a new credit facility with the Ontario Financing Authority or Ontario Electricity Financial Corporation to support the Corporation's role in the Fair Hydro Plan in an amount yet to be determined of between $1,800 million and $2,500 million (the "**New Facility**");

AND WHEREAS, due to the structure of the Fair Hydro Plan, once the New Facility is established, the Corporation's existing credit facility with the Ontario Financing Authority in the amount of $975 million (the "**OFA Facility**") will include unnecessary and duplicative credit liquidity such that the OFA Facility may be reduced to an amount yet to be determined between $400 million and $500 million;

AND WHEREAS ...[Recital redacted]...

NOW THEREFORE BE IT RESOLVED THAT:

1. The Board of Directors hereby authorizes and approves the establishment of the New Facility and the amendment of the OFA Facility ...**[Redacted]**... on such terms and conditions as are generally outlined in the Memorandum (collectively, all facilities being the "**Credit Facilities**").

2. The Chief Financial Officer or her delegate is hereby authorized for and on behalf of the Corporation to:

(a) finalize, execute and deliver

(i) all relevant agreements, instruments and other documents required for the establishment or amendment, as applicable, of the Credit Facilities, and

(ii) all ancillary documents, deeds and instruments determined to be necessary or desirable in connection therewith (the execution of any such document, deed or instrument being conclusive evidence of such determination),

and to perform the Corporation's obligations thereunder, and to obtain the benefits thereof;

(b) draw upon or continue to draw upon, as applicable, the Credit Facilities from time to time in accordance with their terms; and

(c) do any and all such further acts as may be determined to be necessary or desirable to give effect to the foregoing transactions including, for further certainty, amending any other agreements as may be required as a consequence of such transactions. "

I certify that the above is a true, redacted copy of a resolution approved by the Board of Directors of the Independent Electricity System Operator on June 14, 2017.

John Rattray

General Counsel, Secretary and Chief Reliability Compliance Officer
Independent Electricity System Operator
November 6, 2017

INCUMBENCY CERTIFICATE

To: Ontario Financing Authority ("**OFA**")

I, the undersigned, Secretary to the Independent Electricity System Operator (the "**IESO**"), in my capacity as an officer of the IESO, and not in my personal capacity, do hereby certify that:

1. Barb Anderson has been duly appointed as, and as of the date hereof holds the offices of, Chief Financial Officer and Vice-President, Corporate Services (Interim) of the IESO and, for further certainty, has been vested with all of the duties and powers otherwise prescribed to such offices in a permanent capacity.

2. Pursuant to a resolution of the board of directors of IESO dated June 14, 2017, the Chief Financial Officer has the authority from time to time to draw upon (i) the Credit Agreement between OFA and IESO (as successor by amalgamation to Ontario Power Authority) made as of January 1, 2005, as amended, and (ii) the Revolving Credit Facility Agreement between IESO and the Ontario Financing Authority made as of the 6th day of November, 2017 in relation to the Fair Hydro Plan.

3. The following is the genuine signature of the following individual:

Barb Anderson _____

DATED this ____ day of _____, 2018.

_____
Michael Lyle
Vice-President, Legal Resources and Corporate Governance, General Counsel, Secretary, and Chief Reliability Compliance Officer

I, the undersigned, do hereby certify for and on behalf of the IESO in my capacity as an officer of the IESO, and not in my personal capacity, that: (i) Michael Lyle has been duly appointed to the offices of Vice-President, Legal Resources and Corporate Governance, General Counsel, Secretary, and Chief Reliability Compliance Officer and (ii) Michael Lyle holds, as at the date hereof, such offices.

DATED this ____ day of _____, 2018.

_____
Barb Anderson
Chief Financial Officer and Vice-President, Corporate Services (Interim)

From:	Sarah Harris
To:	Lisa Stein
Subject:	FW: IESO/OFA - Signing Authority Documents
Date:	Tuesday, June 19, 2018 12:32:33 PM
Attachments:	Certified IESO Brd Resol"n June 14_17 re Credit Facilities - Nov 6 2017 per J Rattray.pdf Incumbency Certificate - revised - re OFA FHP and 2005 Facilities - June 19 2018.doc

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Sent: Tuesday, June 19, 2018 12:28 PM
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Cc: Anthony Martinello <Anthony.Martinello@ieso.ca>; Olga Whiteley <Olga.Whiteley@ieso.ca>; William Tan <William.Tan@ofina.on.ca>
Subject: RE: IESO/OFA - Signing Authority Documents

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Please call me if you have any questions.

Regards,
Victor

Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079

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3. A general signing authority resolution of the IESO Board of Directors.
4. By-law or other document in place providing authorization to the IESO ~~CEO~~ CFO.

5. A certificate from the IESO Corporate Secretary stating that the IESO ~~CEO~~ CFO has signing authority.
6. A signature under seal of the corporation.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
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" Resolution of the Board of Directors
Independent Electricity System Operator

June 14, 2017

In Respect of the establishment of a new credit facility and revision of existing credit facilities in relation to the Fair Hydro Plan

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AND WHEREAS, due to the structure of the Fair Hydro Plan, once the New Facility is established, the Corporation's existing credit facility with the Ontario Financing Authority in the amount of $975 million (the "**OFA Facility**") will include unnecessary and duplicative credit liquidity such that the OFA Facility may be reduced to an amount yet to be determined between $400 million and $500 million;

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2. The Chief Financial Officer or her delegate is hereby authorized for and on behalf of the Corporation to:

(a) finalize, execute and deliver

(i) all relevant agreements, instruments and other documents required for the establishment or amendment, as applicable, of the Credit Facilities, and

(ii) all ancillary documents, deeds and instruments determined to be necessary or desirable in connection therewith (the execution of any such document, deed or instrument being conclusive evidence of such determination),

and to perform the Corporation's obligations thereunder, and to obtain the benefits thereof;

(b) draw upon or continue to draw upon, as applicable, the Credit Facilities from time to time in accordance with their terms; and

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I certify that the above is a true, redacted copy of a resolution approved by the Board of Directors of the Independent Electricity System Operator on June 14, 2017.

John Rattray

General Counsel, Secretary and Chief Reliability Compliance Officer
Independent Electricity System Operator
November 6, 2017

INCUMBENCY CERTIFICATE

To: Ontario Financing Authority ("**OFA**")

I, the undersigned, Secretary to the Independent Electricity System Operator (the "**IESO**"), in my capacity as an officer of the IESO, and not in my personal capacity, do hereby certify that:

1. Barb Anderson has been duly appointed as, and as of the date hereof holds the offices of, Chief Financial Officer and Vice-President, Corporate Services (Interim) of the IESO and, for further certainty, has been vested with all of the duties and powers otherwise prescribed to such offices in a permanent capacity.

2. Pursuant to a resolution of the board of directors of IESO dated June 14, 2017, the Chief Financial Officer has the authority from time to time to draw upon (i) the Credit Agreement between OFA and IESO (as successor by amalgamation to Ontario Power Authority) made as of January 1, 2005, as amended, and (ii) the Revolving Credit Facility Agreement between IESO and the Ontario Financing Authority made as of the 6th day of November, 2017 in relation to the Fair Hydro Plan.

3. The following is the genuine signature of the following individual:

Barb Anderson _____

DATED this ____ day of _____, 2018.

_____
Michael Lyle
Vice-President, Legal Resources and Corporate Governance, General Counsel, Secretary, and Chief Reliability Compliance Officer

I, the undersigned, do hereby certify for and on behalf of the IESO in my capacity as an officer of the IESO, and not in my personal capacity, that: (i) Michael Lyle has been duly appointed to the offices of Vice-President, Legal Resources and Corporate Governance, General Counsel, Secretary, and Chief Reliability Compliance Officer and (ii) Michael Lyle holds, as at the date hereof, such offices.

DATED this ____ day of _____, 2018.

_____
Barb Anderson
Chief Financial Officer and Vice-President, Corporate Services (Interim)

From:	Carlos Yep
To:	Sujeev Jegatheeswaran
Cc:	Sarah Harris; William Tan
Subject:	FW: IESO/OFA - Signing Authority Documents
Date:	Tuesday, June 19, 2018 2:39:51 PM

Hi Sujeev
Please settle the IESO loans
Thanks
Carlos

From: John Kim
Sent: Tuesday, June 19, 2018 2:37 PM
To: Carlos Yep <Carlos.Yep@ofina.on.ca>
Subject: RE: IESO/OFA - Signing Authority Documents

As mentioned, I'm fine with the approach, thanks.

From: Carlos Yep
Sent: Tuesday, June 19, 2018 1:47 PM
To: John Kim <John.Kim@ofina.on.ca>
Subject: FW: IESO/OFA - Signing Authority Documents

fyi

From: Sarah Harris
Sent: Tuesday, June 19, 2018 1:05 PM
To: Sujeev Jegatheeswaran <Sujeev.Jegatheeswaran@ofina.on.ca>
Cc: Carlos Yep <Carlos.Yep@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>
Subject: FW: IESO/OFA - Signing Authority Documents

Hello Sujeev,

Just to let you know, IESO provided us with a draft (unexecuted) certificate. It looks fine, and I've asked them to try to execute it today.

I spoke with Carlos about whether the payment would be held back tomorrow morning if we don't receive the executed cert by that time. Carlos is following up with John Kim, but I don't think we don't think we would be holding back the payment if it isn't received tonight.

I will confirm with you when we receive the executed certificate. I have to leave at 3 p.m, however, so if we don't receive the executed cert by then, please follow up with Carlos to confirm that the payment should be released.

Thanks,
Sarah

From: Sarah Harris
Sent: Tuesday, June 19, 2018 12:55 PM
To: 'Victor Buza' <Victor.Buza@ieso.ca>
Cc: Anthony Martinello <Anthony.Martinello@ieso.ca>; Olga Whiteley <Olga.Whiteley@ieso.ca>; William Tan <William.Tan@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: RE: IESO/OFA - Signing Authority Documents

Victor,

Thank you very much for the draft.

Overall, the certificate looks fine. The only comment we have is that we don't think the last paragraph at the bottom of the page (certification by Barb Anderson for Michael Lyle) is necessary; if that is your standard, however, that's fine.

If it possible to have the draft executed by end of day, that will be helpful ensuring the payment is released ASAP.

Thanks,
Sarah

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Tuesday, June 19, 2018 12:28 PM
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Cc: Anthony Martinello <Anthony.Martinello@ieso.ca>; Olga Whiteley <Olga.Whiteley@ieso.ca>; William Tan <William.Tan@ofina.on.ca>
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Regards,
Victor

Victor Buza | Senior Counsel

Independent Electricity System Operator (IESO) | T: 416-969-6079

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Hello Anthony,

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6. A signature under seal of the corporation.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
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From: William Tan
To: Sarah Harris
Subject: FW: Interest breakout for the FHP from IESO
Date: Thursday, September 06, 2018 1:55:20 PM

Hi Sarah,
I spoke to John. He is taking the lead on this.
Thanks,
Will

From: John Psinas
Sent: Thursday, September 06, 2018 1:36 PM
To: Bharat Patel (MOF) ; William Tan
Cc: Ken Kandeepan ; Mark Donaldson (MOF) ; Woods, Heather (TBS) ; George Sakura ; Shemin Meralli
Subject: RE: Interest breakout for the FHP from IESO
Bharat,
If it's based on the line of credit, we'll get it to you shortly.
Thanks.
John

From: Patel, Bharat (TBS) [mailto:Bharat.Patel3@ontario.ca]
Sent: Thursday, September 06, 2018 1:17 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: John Psinas <John.Psinas@ofina.on.ca>; Ken Kandeepan <Ken.Kandeepan@ofina.on.ca>; Mark Donaldson (MOF) <Mark.Donaldson@ontario.ca>; Woods, Heather (TBS) <Heather.Woods@ontario.ca>
Subject: FW: Interest breakout for the FHP from IESO
Can we get the interest breakout o FHP, requested below?
John/Ken,
I am just copying to keep you in loop, as the request came from OAG.
Thanks,
Bharat

From: David Barrett [mailto:david.barrett@ieso.ca]
Sent: September-06-18 11:55 AM
To: Patel, Bharat (TBS)
Cc: Donaldson, Mark (TBS); Woods, Heather (TBS)
Subject: RE: Interest breakout for the FHP from IESO
We get our information from the OFA. So you get it from the source, can you approach William Tan (William.Tan@ofina.on.ca) at OFA for this?
Thanks,
David

From: Patel, Bharat (TBS) [mailto:Bharat.Patel3@ontario.ca]
Sent: September 06, 2018 10:23 AM
To: David Barrett
Cc: Donaldson, Mark (TBS); Woods, Heather (TBS)
Subject: RE: Interest breakout for the FHP from IESO

CAUTION: This email originated from outside of the organization. Exercise caution when clicking on links or opening attachments even if you recognize the sender.

Yes up to March 31, 2018.

From: David Barrett [mailto:david.barrett@ieso.ca]
Sent: September-06-18 10:15 AM
To: Patel, Bharat (TBS)
Cc: Donaldson, Mark (TBS); Woods, Heather (TBS)
Subject: RE: Interest breakout for the FHP from IESO

Hi Bharat, clarifying, what period are you looking for (up to March 2018)? There is the OFA line of credit which is only for the FH debt, starting Nov 2017.

Let me know if this is what you need.

Thanks

David

From: Patel, Bharat (TBS) [mailto:Bharat.Patel3@ontario.ca]
Sent: September 06, 2018 8:40 AM
To: David Barrett
Cc: Donaldson, Mark (TBS); Woods, Heather (TBS)
Subject: Interest breakout for the FHP from IESO

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David,

As part of the Province's Public Accounts audit, Office of the Auditor General (OAG) asked IESO on interest breakout for the Fair Hydro Trust. Can you please follow up with appropriate staffs in IESO and get the requested information by end of Today? We are in the final stage of Public Accounts and neeed this information to close all OAG's open comments on IESO for the Province's public accounts.

Thanks,

Bharat

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From: William Tan
To: Sarah Harris
Subject: FW: Interest breakout for the FHP from IESO
Date: Thursday, September 06, 2018 1:30:06 PM

Hi Sarah,

I received this Bharat Patel Senior Accounting Policy Analyst from MOF. I am concurrently reviewing this email.

Thanks,

Will

From: Patel, Bharat (TBS) [mailto:Bharat.Patel3@ontario.ca]
Sent: Thursday, September 06, 2018 1:17 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: John Psinas <John.Psinas@ofina.on.ca>; Ken Kandeepan <Ken.Kandeepan@ofina.on.ca>; Mark Donaldson (MOF) <Mark.Donaldson@ontario.ca>; Woods, Heather (TBS) <Heather.Woods@ontario.ca>
Subject: FW: Interest breakout for the FHP from IESO

Can we get the interest breakout o FHP, requested below?

John/Ken,

I am just copying to keep you in loop, as the request came from OAG.

Thanks,
Bharat

From: David Barrett [mailto:david.barrett@ieso.ca]
Sent: September-06-18 11:55 AM
To: Patel, Bharat (TBS)
Cc: Donaldson, Mark (TBS); Woods, Heather (TBS)
Subject: RE: Interest breakout for the FHP from IESO

We get our information from the OFA. So you get it from the source, can you approach William Tan (William.Tan@ofina.on.ca) at OFA for this?

Thanks,
David

From: Patel, Bharat (TBS) [mailto:Bharat.Patel3@ontario.ca]
Sent: September 06, 2018 10:23 AM
To: David Barrett

Cc: Donaldson, Mark (TBS); Woods, Heather (TBS)
Subject: RE: Interest breakout for the FHP from IESO

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Yes up to March 31, 2018.

From: David Barrett [mailto:david.barrett@ieso.ca]
Sent: September-06-18 10:15 AM
To: Patel, Bharat (TBS)
Cc: Donaldson, Mark (TBS); Woods, Heather (TBS)
Subject: RE: Interest breakout for the FHP from IESO

Hi Bharat, clarifying, what period are you looking for (up to March 2018)? There is the OFA line of credit which is only for the FH debt, starting Nov 2017.

Let me know if this is what you need.

Thanks
David

From: Patel, Bharat (TBS) [mailto:Bharat.Patel3@ontario.ca]
Sent: September 06, 2018 8:40 AM
To: David Barrett
Cc: Donaldson, Mark (TBS); Woods, Heather (TBS)
Subject: Interest breakout for the FHP from IESO

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Let me know if this is what you need.
Thanks
David

From: Patel, Bharat (TBS) [mailto:Bharat.Patel3@ontario.ca]
Sent: September 06, 2018 8:40 AM

To: David Barrett
Cc: Donaldson, Mark (TBS); Woods, Heather (TBS)
Subject: Interest breakout for the FHP from IESO

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From: William Tan
To: Sarah Harris
Subject: FW: Interest breakout for the FHP from IESO
Date: Thursday, September 06, 2018 1:55:20 PM

Hi Sarah,

I spoke to John. He is taking the lead on this.

Thanks,

Will

From: John Psinas
Sent: Thursday, September 06, 2018 1:36 PM
To: Bharat Patel (MOF) <Bharat.Patel3@ontario.ca>; William Tan <William.Tan@ofina.on.ca>
Cc: Ken Kandeepan <Ken.Kandeepan@ofina.on.ca>; Mark Donaldson (MOF) <Mark.Donaldson@ontario.ca>; Woods, Heather (TBS) <Heather.Woods@ontario.ca>; George Sakura <George.Sakura@ofina.on.ca>; Shemin Meralli <Shemin.Meralli@ofina.on.ca>
Subject: RE: Interest breakout for the FHP from IESO

Bharat,

If it's based on the line of credit, we'll get it to you shortly.

Thanks.

John

From: Patel, Bharat (TBS) [mailto:Bharat.Patel3@ontario.ca]
Sent: Thursday, September 06, 2018 1:17 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: John Psinas <John.Psinas@ofina.on.ca>; Ken Kandeepan <Ken.Kandeepan@ofina.on.ca>; Mark Donaldson (MOF) <Mark.Donaldson@ontario.ca>; Woods, Heather (TBS) <Heather.Woods@ontario.ca>
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Subject: Interest breakout for the FHP from IESO

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Thanks,
Bharat

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From: William Tan
To: Caroline Swerdlyk
Cc: Sarah Harris
Subject: FW: Loan roll over
Date: Monday, March 12, 2018 10:35:02 AM
Attachments: OFHP_IESO waiver (clean).docx
OFHP_IESO waiver (blackline).docx

Hi Caroline,
I will notify IESO that the waiver letter will be provided after OFA receives the Election Notice.
Thanks for adding the reference to March 22.
One comment, my preference would be to align this with the "New Repayment Date of March 22, 2018…" as above. However, I'm not particularly fussed about this if you feel this is fine the way it is.
What are you thoughts?
Thanks,
Will

From: Caroline Swerdlyk
Sent: Monday, March 12, 2018 7:57 AM
To: William Tan
Cc: Sarah Harris
Subject: RE: Loan roll over

Hi Will,
I have added a reference to the March 22 New Repayment Date in the first paragraph. As discussed last week, the waiver letter has been drafted assuming that it will be provided to the IESO after the OFA receives the Election Notice. After you receive the Election Notice, the date of the Election Notice will need to be inserted into the letter.
Please let me know if you would like to discuss. I am working from home today and can be reached on my cell: 416-270-0362.
Thanks,
Caroline

From: William Tan
Sent: Friday, March 09, 2018 4:33 PM
To: Caroline Swerdlyk <Caroline.Swerdlyk@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Loan roll over

Hi Caroline,
I made a couple more small changes. Have a great weekend.
Will

From: Caroline Swerdlyk
Sent: Friday, March 09, 2018 4:29 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Loan roll over

Hi Will,
I can revise the letter to address your comment (highlighted yellow below) on Monday. Hopefully this timing works.

Thanks,
Caroline

From: William Tan
Sent: Friday, March 09, 2018 4:06 PM
To: Caroline Swerdlyk <Caroline.Swerdlyk@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Loan roll over

Hi Caroline,
Once IESO sends the notices I will change the date on the draft waiver.
According to James Devine, the method to price a 5 day minimum period is the same to price for a 1 or 2 day period. He also expects the price to be similar in both situations.
You will need to change this date in the draft waiver letter that Lisa sent you yesterday. I don't think any other changes will be needed to the draft letter as a result of this change.
Once IESO sends the notices I will change the date on the draft waiver.
I also wanted to follow-up with you on the issues that Lisa raised:

- Do the interest provisions in the Credit Agreement continue to apply to this Proposed Advance and Continued Advance (will the interest calculation be the same for this Proposed and/or Continued Advance as set out in the Credit Agreement)? Do we need to specify further details in the waiver?
  According to James Devine, the method to price a 5 day minimum period is the same to price for a 1 or 2 day period. He also expects the price to be similar in both situations.
- Do we need to consider imposing a specific minimum borrowing period (of one or two days)?
  Would it be possible to tighten the language in the waiver to reflect the March 22 repayment, rather than "no minimum days…? This doesn't seem consistent with election notice.

Thanks,
Will

From: Caroline Swerdlyk
Sent: Friday, March 09, 2018 2:07 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Loan roll over

Hi Will,
You will need to change this date in the draft waiver letter that Lisa sent you yesterday. I don't think any other changes will be needed to the draft letter as a result of this change.
I also wanted to follow-up with you on the issues that Lisa raised:

- Do the interest provisions in the Credit Agreement continue to apply to this Proposed Advance and Continued Advance (will the interest calculation be the same for this Proposed and/or Continued Advance as set out in the Credit Agreement)? Do we need to specify further details in the waiver?
- Do we need to consider imposing a specific minimum borrowing period (of one or two days)?

Please let me know if you would like to discuss.
Thanks,
Caroline

From: William Tan
Sent: Friday, March 09, 2018 1:44 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>; Caroline Swerdlyk <Caroline.Swerdlyk@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: Loan roll over

Fyi
I spoke to Olga (IESO). She informed me that $332M, matures on March 20,(not March 21, previously reported). IESO would need to borrow $530M for 2 days (not 1 day, previously reported) for a maturity of March 22.
Attached is Cash Management confirmation that they have no concerns regarding the two day roll-over.
Settlements has no concerns either.
James Devin has informed IESO that OFA is fine with the roll-over.
Thanks,
Will

From: James Devine
Sent: Friday, March 09, 2018 1:35 PM
To: 'Olga.Whiteley@ieso.ca' <Olga.Whiteley@ieso.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>
Subject: Loan roll over

Looks like we will be able to do the two day loan roll -over

Ontario Financing Authority
1 Dundas Street West
Suite 1400
Toronto ON M7A 1Y7
Phone: 416-325-8000

Office ontarien de financement
1 rue Dundas ouest
Bureau 1400
Toronto ON M7A 1Y7

March (·), 2018

Kimberly Marshall
Independent Electricity System Operator
120 Adelaide Street, Suite 1600
Toronto, M5H 1T1

Re: **$_____ Election Notice dated March (·), 2018**

Dear Kimberly,

The Ontario Financing Authority ("OFA") is in receipt of the Election Notice provided by the Independent Electricity System Operator ("IESO") to the OFA dated March (·), 2018 for a new Proposed Advance of $_____ and a proposed Continued Advance of $_____ specifying a New Repayment Date of March 22, 2018 (the "March 2018 Election Notice") under the Revolving Credit Facility Agreement between the IESO and OFA dated November 6, 2017, (the "Credit Agreement"), the terms defined therein being used herein as therein defined.

For the sole purpose of the March 2018 Election Notice, the OFA hereby agrees to waive the requirement set out in section 3.3(1) of the Credit Agreement that a Continued Advance must be for a further period of at least 5 days, beginning on the then current Repayment Date.

For greater clarity, for the purpose of the March 2018 Election Notice only, there shall be no minimum number of days required from the date of the Proposed Continued Advance to the New Repayment Date. Pursuant to section 3.3(3) of the Credit Agreement, the Repayment Date of the requested Proposed Advance under the March 2018 Election Notice shall be the New Repayment Date.

Accordingly, OFA hereby agrees to waive the requirement for the IESO to certify on the March 2018 Election Notice that the New Repayment Date is not earlier than 5 days after the current Repayment Date for the Advance, as required in section 3.3(2) and Schedule 2 of the Credit Agreement.

Subject to the foregoing, section 3.3 of the Credit Agreement applies in its entirety to all future Proposed Advances and Continued Advances.
Best Regards,

ONTARIO FINANCING AUTHORITY

By:_____
Name: Michael D. Manning
Title: Executive Director & Chief Investment Officer,
Capital Markets Division

Ontario Financing Authority
1 Dundas Street West
Suite 1400
Toronto ON M7A 1Y7
Phone: 416-325-8000

Office ontarien de financement
1 rue Dundas ouest
Bureau 1400
Toronto ON M7A 1Y7

March ~~XX~~(·), 2018

Kimberly Marshall
Independent Electricity System Operator
120 Adelaide Street, Suite 1600
Toronto, M5H 1T1

Re: ~~$530,000,000 Borrowing and~~$_____ **Election Notice dated March ~~XX,~~(·), 2018**

Dear Kimberly,

The Ontario Financing Authority ("OFA") is in receipt of the Election Notice provided by the Independent Electricity System Operator ("IESO") to the OFA dated March ~~XX,~~(·), 2018 for a new Proposed Advance of ~~$208,000,000~~$_____ and a proposed Continued Advance of ~~$332,400,560.14~~$_____ specifying a New Repayment Date of March 22, 2018 (the "March 2018 Election Notice") under the Revolving Credit Facility Agreement between the IESO and OFA dated November 6, 2017, (the "Credit Agreement"), the terms defined therein being used herein as therein defined.

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Commented [WT1]: My preference would be to align this with the "New Repayment Date of March 22, 2018…" as above. However, I'm not particularly fussed about this if you feel this is fine the way it is

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ONTARIO FINANCING AUTHORITY

By:_____
Name: Michael D. Manning
Title: Executive Director & Chief Investment Officer,
Capital Markets Division

From:	William Tan
To:	Lisa Stein; Caroline Swerdlyk
Cc:	Sarah Harris
Subject:	FW: Loan roll over
Date:	Friday, March 09, 2018 1:44:17 PM
Attachments:	RE FHP Agreement 5-day minimum period exception.msg RE FHP Agreement 5-day minimum period exception.msg

---

Fyi
I spoke to Olga (IESO). She informed me that $332M, matures on March 20,(not March 21, previously reported). IESO would need to borrow $530M for 2 days (not 1 day, previously reported) for a maturity of March 22.
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James Devin has informed IESO that OFA is fine with the roll-over.
Thanks,
Will

From: James Devine
Sent: Friday, March 09, 2018 1:35 PM
To: 'Olga.Whiteley@ieso.ca'
Cc: William Tan ; Carlos Yep
Subject: Loan roll over
Looks like we will be able to do the two day loan roll -over

From: Salvatore Alfano []
To: William Tan [William.Tan@ofina.on.ca]
CC: Sarah Harris [Sarah.Harris@ofina.on.ca]; Carlos Yep [Carlos.Yep@ofina.on.ca]; SETTLEMENT [SETTLEMENT@ofina.on.ca]; CASHP [CASHP@ofina.on.ca]; James Devine [James.Devine@ofina.on.ca]
Subject: RE: FHP Agreement, 5-day minimum period exception
Date: Friday, March 09, 2018 14:31:25

Hi,

We don't have any concerns.

Sal

From: William Tan
Sent: Friday, March 09, 2018 12:03 PM
To: Salvatore Alfano <Salvatore.Alfano@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>; CASHP <CASHP@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>
Subject: RE: FHP Agreement, 5-day minimum period exception

Hello Salvatore,

I spoke to Olga (IESO). She informed me that $322M, matures on March 20,(not March 21, previously reported). IESO would need to borrow $530M for 2 days (not 1 day, previously reported) for a maturity of March 22. Please let me know if your area has concerns from an operational standpoint regarding this.

Thanks,

WIll

From: Salvatore Alfano
Sent: Thursday, March 08, 2018 9:58 AM
To: William Tan <William.Tan@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>; CASHP <CASHP@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: FHP Agreement, 5-day minimum period exception

Hi,

We would have no concerns from an operational standpoint.

Sal

From: William Tan
Sent: Wednesday, March 07, 2018 3:33 PM
To: Carlos Yep <Carlos.Yep@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>; CASHP

<CASHP@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FHP Agreement, 5-day minimum period exception

Hello all,

IESO has asked OFA for a one-time exception to waive the minimum period for advances of 5 days (FHP Credit Facility Agreement). IESO has asked for an advance period of 1 day, so it may use money expected from OPG to repay its advance on the same day it matures.

IESO's current outstanding advance of $322M, matures on March 21, 2018. IESO will require an additional advance of $208M (to pay power generators) for a total of $530M, but will only require this for 1 day because IESO expects to receive funds from OPG to repay its advances on March 22. Rather than incurring additional interest costs of borrowing until March 26, 2018 (5 day minimum), IESO would prefer to match the maturity of its advances and expected cash inflow from OPG.

Please let me know if your respective areas have any concerns or issues from an operational standpoint.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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From: Risa Thau []
To: Salvatore Alfano [Salvatore.Alfano@ofina.on.ca]; William Tan [William.Tan@ofina.on.ca]
CC: Sarah Harris [Sarah.Harris@ofina.on.ca]; Carlos Yep [Carlos.Yep@ofina.on.ca]; SETTLEMENT [SETTLEMENT@ofina.on.ca]; CASHP [CASHP@ofina.on.ca]; James Devine [James.Devine@ofina.on.ca]
Subject: RE: FHP Agreement, 5-day minimum period exception
Date: Friday, March 09, 2018 14:43:40

Neither does Settlements.

Thanks,

Risa Thau

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Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>; CASHP <CASHP@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>
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<SETTLEMENT@ofina.on.ca>; CASHP <CASHP@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: FHP Agreement, 5-day minimum period exception

Hi,

We would have no concerns from an operational standpoint.

Sal

From: William Tan
Sent: Wednesday, March 07, 2018 3:33 PM
To: Carlos Yep <Carlos.Yep@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>; CASHP <CASHP@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FHP Agreement, 5-day minimum period exception

Hello all,

IESO has asked OFA for a one-time exception to waive the minimum period for advances of 5 days (FHP Credit Facility Agreement). IESO has asked for an advance period of 1 day, so it may use money expected from OPG to repay its advance on the same day it matures.

IESO's current outstanding advance of $322M, matures on March 21, 2018. IESO will require an additional advance of $208M (to pay power generators) for a total of $530M, but will only require this for 1 day because IESO expects to receive funds from OPG to repay its advances on March 22. Rather than incurring additional interest costs of borrowing until March 26, 2018 (5 day minimum), IESO would prefer to match the maturity of its advances and expected cash inflow from OPG.

Please let me know if your respective areas have any concerns or issues from an operational standpoint.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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From:	William Tan
To:	Lisa Stein; Caroline Swerdlyk
Cc:	Sarah Harris
Subject:	FW: Loan roll over
Date:	Friday, March 09, 2018 1:44:17 PM
Attachments:	RE FHP Agreement 5-day minimum period exception.msg RE FHP Agreement 5-day minimum period exception.msg

---

Fyi
I spoke to Olga (IESO). She informed me that $332M, matures on March 20,(not March 21, previously reported). IESO would need to borrow $530M for 2 days (not 1 day, previously reported) for a maturity of March 22.
Attached is Cash Management confirmation that they have no concerns regarding the two day roll-over.
Settlements has no concerns either.
James Devin has informed IESO that OFA is fine with the roll-over.
Thanks,
Will

From: James Devine
Sent: Friday, March 09, 2018 1:35 PM
To: 'Olga.Whiteley@ieso.ca'
Cc: William Tan ; Carlos Yep
Subject: Loan roll over
Looks like we will be able to do the two day loan roll -over

From: Salvatore Alfano []
To: William Tan [William.Tan@ofina.on.ca]
CC: Sarah Harris [Sarah.Harris@ofina.on.ca]; Carlos Yep [Carlos.Yep@ofina.on.ca]; SETTLEMENT [SETTLEMENT@ofina.on.ca]; CASHP [CASHP@ofina.on.ca]; James Devine [James.Devine@ofina.on.ca]
Subject: RE: FHP Agreement, 5-day minimum period exception
Date: Friday, March 09, 2018 14:31:25

Hi,

We don't have any concerns.

Sal

From: William Tan
Sent: Friday, March 09, 2018 12:03 PM
To: Salvatore Alfano <Salvatore.Alfano@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>; CASHP <CASHP@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>
Subject: RE: FHP Agreement, 5-day minimum period exception

Hello Salvatore,

I spoke to Olga (IESO). She informed me that $322M, matures on March 20,(not March 21, previously reported). IESO would need to borrow $530M for 2 days (not 1 day, previously reported) for a maturity of March 22. Please let me know if your area has concerns from an operational standpoint regarding this.

Thanks,

WIll

From: Salvatore Alfano
Sent: Thursday, March 08, 2018 9:58 AM
To: William Tan <William.Tan@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>; CASHP <CASHP@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: FHP Agreement, 5-day minimum period exception

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Sent: Wednesday, March 07, 2018 3:33 PM
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<CASHP@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FHP Agreement, 5-day minimum period exception

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Please let me know if your respective areas have any concerns or issues from an operational standpoint.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
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Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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From: Risa Thau []
To: Salvatore Alfano [Salvatore.Alfano@ofina.on.ca]; William Tan [William.Tan@ofina.on.ca]
CC: Sarah Harris [Sarah.Harris@ofina.on.ca]; Carlos Yep [Carlos.Yep@ofina.on.ca]; SETTLEMENT [SETTLEMENT@ofina.on.ca]; CASHP [CASHP@ofina.on.ca]; James Devine [James.Devine@ofina.on.ca]
Subject: RE: FHP Agreement, 5-day minimum period exception
Date: Friday, March 09, 2018 14:43:40

Neither does Settlements.

Thanks,

Risa Thau

From: Salvatore Alfano
Sent: Friday, March 09, 2018 1:31 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>; CASHP <CASHP@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>
Subject: RE: FHP Agreement, 5-day minimum period exception

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Sent: Friday, March 09, 2018 12:03 PM
To: Salvatore Alfano <Salvatore.Alfano@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>; CASHP <CASHP@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>
Subject: RE: FHP Agreement, 5-day minimum period exception

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Sent: Thursday, March 08, 2018 9:58 AM
To: William Tan <William.Tan@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; SETTLEMENT

<SETTLEMENT@ofina.on.ca>; CASHP <CASHP@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: FHP Agreement, 5-day minimum period exception

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From: William Tan
Sent: Wednesday, March 07, 2018 3:33 PM
To: Carlos Yep <Carlos.Yep@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>; CASHP <CASHP@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FHP Agreement, 5-day minimum period exception

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Please let me know if your respective areas have any concerns or issues from an operational standpoint.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
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From: William Tan
To: Caroline Swerdlyk
Cc: Sarah Harris
Subject: FW: Loan roll over
Date: Monday, March 12, 2018 10:35:02 AM
Attachments: OFHP_IESO waiver (clean).docx
OFHP_IESO waiver (blackline).docx

Hi Caroline,
I will notify IESO that the waiver letter will be provided after OFA receives the Election Notice.
Thanks for adding the reference to March 22.
One comment, my preference would be to align this with the "New Repayment Date of March 22, 2018…" as above. However, I'm not particularly fussed about this if you feel this is fine the way it is.
What are you thoughts?
Thanks,
Will

From: Caroline Swerdlyk
Sent: Monday, March 12, 2018 7:57 AM
To: William Tan
Cc: Sarah Harris
Subject: RE: Loan roll over

Hi Will,
I have added a reference to the March 22 New Repayment Date in the first paragraph. As discussed last week, the waiver letter has been drafted assuming that it will be provided to the IESO after the OFA receives the Election Notice. After you receive the Election Notice, the date of the Election Notice will need to be inserted into the letter.
Please let me know if you would like to discuss. I am working from home today and can be reached on my cell: 416-270-0362.
Thanks,
Caroline

From: William Tan
Sent: Friday, March 09, 2018 4:33 PM
To: Caroline Swerdlyk <Caroline.Swerdlyk@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Loan roll over

Hi Caroline,
I made a couple more small changes. Have a great weekend.
Will

From: Caroline Swerdlyk
Sent: Friday, March 09, 2018 4:29 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Loan roll over

Hi Will,
I can revise the letter to address your comment (highlighted yellow below) on Monday. Hopefully this timing works.

Thanks,
Caroline

From: William Tan
Sent: Friday, March 09, 2018 4:06 PM
To: Caroline Swerdlyk <Caroline.Swerdlyk@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Loan roll over

Hi Caroline,
Once IESO sends the notices I will change the date on the draft waiver.
According to James Devine, the method to price a 5 day minimum period is the same to price for a 1 or 2 day period. He also expects the price to be similar in both situations.
You will need to change this date in the draft waiver letter that Lisa sent you yesterday. I don't think any other changes will be needed to the draft letter as a result of this change.
Once IESO sends the notices I will change the date on the draft waiver.
I also wanted to follow-up with you on the issues that Lisa raised:

- Do the interest provisions in the Credit Agreement continue to apply to this Proposed Advance and Continued Advance (will the interest calculation be the same for this Proposed and/or Continued Advance as set out in the Credit Agreement)? Do we need to specify further details in the waiver?
  According to James Devine, the method to price a 5 day minimum period is the same to price for a 1 or 2 day period. He also expects the price to be similar in both situations.
- Do we need to consider imposing a specific minimum borrowing period (of one or two days)?
  Would it be possible to tighten the language in the waiver to reflect the March 22 repayment, rather than "no minimum days…? This doesn't seem consistent with election notice.

Thanks,
Will

From: Caroline Swerdlyk
Sent: Friday, March 09, 2018 2:07 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Loan roll over

Hi Will,
You will need to change this date in the draft waiver letter that Lisa sent you yesterday. I don't think any other changes will be needed to the draft letter as a result of this change.
I also wanted to follow-up with you on the issues that Lisa raised:

- Do the interest provisions in the Credit Agreement continue to apply to this Proposed Advance and Continued Advance (will the interest calculation be the same for this Proposed and/or Continued Advance as set out in the Credit Agreement)? Do we need to specify further details in the waiver?
- Do we need to consider imposing a specific minimum borrowing period (of one or two days)?

Please let me know if you would like to discuss.
Thanks,
Caroline

From: William Tan
Sent: Friday, March 09, 2018 1:44 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>; Caroline Swerdlyk <Caroline.Swerdlyk@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: Loan roll over

Fyi
I spoke to Olga (IESO). She informed me that $332M, matures on March 20,(not March 21, previously reported). IESO would need to borrow $530M for 2 days (not 1 day, previously reported) for a maturity of March 22.
Attached is Cash Management confirmation that they have no concerns regarding the two day roll-over.
Settlements has no concerns either.
James Devin has informed IESO that OFA is fine with the roll-over.
Thanks,
Will

From: James Devine
Sent: Friday, March 09, 2018 1:35 PM
To: 'Olga.Whiteley@ieso.ca' <Olga.Whiteley@ieso.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>
Subject: Loan roll over

Looks like we will be able to do the two day loan roll -over

Ontario Financing Authority
1 Dundas Street West
Suite 1400
Toronto ON M7A 1Y7
Phone: 416-325-8000

Office ontarien de financement
1 rue Dundas ouest
Bureau 1400
Toronto ON M7A 1Y7

March (·), 2018

Kimberly Marshall
Independent Electricity System Operator
120 Adelaide Street, Suite 1600
Toronto, M5H 1T1

Re: **$_____ Election Notice dated March (·), 2018**

Dear Kimberly,

The Ontario Financing Authority ("OFA") is in receipt of the Election Notice provided by the Independent Electricity System Operator ("IESO") to the OFA dated March (·), 2018 for a new Proposed Advance of $_____ and a proposed Continued Advance of $_____ specifying a New Repayment Date of March 22, 2018 (the "March 2018 Election Notice") under the Revolving Credit Facility Agreement between the IESO and OFA dated November 6, 2017, (the "Credit Agreement"), the terms defined therein being used herein as therein defined.

For the sole purpose of the March 2018 Election Notice, the OFA hereby agrees to waive the requirement set out in section 3.3(1) of the Credit Agreement that a Continued Advance must be for a further period of at least 5 days, beginning on the then current Repayment Date.

For greater clarity, for the purpose of the March 2018 Election Notice only, there shall be no minimum number of days required from the date of the Proposed Continued Advance to the New Repayment Date. Pursuant to section 3.3(3) of the Credit Agreement, the Repayment Date of the requested Proposed Advance under the March 2018 Election Notice shall be the New Repayment Date.

Accordingly, OFA hereby agrees to waive the requirement for the IESO to certify on the March 2018 Election Notice that the New Repayment Date is not earlier than 5 days after the current Repayment Date for the Advance, as required in section 3.3(2) and Schedule 2 of the Credit Agreement.

Subject to the foregoing, section 3.3 of the Credit Agreement applies in its entirety to all future Proposed Advances and Continued Advances.
Best Regards,

ONTARIO FINANCING AUTHORITY

By:_____
Name: Michael D. Manning
Title: Executive Director & Chief Investment Officer,
Capital Markets Division

Ontario Financing Authority
1 Dundas Street West
Suite 1400
Toronto ON M7A 1Y7
Phone: 416-325-8000

Office ontarien de financement
1 rue Dundas ouest
Bureau 1400
Toronto ON M7A 1Y7

March ~~XX~~(·), 2018

Kimberly Marshall
Independent Electricity System Operator
120 Adelaide Street, Suite 1600
Toronto, M5H 1T1

Re: ~~$530,000,000 Borrowing and~~$_____ **Election Notice dated March ~~XX,~~(·), 2018**

Dear Kimberly,

The Ontario Financing Authority ("OFA") is in receipt of the Election Notice provided by the Independent Electricity System Operator ("IESO") to the OFA dated March ~~XX,~~(·), 2018 for a new Proposed Advance of ~~$208,000,000~~$_____ and a proposed Continued Advance of ~~$332,400,560.14~~$_____ specifying a New Repayment Date of March 22, 2018 (the "March 2018 Election Notice") under the Revolving Credit Facility Agreement between the IESO and OFA dated November 6, 2017, (the "Credit Agreement"), the terms defined therein being used herein as therein defined.

For the sole purpose of the March 2018 Election Notice, the OFA hereby agrees to waive the requirement set out in section 3.3(1) of the Credit Agreement that a Continued Advance must be for a further period of at least 5 days, beginning on the then current Repayment Date.

For greater clarity, for the purpose of the March 2018 Election Notice only, there shall be no minimum number of days required from the date of the Proposed Continued Advance to the New Repayment Date. Pursuant to section 3.3(3) of the Credit Agreement, the Repayment Date of the requested Proposed Advance under the March 2018 Election Notice shall be the New Repayment Date.

Commented [WT1]: My preference would be to align this with the "New Repayment Date of March 22, 2018…" as above. However, I'm not particularly fussed about this if you feel this is fine the way it is

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Subject to the foregoing, section 3.3 of the Credit Agreement applies in its entirety to all future Proposed Advances and Continued Advances.

Best Regards,

ONTARIO FINANCING AUTHORITY

By:_____
Name: Michael D. Manning
Title: Executive Director & Chief Investment Officer,
Capital Markets Division

From:	Sarah Harris
To:	Linda Smith
Cc:	Ryan Blackbyrne; Jean-Francois Beaupre
Subject:	FW: OEFC borrowing notice - January 22, 2018
Date:	Monday, January 08, 2018 2:57:25 PM
Attachments:	$200M OEFC Borrowing Notice - 01 08 18 signed.pdf RE OEFC borrowing notice - January 22 2018.msg

---

Hi Linda,

Ryan Blackbyrne is handling this; he was in contact with Anthea on Friday.

Thanks,
Sarah

-----Original Message-----
From: Linda Smith
Sent: Monday, January 08, 2018 1:36 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: OEFC borrowing notice - January 22, 2018

Who should this go to?

-----Original Message-----
From: YAO Anthea -FUNDMGMT [mailto:anthea.yao@opg.com]
Sent: Thursday, January 04, 2018 2:04 PM
To: 'Kelly.Listoe@ofina.on.ca' <Kelly.Listoe@ofina.on.ca>
Cc: TETI Vicki -FIN & C CTRL <vicki.teti@opg.com>; RYFA Ken -TREASURY <ken.ryfa@opg.com>; Linda Smith <Linda.Smith@ofina.on.ca>; CASHP <CASHP@ofina.on.ca>; CASHO <CASHO@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>; Serena Ly <Serena.Ly@ofina.on.ca>; GO Matthew -TREASURY <matthew.go@opg.com>
Subject: OEFC borrowing notice - January 22, 2018

Kelly,

Attached is a scanned copy of the Borrowing Notice and Promissory Note for $200 million General Corporate Requirements under the Credit Facility Agreement. The advance has a value date of January 22, 2018 and is for a 30-year term.

I will courier the originals to your attention.

Thanks,
Anthea

Anthea Yao | Ontario Power Generation
700 University Avenue, Suite H18 C2, Toronto, Ontario, M5G 1X6 | T416.592.5542 | F 416.592.4189 | E anthea.yao@opg.com<mailto:anthea.yao@opg.com>

THIS MESSAGE IS ONLY INTENDED FOR THE USE OF THE INTENDED RECIPIENT(S) AND MAY CONTAIN INFORMATION THAT IS PRIVILEGED, PROPRIETARY AND/OR CONFIDENTIAL. If you are

not the intended recipient, you are hereby notified that any review, retransmission, dissemination, distribution, copying, conversion to hard copy or other use of this communication is strictly prohibited. If you are not the intended recipient and have received this message in error, please notify me by return e-mail and delete this message from your system. Ontario Power Generation Inc.

BORROWING NOTICE

Date: January 8, 2018

Ontario Electricity Financial Corporation **("OEFC")**
c/o Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A1Y7

Attention: Cash Management
Via e-mail*: CashP@ofina.on.ca

Dear Sirs:

The undersigned, Ontario Power Generation Inc. ("**OPG**"), refers to the General Corporate Requirements Credit Facility Agreement dated June 17, 2016 (as amended, supplemented or restated from time to time, the **"Agreement"**, the terms defined therein being used herein as therein defined) between OPG and OEFC, and gives you notice pursuant to Section 3.2 of the Agreement that OPG requests the following Advance under the Agreement (the **"Proposed Advance"**), and, in that connection, sets forth below the information relating to such Proposed Advance as required by Section 3.2 of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is January 22, 2018;
(b) The principal amount of the Proposed Advance is $200,000,000;
(c) The purpose of the Proposed Advance is Other General Corporate Requirements;
(d) The Repayment Date of the Proposed Advance is January 22, 2048;
(e) The Interest Payment Dates are the 22nd day of each January and July beginning July 22, 2018.

OPG hereby certifies that:

The representations and warranties of OPG contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

OPG has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received previously as Advances under the Agreement have been expended or are being held solely for the purpose for which they were advanced; no part of said funds has been nor any part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

ONTARIO POWER GENERATION INC.

Per: _____
John Lee
Vice President Treasurer

Per: _____
Ken Hartwick
Chief Financial Officer &
Senior Vice President - Finance

*To be confirmed by telephone call to OEFC Cash Management (416) 325-8108

PROMISSORY NOTE
(GENERAL CORPORATE REQUIREMENTS CREDIT FACILITY)

Principal Amount: **$200,000,000 CAD** Date: January 22, 2018
Interest Rate: _____% per annum
Due: **January 22, 2048**

FOR VALUE RECEIVED, ONTARIO POWER GENERATION INC. ("OPG"), a corporation incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of $200,000,000 in the lawful money of Canada, with interest on such amount at the rate, calculated in the manner and payable at the times specified in this promissory note (the **"Note"**).

The outstanding principal amount of this Note together with all interest accrued thereon shall become due and payable on January 22, 2048.

OEFC shall and is unconditionally and absolutely authorized and directed by OPG to record the date and amount of each prepayment, made with OEFC's consent, on account of the principal paid to OEFC and the resulting outstanding principal amount of this Note (the "**Records**"). OPG agrees that, in the absence of manifest mathematical error, the Records shall be *prima facie* evidence of such payments, provided that the failure of OEFC to record or correctly record any amount or date shall not affect the obligation of OPG to pay the outstanding principal amount of the advances and interest, if applicable.

The principal amount of this Note remaining from time to time unpaid and outstanding shall bear interest from the date of this Note both before and after maturity and both before and after Default at the rate of per annum equal to _____%. Interest at such rate shall accrue daily and shall be payable in arrears, in equal semi-annual payments on January 22nd and July 22nd of each year commencing July 22, 2018 until repaid in full. Overdue interest shall bear interest at the same rate, calculated as aforesaid. Whenever it is necessary to compute interest in respect of this Note for a period of less than one full year, other than such equal semi-annual payments, such interest shall be calculated on the basis of the actual number of days elapsed in a year of 365 days.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the General Corporate Requirements Credit Facility Agreement dated June 17, 2016 between OPG and OEFC (as amended supplemented or replaced from time to time, the "**Agreement**"), which Agreement provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of OPG. OPG waives presentment for payment and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

*****

IN WITNESS WHEREOF OPG has executed this Note

ONTARIO POWER GENERATION INC.

Per: _____
John Lee
Vice President–Treasurer

Per: _____
Ken Hartwick
Chief Financial Officer &
Senior Vice President - Finance

From: Ryan Blackbyrne []
To: 'YAO Anthea -FUNDMGMT' [anthea.yao@opg.com]
CC: Kevin Shvarts [Kevin.Shvarts@ofina.on.ca]; Jean-Francois Beaupre [Jean-Francois.Beaupre@ofina.on.ca]; Sarah Harris [Sarah.Harris@ofina.on.ca]
Subject: RE: OEFC borrowing notice - January 22, 2018
Date: Friday, January 05, 2018 10:09:19

Hi Anthea,

I can handle this. Please resend the attachments. You can courier the originals to my attention at the same address you used for Kelly (in my email signature).

Thank You,

Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M5G 1Z3
416-325-8143
ryan.blackbyrne@ofina.on.ca

-----Original Message-----
From: Kevin Shvarts
Sent: Thursday, January 04, 2018 4:38 PM
To: 'YAO Anthea -FUNDMGMT' <anthea.yao@opg.com>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Subject: RE: OEFC borrowing notice - January 22, 2018

Hi Anthea,

No, Kelly is no longer with the OFA. His manager, Sarah, is currently out of the office, but I am copying her and Jean-Francois who can help direct this to the appropriate person.

Kevin

-----Original Message-----
From: YAO Anthea -FUNDMGMT [mailto:anthea.yao@opg.com]
Sent: Thursday, January 04, 2018 4:33 PM
To: Kevin Shvarts <Kevin.Shvarts@ofina.on.ca>
Subject: FW: OEFC borrowing notice - January 22, 2018

Hi Kevin,

My email below to Kelly was bounced back. Would you know if Kelly is still with the OFA?

Thanks,
Anthea

From: YAO Anthea -FUNDMGMT
Sent: Thursday, January 04, 2018 2:04 PM
To: 'Kelly.Listoe@ofina.on.ca' <Kelly.Listoe@ofina.on.ca<mailto:Kelly.Listoe@ofina.on.ca>>
Cc: TETI Vicki -FIN & C CTRL <vicki.teti@opg.com<mailto:vicki.teti@opg.com>>; RYFA Ken -TREASURY

<ken.ryfa@opg.com<mailto:ken.ryfa@opg.com>>; 'Linda Smith'
<linda.smith@ofina.on.ca<mailto:linda.smith@ofina.on.ca>>; 'CASHP@ofina.on.ca'
<CASHP@ofina.on.ca<mailto:CASHP@ofina.on.ca>>; casho@ofina.on.ca<mailto:casho@ofina.on.ca>
<casho@ofina.on.ca<mailto:casho@ofina.on.ca>>; Carlos Yep
<carlos.yep@ofina.on.ca<mailto:carlos.yep@ofina.on.ca>>; James Devine
<james.devine@ofina.on.ca<mailto:james.devine@ofina.on.ca>>; 'Serena.ly@ofina.on.ca'
<Serena.ly@ofina.on.ca<mailto:Serena.ly@ofina.on.ca>>; GO Matthew -TREASURY
<matthew.go@opg.com<mailto:matthew.go@opg.com>>
Subject: OEFC borrowing notice - January 22, 2018

Kelly,

Attached is a scanned copy of the Borrowing Notice and Promissory Note for $200 million General Corporate Requirements under the Credit Facility Agreement. The advance has a value date of January 22, 2018 and is for a 30-year term.

I will courier the originals to your attention.

Thanks,
Anthea

Anthea Yao | Ontario Power Generation
700 University Avenue, Suite H18 C2, Toronto, Ontario, M5G 1X6 | T416.592.5542 | F 416.592.4189 | E anthea.yao@opg.com<mailto:anthea.yao@opg.com>

THIS MESSAGE IS ONLY INTENDED FOR THE USE OF THE INTENDED RECIPIENT(S) AND MAY CONTAIN INFORMATION THAT IS PRIVILEGED, PROPRIETARY AND/OR CONFIDENTIAL. If you are not the intended recipient, you are hereby notified that any review, retransmission, dissemination, distribution, copying, conversion to hard copy or other use of this communication is strictly prohibited. If you are not the intended recipient and have received this message in error, please notify me by return e-mail and delete this message from your system. Ontario Power Generation Inc.

From: Linda Smith
To: Sarah Harris
Subject: FW: OEFC borrowing notice - January 22, 2018
Date: Monday, January 08, 2018 1:36:22 PM
Attachments: $200M OEFC Borrowing Notice - 01 08 18 signed.pdf

---

Who should this go to?

-----Original Message-----
From: YAO Anthea -FUNDMGMT [mailto:anthea.yao@opg.com]
Sent: Thursday, January 04, 2018 2:04 PM
To: 'Kelly.Listoe@ofina.on.ca' <Kelly.Listoe@ofina.on.ca>
Cc: TETI Vicki -FIN & C CTRL <vicki.teti@opg.com>; RYFA Ken -TREASURY <ken.ryfa@opg.com>; Linda Smith <Linda.Smith@ofina.on.ca>; CASHP <CASHP@ofina.on.ca>; CASHO <CASHO@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>; Serena Ly <Serena.Ly@ofina.on.ca>; GO Matthew -TREASURY <matthew.go@opg.com>
Subject: OEFC borrowing notice - January 22, 2018

Kelly,

Attached is a scanned copy of the Borrowing Notice and Promissory Note for $200 million General Corporate Requirements under the Credit Facility Agreement. The advance has a value date of January 22, 2018 and is for a 30-year term.

I will courier the originals to your attention.

Thanks,
Anthea

Anthea Yao | Ontario Power Generation
700 University Avenue, Suite H18 C2, Toronto, Ontario, M5G 1X6 | T416.592.5542 | F 416.592.4189 | E anthea.yao@opg.com<mailto:anthea.yao@opg.com>

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BORROWING NOTICE

Date: January 8, 2018

Ontario Electricity Financial Corporation **("OEFC")**
c/o Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A1Y7

Attention: Cash Management
Via e-mail*: CashP@ofina.on.ca

Dear Sirs:

The undersigned, Ontario Power Generation Inc. ("**OPG**"), refers to the General Corporate Requirements Credit Facility Agreement dated June 17, 2016 (as amended, supplemented or restated from time to time, the **"Agreement"**, the terms defined therein being used herein as therein defined) between OPG and OEFC, and gives you notice pursuant to Section 3.2 of the Agreement that OPG requests the following Advance under the Agreement (the **"Proposed Advance"**), and, in that connection, sets forth below the information relating to such Proposed Advance as required by Section 3.2 of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is January 22, 2018;
(b) The principal amount of the Proposed Advance is $200,000,000;
(c) The purpose of the Proposed Advance is Other General Corporate Requirements;
(d) The Repayment Date of the Proposed Advance is January 22, 2048;
(e) The Interest Payment Dates are the 22nd day of each January and July beginning July 22, 2018.

OPG hereby certifies that:

The representations and warranties of OPG contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

OPG has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received previously as Advances under the Agreement have been expended or are being held solely for the purpose for which they were advanced; no part of said funds has been nor any part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

ONTARIO POWER GENERATION INC.

Per: _____
John Lee
Vice President Treasurer

Per: _____
Ken Hartwick
Chief Financial Officer &
Senior Vice President - Finance

*To be confirmed by telephone call to OEFC Cash Management (416) 325-8108

PROMISSORY NOTE
(GENERAL CORPORATE REQUIREMENTS CREDIT FACILITY)

Principal Amount: **$200,000,000 CAD** Date: January 22, 2018
Interest Rate: _____% per annum
Due: **January 22, 2048**

FOR VALUE RECEIVED, ONTARIO POWER GENERATION INC. ("OPG"), a corporation incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of $200,000,000 in the lawful money of Canada, with interest on such amount at the rate, calculated in the manner and payable at the times specified in this promissory note (the **"Note"**).

The outstanding principal amount of this Note together with all interest accrued thereon shall become due and payable on January 22, 2048.

OEFC shall and is unconditionally and absolutely authorized and directed by OPG to record the date and amount of each prepayment, made with OEFC's consent, on account of the principal paid to OEFC and the resulting outstanding principal amount of this Note (the "**Records**"). OPG agrees that, in the absence of manifest mathematical error, the Records shall be *prima facie* evidence of such payments, provided that the failure of OEFC to record or correctly record any amount or date shall not affect the obligation of OPG to pay the outstanding principal amount of the advances and interest, if applicable.

The principal amount of this Note remaining from time to time unpaid and outstanding shall bear interest from the date of this Note both before and after maturity and both before and after Default at the rate of per annum equal to _____%. Interest at such rate shall accrue daily and shall be payable in arrears, in equal semi-annual payments on January 22nd and July 22nd of each year commencing July 22, 2018 until repaid in full. Overdue interest shall bear interest at the same rate, calculated as aforesaid. Whenever it is necessary to compute interest in respect of this Note for a period of less than one full year, other than such equal semi-annual payments, such interest shall be calculated on the basis of the actual number of days elapsed in a year of 365 days.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the General Corporate Requirements Credit Facility Agreement dated June 17, 2016 between OPG and OEFC (as amended supplemented or replaced from time to time, the "**Agreement**"), which Agreement provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of OPG. OPG waives presentment for payment and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

*****

IN WITNESS WHEREOF OPG has executed this Note

ONTARIO POWER GENERATION INC.

Per: _____
John Lee
Vice President–Treasurer

Per: _____
Ken Hartwick
Chief Financial Officer &
Senior Vice President - Finance

From: Sarah Harris
To: Ryan Blackbyrne
Cc: Jean-Francois Beaupre
Subject: FW: OEFC borrowing notice - January 22, 2018
Date: Monday, January 08, 2018 3:11:37 PM

Hi Ryan,

I am fine with this approach - please check the agreement to confirm the section that deals parties agreeing to changes to agreement. Next, please touch base with OFA legal to let them know that it is the intention of the parties to waive the 30 year requirement in respect of this loan, and that you will draft them a letter for review (I'm assuming section in agreement will state that written agreement is required between the two parties). If OFA Legal has any objections, they'll let you know, but there should be none.

Thanks,
Sarah

-----Original Message-----
From: Linda Smith
Sent: Monday, January 08, 2018 3:05 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Subject: RE: OEFC borrowing notice - January 22, 2018

Ok thanks. OPG would like to borrow the $200 million for 30 years. The current agreement restricts 30 year borrowing to 50% of each loan. Mike is fine with waiving this. Can we do it by a letter?

-----Original Message-----
From: Sarah Harris
Sent: Monday, January 08, 2018 2:57 PM
To: Linda Smith <Linda.Smith@ofina.on.ca>
Cc: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Subject: FW: OEFC borrowing notice - January 22, 2018

Hi Linda,

Ryan Blackbyrne is handling this; he was in contact with Anthea on Friday.

Thanks,
Sarah

-----Original Message-----
From: Linda Smith
Sent: Monday, January 08, 2018 1:36 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: OEFC borrowing notice - January 22, 2018

Who should this go to?

-----Original Message-----
From: YAO Anthea -FUNDMGMT [mailto:anthea.yao@opg.com]
Sent: Thursday, January 04, 2018 2:04 PM
To: 'Kelly.Listoe@ofina.on.ca' <Kelly.Listoe@ofina.on.ca>

Cc: TETI Vicki -FIN & C CTRL <vicki.teti@opg.com>; RYFA Ken -TREASURY <ken.ryfa@opg.com>; Linda Smith <Linda.Smith@ofina.on.ca>; CASHP <CASHP@ofina.on.ca>; CASHO <CASHO@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>; Serena Ly <Serena.Ly@ofina.on.ca>; GO Matthew -TREASURY <matthew.go@opg.com>
Subject: OEFC borrowing notice - January 22, 2018

Kelly,

Attached is a scanned copy of the Borrowing Notice and Promissory Note for $200 million General Corporate Requirements under the Credit Facility Agreement. The advance has a value date of January 22, 2018 and is for a 30-year term.

I will courier the originals to your attention.

Thanks,
Anthea

Anthea Yao | Ontario Power Generation
700 University Avenue, Suite H18 C2, Toronto, Ontario, M5G 1X6 | T416.592.5542 | F 416.592.4189 | E anthea.yao@opg.com<mailto:anthea.yao@opg.com>

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To:	Andrea Dalgarno
Subject:	FW: OEFC borrowing notice - March 22, 2018
Date:	Friday, March 09, 2018 2:54:51 PM
Attachments:	$400M OEFC Borrowing Notice - 03 06 18 signed.pdf

---

Hi Andrea,

May I please ask your assistance in a

From: YAO Anthea -FUNDMGMT [mailto:anthea.yao@opg.com]
Sent: Tuesday, March 06, 2018 2:01 PM
To: Sarah Harris
Subject: FW: OEFC borrowing notice - March 22, 2018

Hi Sarah,

Could you please assist in Ryan's absence? Should I send the original to your attention instead?

Thanks,

Anthea

Anthea Yao | **Ontario Power Generation**
700 University Avenue, Suite H18 C2, Toronto, Ontario, M5G 1X6 | T416.592.5542 | F 416.592.4189 | E anthea.yao@opg.com

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From: YAO Anthea -FUNDMGMT
Sent: Tuesday, March 06, 2018 1:58 PM
To: 'Ryan Blackbyrne' <Ryan.Blackbyrne@ofina.on.ca>
Cc: RYFA Ken -TREASURY <ken.ryfa@opg.com>; 'Linda Smith' <linda.smith@ofina.on.ca>; 'CASHP@ofina.on.ca' <CASHP@ofina.on.ca>; casho@ofina.on.ca <casho@ofina.on.ca>; Carlos Yep <carlos.yep@ofina.on.ca>; James Devine <james.devine@ofina.on.ca>; 'Serena.ly@ofina.on.ca' <Serena.ly@ofina.on.ca>; GO Matthew -TREASURY <matthew.go@opg.com>; MAK Ricky -TREASURY <ricky.mak@opg.com>; LeRoy Ahyee <LeRoy.Ahyee@ofina.on.ca>
Subject: OEFC borrowing notice - March 22, 2018

Ryan,

Attached is a scanned copy of the Borrowing Notice and Promissory Note for $400 million General Corporate Requirements under the Credit Facility Agreement. The advance has a value date of March 22, 2018 and is for a 30-year term.

I will courier the originals to your attention.

Please wire the advance to the following account:

Beneficiary Name:
Ontario Power Generation Inc.
700 University Ave.
Toronto, ON, M5G 1X6
Beneficiary Account - 476960302716
Swift - NOSCCATT
Bank Number - 002
Transit Number - 47696
Bank information:
The Bank of Nova Scotia
44 King Street West
Toronto, Ontario

Thanks,
Anthea

Anthea Yao | **Ontario Power Generation**
700 University Avenue, Suite H18 C2, Toronto, Ontario, M5G 1X6 | T416.592.5542 | F 416.592.4189 | E anthea.yao@opg.com

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BORROWING NOTICE

Date: March 5, 2018

Ontario Electricity Financial Corporation **("OEFC")**
c/o Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A1Y7

Attention: Cash Management
Via e-mail*: CashP@ofina.on.ca

Dear Sirs:

The undersigned, Ontario Power Generation Inc. ("**OPG**"), refers to the General Corporate Requirements Credit Facility Agreement dated June 17, 2016 (as amended, supplemented or restated from time to time, the **"Agreement"**, the terms defined therein being used herein as therein defined) between OPG and OEFC, and gives you notice pursuant to Section 3.2 of the Agreement that OPG requests the following Advance under the Agreement (the **"Proposed Advance"**), and, in that connection, sets forth below the information relating to such Proposed Advance as required by Section 3.2 of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is March 22, 2018;
(b) The principal amount of the Proposed Advance is $400,000,000;
(c) The purpose of the Proposed Advance is Other General Corporate Requirements;
(d) The Repayment Date of the Proposed Advance is March 22, 2048;
(e) The Interest Payment Dates are the 22nd day of each March and September beginning Septemebr 22, 2018.

OPG hereby certifies that:

The representations and warranties of OPG contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

OPG has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received previously as Advances under the Agreement have been expended or are being held solely for the purpose for which they were advanced; no part of said funds has been nor any part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

ONTARIO POWER GENERATION INC.

Per: _____
John Lee
Vice President Treasurer

Per: _____
Ken Hartwick
Chief Financial Officer &
Senior Vice President - Finance

*To be confirmed by telephone call to OEFC Cash Management (416) 325-8108

PROMISSORY NOTE
(GENERAL CORPORATE REQUIREMENTS CREDIT FACILITY)

Principal Amount: **$400,000,000 CAD** Date: March 22, 2018
Interest Rate: _____% per annum
Due: **March 22, 2048**

FOR VALUE RECEIVED, ONTARIO POWER GENERATION INC. ("OPG"), a corporation incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of $200,000,000 in the lawful money of Canada, with interest on such amount at the rate, calculated in the manner and payable at the times specified in this promissory note (the **"Note"**).

The outstanding principal amount of this Note together with all interest accrued thereon shall become due and payable on March 22, 2048.

OEFC shall and is unconditionally and absolutely authorized and directed by OPG to record the date and amount of each prepayment, made with OEFC's consent, on account of the principal paid to OEFC and the resulting outstanding principal amount of this Note (the "**Records**"). OPG agrees that, in the absence of manifest mathematical error, the Records shall be *prima facie* evidence of such payments, provided that the failure of OEFC to record or correctly record any amount or date shall not affect the obligation of OPG to pay the outstanding principal amount of the advances and interest, if applicable.

The principal amount of this Note remaining from time to time unpaid and outstanding shall bear interest from the date of this Note both before and after maturity and both before and after Default at the rate of per annum equal to _____%. Interest at such rate shall accrue daily and shall be payable in arrears, in equal semi-annual payments on March 22nd and September 22nd of each year commencing September 22, 2018 until repaid in full. Overdue interest shall bear interest at the same rate, calculated as aforesaid. Whenever it is necessary to compute interest in respect of this Note for a period of less than one full year, other than such equal semi-annual payments, such interest shall be calculated on the basis of the actual number of days elapsed in a year of 365 days.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the General Corporate Requirements Credit Facility Agreement dated June 17, 2016 between OPG and OEFC (as amended supplemented or replaced from time to time, the "**Agreement**"), which Agreement provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

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This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

*****

IN WITNESS WHEREOF OPG has executed this Note

ONTARIO POWER GENERATION INC.

Per: _____
John Lee
Vice President–Treasurer

Per: _____
Ken Hartwick
Chief Financial Officer &
Senior Vice President - Finance

To:	Nurudin Kaba; Joe Pedota
Subject:	FW: OEFC borrowing notice - March 22, 2018
Date:	Wednesday, March 07, 2018 3:50:04 PM
Attachments:	$400M OEFC Borrowing Notice - 03 06 18 signed.pdf

Hi,

I see this w

From: YAO Anthea -FUNDMGMT [mailto:anthea.yao@opg.com]
Sent: Tuesday, March 06, 2018 2:01 PM
To: Sarah Harris
Subject: FW: OEFC borrowing notice - March 22, 2018

Hi Sarah,

Could you please assist in Ryan's absence? Should I send the original to your attention instead?

Thanks,

Anthea

Anthea Yao | **Ontario Power Generation**
700 University Avenue, Suite H18 C2, Toronto, Ontario, M5G 1X6 | T416.592.5542 | F 416.592.4189 | E anthea.yao@opg.com

---

From: YAO Anthea -FUNDMGMT
Sent: Tuesday, March 06, 2018 1:58 PM
To: 'Ryan Blackbyrne' <Ryan.Blackbyrne@ofina.on.ca>
Cc: RYFA Ken -TREASURY <ken.ryfa@opg.com>; 'Linda Smith' <linda.smith@ofina.on.ca>; 'CASHP@ofina.on.ca' <CASHP@ofina.on.ca>; casho@ofina.on.ca <casho@ofina.on.ca>; Carlos Yep <carlos.yep@ofina.on.ca>; James Devine <james.devine@ofina.on.ca>; 'Serena.ly@ofina.on.ca' <Serena.ly@ofina.on.ca>; GO Matthew -TREASURY <matthew.go@opg.com>; MAK Ricky -TREASURY <ricky.mak@opg.com>; LeRoy Ahyee <LeRoy.Ahyee@ofina.on.ca>
Subject: OEFC borrowing notice - March 22, 2018

Ryan,

Attached is a scanned copy of the Borrowing Notice and Promissory Note for $400 million General Corporate Requirements under the Credit Facility Agreement. The advance has a value date of March 22, 2018 and is for a 30-year term.

I will courier the originals to your attention.

Please wire the advance to the following account:

Beneficiary Name:
Ontario Power Generation Inc.
700 University Ave.
Toronto, ON, M5G 1X6
Beneficiary Account - 476960302716
Swift - NOSCCATT
Bank Number - 002
Transit Number - 47696
Bank information:
The Bank of Nova Scotia
44 King Street West
Toronto, Ontario

Thanks,
Anthea

Anthea Yao | **Ontario Power Generation**
700 University Avenue, Suite H18 C2, Toronto, Ontario, M5G 1X6 | T416.592.5542 | F 416.592.4189 | E anthea.yao@opg.com

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BORROWING NOTICE

Date: March 5, 2018

Ontario Electricity Financial Corporation **("OEFC")**
c/o Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A1Y7

Attention: Cash Management
Via e-mail*: CashP@ofina.on.ca

Dear Sirs:

The undersigned, Ontario Power Generation Inc. ("**OPG**"), refers to the General Corporate Requirements Credit Facility Agreement dated June 17, 2016 (as amended, supplemented or restated from time to time, the **"Agreement"**, the terms defined therein being used herein as therein defined) between OPG and OEFC, and gives you notice pursuant to Section 3.2 of the Agreement that OPG requests the following Advance under the Agreement (the **"Proposed Advance"**), and, in that connection, sets forth below the information relating to such Proposed Advance as required by Section 3.2 of the Agreement:

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(c) The purpose of the Proposed Advance is Other General Corporate Requirements;
(d) The Repayment Date of the Proposed Advance is March 22, 2048;
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OPG hereby certifies that:

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OPG has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received previously as Advances under the Agreement have been expended or are being held solely for the purpose for which they were advanced; no part of said funds has been nor any part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

ONTARIO POWER GENERATION INC.

Per: _____
John Lee
Vice President Treasurer

Per: _____
Ken Hartwick
Chief Financial Officer &
Senior Vice President - Finance

*To be confirmed by telephone call to OEFC Cash Management (416) 325-8108

PROMISSORY NOTE
(GENERAL CORPORATE REQUIREMENTS CREDIT FACILITY)

Principal Amount: **$400,000,000 CAD** Date: March 22, 2018
Interest Rate: _____% per annum
Due: **March 22, 2048**

FOR VALUE RECEIVED, ONTARIO POWER GENERATION INC. ("OPG"), a corporation incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of $200,000,000 in the lawful money of Canada, with interest on such amount at the rate, calculated in the manner and payable at the times specified in this promissory note (the **"Note"**).

The outstanding principal amount of this Note together with all interest accrued thereon shall become due and payable on March 22, 2048.

OEFC shall and is unconditionally and absolutely authorized and directed by OPG to record the date and amount of each prepayment, made with OEFC's consent, on account of the principal paid to OEFC and the resulting outstanding principal amount of this Note (the "**Records**"). OPG agrees that, in the absence of manifest mathematical error, the Records shall be *prima facie* evidence of such payments, provided that the failure of OEFC to record or correctly record any amount or date shall not affect the obligation of OPG to pay the outstanding principal amount of the advances and interest, if applicable.

The principal amount of this Note remaining from time to time unpaid and outstanding shall bear interest from the date of this Note both before and after maturity and both before and after Default at the rate of per annum equal to _____%. Interest at such rate shall accrue daily and shall be payable in arrears, in equal semi-annual payments on March 22nd and September 22nd of each year commencing September 22, 2018 until repaid in full. Overdue interest shall bear interest at the same rate, calculated as aforesaid. Whenever it is necessary to compute interest in respect of this Note for a period of less than one full year, other than such equal semi-annual payments, such interest shall be calculated on the basis of the actual number of days elapsed in a year of 365 days.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the General Corporate Requirements Credit Facility Agreement dated June 17, 2016 between OPG and OEFC (as amended supplemented or replaced from time to time, the "**Agreement**"), which Agreement provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of OPG. OPG waives presentment for payment and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

*****

IN WITNESS WHEREOF OPG has executed this Note

ONTARIO POWER GENERATION INC.

Per: _____
John Lee
Vice President–Treasurer

Per: _____
Ken Hartwick
Chief Financial Officer &
Senior Vice President - Finance

From: YAO Anthea -FUNDMGMT
To: Sarah Harris
Subject: FW: OEFC borrowing notice - March 22, 2018
Date: Tuesday, March 06, 2018 2:01:29 PM
Attachments: $400M OEFC Borrowing Notice - 03 06 18 signed.pdf

---

Hi Sarah,
Could you please assist in Ryan's absence? Should I send the original to your attention instead?
Thanks,
Anthea

Anthea Yao | **Ontario Power Generation**
700 University Avenue, Suite H18 C2, Toronto, Ontario, M5G 1X6 | T416.592.5542 | F 416.592.4189 | E anthea.yao@opg.com

---

From: YAO Anthea -FUNDMGMT
Sent: Tuesday, March 06, 2018 1:58 PM
To: 'Ryan Blackbyrne'
Cc: RYFA Ken -TREASURY ; 'Linda Smith' ; 'CASHP@ofina.on.ca' ; casho@ofina.on.ca ; Carlos Yep ; James Devine ; 'Serena.ly@ofina.on.ca' ; GO Matthew -TREASURY ; MAK Ricky -TREASURY ; LeRoy Ahyee
Subject: OEFC borrowing notice - March 22, 2018

Ryan,
Attached is a scanned copy of the Borrowing Notice and Promissory Note for $400 million General Corporate Requirements under the Credit Facility Agreement. The advance has a value date of March 22, 2018 and is for a 30-year term.
I will courier the originals to your attention.
Please wire the advance to the following account:
Beneficiary Name:
Ontario Power Generation Inc.
700 University Ave.
Toronto, ON, M5G 1X6
Beneficiary Account - 476960302716
Swift - NOSCCATT
Bank Number - 002
Transit Number - 47696
Bank information:
The Bank of Nova Scotia
44 King Street West
Toronto, Ontario
Thanks,
Anthea

Anthea Yao | **Ontario Power Generation**
700 University Avenue, Suite H18 C2, Toronto, Ontario, M5G 1X6 | T416.592.5542 | F 416.592.4189 | E anthea.yao@opg.com

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THIS MESSAGE IS ONLY INTENDED FOR THE USE OF THE INTENDED

RECIPIENT(S) AND MAY CONTAIN INFORMATION THAT IS PRIVILEGED, PROPRIETARY AND/OR CONFIDENTIAL. If you are not the intended recipient, you are hereby notified that any review, retransmission, dissemination, distribution, copying, conversion to hard copy or other use of this communication is strictly prohibited. If you are not the intended recipient and have received this message in error, please notify me by return e-mail and delete this message from your system. Ontario Power Generation Inc.

BORROWING NOTICE

Date: March 5, 2018

Ontario Electricity Financial Corporation **("OEFC")**
c/o Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A1Y7

Attention: Cash Management
Via e-mail*: CashP@ofina.on.ca

Dear Sirs:

The undersigned, Ontario Power Generation Inc. ("**OPG**"), refers to the General Corporate Requirements Credit Facility Agreement dated June 17, 2016 (as amended, supplemented or restated from time to time, the **"Agreement"**, the terms defined therein being used herein as therein defined) between OPG and OEFC, and gives you notice pursuant to Section 3.2 of the Agreement that OPG requests the following Advance under the Agreement (the **"Proposed Advance"**), and, in that connection, sets forth below the information relating to such Proposed Advance as required by Section 3.2 of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is March 22, 2018;
(b) The principal amount of the Proposed Advance is $400,000,000;
(c) The purpose of the Proposed Advance is Other General Corporate Requirements;
(d) The Repayment Date of the Proposed Advance is March 22, 2048;
(e) The Interest Payment Dates are the 22nd day of each March and September beginning Septemebr 22, 2018.

OPG hereby certifies that:

The representations and warranties of OPG contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

OPG has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received previously as Advances under the Agreement have been expended or are being held solely for the purpose for which they were advanced; no part of said funds has been nor any part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

ONTARIO POWER GENERATION INC.

Per: _____
John Lee
Vice President Treasurer

Per: _____
Ken Hartwick
Chief Financial Officer &
Senior Vice President - Finance

*To be confirmed by telephone call to OEFC Cash Management (416) 325-8108

PROMISSORY NOTE
(GENERAL CORPORATE REQUIREMENTS CREDIT FACILITY)

Principal Amount: **$400,000,000 CAD** Date: March 22, 2018
Interest Rate: _____% per annum
Due: **March 22, 2048**

FOR VALUE RECEIVED, ONTARIO POWER GENERATION INC. ("OPG"), a corporation incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of $200,000,000 in the lawful money of Canada, with interest on such amount at the rate, calculated in the manner and payable at the times specified in this promissory note (the **"Note"**).

The outstanding principal amount of this Note together with all interest accrued thereon shall become due and payable on March 22, 2048.

OEFC shall and is unconditionally and absolutely authorized and directed by OPG to record the date and amount of each prepayment, made with OEFC's consent, on account of the principal paid to OEFC and the resulting outstanding principal amount of this Note (the "**Records**"). OPG agrees that, in the absence of manifest mathematical error, the Records shall be *prima facie* evidence of such payments, provided that the failure of OEFC to record or correctly record any amount or date shall not affect the obligation of OPG to pay the outstanding principal amount of the advances and interest, if applicable.

The principal amount of this Note remaining from time to time unpaid and outstanding shall bear interest from the date of this Note both before and after maturity and both before and after Default at the rate of per annum equal to _____%. Interest at such rate shall accrue daily and shall be payable in arrears, in equal semi-annual payments on March 22nd and September 22nd of each year commencing September 22, 2018 until repaid in full. Overdue interest shall bear interest at the same rate, calculated as aforesaid. Whenever it is necessary to compute interest in respect of this Note for a period of less than one full year, other than such equal semi-annual payments, such interest shall be calculated on the basis of the actual number of days elapsed in a year of 365 days.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the General Corporate Requirements Credit Facility Agreement dated June 17, 2016 between OPG and OEFC (as amended supplemented or replaced from time to time, the "**Agreement**"), which Agreement provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of OPG. OPG waives presentment for payment and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

*****

IN WITNESS WHEREOF OPG has executed this Note

ONTARIO POWER GENERATION INC.

Per: _____
John Lee
Vice President–Treasurer

Per: _____
Ken Hartwick
Chief Financial Officer &
Senior Vice President - Finance

From:	Sarah Harris
To:	Andrea Dalgarno
Subject:	FW: OEFC borrowing notice - March 22, 2018
Date:	Friday, March 09, 2018 2:57:43 PM
Attachments:	$400M OEFC Borrowing Notice - 03 06 18 signed.pdf

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From: YAO Anthea -FUNDMGMT [mailto:anthea.yao@opg.com]
Sent: Tuesday, March 06, 2018 2:01 PM
To: Sarah Harris
Subject: FW: OEFC borrowing notice - March 22, 2018

Hi Sarah,

Could you please assist in Ryan's absence? Should I send the original to your attention instead?

Thanks,

Anthea

Anthea Yao | **Ontario Power Generation**
700 University Avenue, Suite H18 C2, Toronto, Ontario, M5G 1X6 | T416.592.5542 | F 416.592.4189 | E anthea.yao@opg.com

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From: YAO Anthea -FUNDMGMT
Sent: Tuesday, March 06, 2018 1:58 PM
To: 'Ryan Blackbyrne' <Ryan.Blackbyrne@ofina.on.ca>
Cc: RYFA Ken -TREASURY <ken.ryfa@opg.com>; 'Linda Smith' <linda.smith@ofina.on.ca>; 'CASHP@ofina.on.ca' <CASHP@ofina.on.ca>; casho@ofina.on.ca <casho@ofina.on.ca>; Carlos Yep <carlos.yep@ofina.on.ca>; James Devine <james.devine@ofina.on.ca>; 'Serena.ly@ofina.on.ca' <Serena.ly@ofina.on.ca>; GO Matthew -TREASURY <matthew.go@opg.com>; MAK Ricky -TREASURY <ricky.mak@opg.com>; LeRoy Ahyee <LeRoy.Ahyee@ofina.on.ca>
Subject: OEFC borrowing notice - March 22, 2018

Ryan,

Attached is a scanned copy of the Borrowing Notice and Promissory Note for $400 million General Corporate Requirements under the Credit Facility Agreement. The advance has a value date of March 22, 2018 and is for a 30-year term.

I will courier the originals to your attention.

Please wire the advance to the following account:

Beneficiary Name:
Ontario Power Generation Inc.
700 University Ave.
Toronto, ON, M5G 1X6
Beneficiary Account - 476960302716
Swift - NOSCCATT
Bank Number - 002
Transit Number - 47696
Bank information:
The Bank of Nova Scotia
44 King Street West
Toronto, Ontario

Thanks,

Anthea
Anthea Yao | **Ontario Power Generation**
700 University Avenue, Suite H18 C2, Toronto, Ontario, M5G 1X6 | T416.592.5542 | F 416.592.4189 | E anthea.yao@opg.com

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THIS MESSAGE IS ONLY INTENDED FOR THE USE OF THE INTENDED RECIPIENT(S) AND MAY CONTAIN INFORMATION THAT IS PRIVILEGED, PROPRIETARY AND/OR CONFIDENTIAL. If you are not the intended recipient, you are hereby notified that any review, retransmission, dissemination, distribution, copying, conversion to hard copy or other use of this communication is strictly prohibited. If you are not the intended recipient and have received this message in error, please notify me by return e-mail and delete this message from your system. Ontario Power Generation Inc.

BORROWING NOTICE

Date: March 5, 2018

Ontario Electricity Financial Corporation **("OEFC")**
c/o Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A1Y7

Attention: Cash Management
Via e-mail*: CashP@ofina.on.ca

Dear Sirs:

The undersigned, Ontario Power Generation Inc. ("**OPG**"), refers to the General Corporate Requirements Credit Facility Agreement dated June 17, 2016 (as amended, supplemented or restated from time to time, the **"Agreement"**, the terms defined therein being used herein as therein defined) between OPG and OEFC, and gives you notice pursuant to Section 3.2 of the Agreement that OPG requests the following Advance under the Agreement (the **"Proposed Advance"**), and, in that connection, sets forth below the information relating to such Proposed Advance as required by Section 3.2 of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is March 22, 2018;
(b) The principal amount of the Proposed Advance is $400,000,000;
(c) The purpose of the Proposed Advance is Other General Corporate Requirements;
(d) The Repayment Date of the Proposed Advance is March 22, 2048;
(e) The Interest Payment Dates are the 22nd day of each March and September beginning Septemebr 22, 2018.

OPG hereby certifies that:

The representations and warranties of OPG contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

OPG has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received previously as Advances under the Agreement have been expended or are being held solely for the purpose for which they were advanced; no part of said funds has been nor any part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

ONTARIO POWER GENERATION INC.

Per: _____
John Lee
Vice President Treasurer

Per: _____
Ken Hartwick
Chief Financial Officer &
Senior Vice President - Finance

*To be confirmed by telephone call to OEFC Cash Management (416) 325-8108

PROMISSORY NOTE
(GENERAL CORPORATE REQUIREMENTS CREDIT FACILITY)

Principal Amount: **$400,000,000 CAD** Date: March 22, 2018
Interest Rate: _____% per annum
Due: **March 22, 2048**

FOR VALUE RECEIVED, ONTARIO POWER GENERATION INC. ("OPG"), a corporation incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of $200,000,000 in the lawful money of Canada, with interest on such amount at the rate, calculated in the manner and payable at the times specified in this promissory note (the **"Note"**).

The outstanding principal amount of this Note together with all interest accrued thereon shall become due and payable on March 22, 2048.

OEFC shall and is unconditionally and absolutely authorized and directed by OPG to record the date and amount of each prepayment, made with OEFC's consent, on account of the principal paid to OEFC and the resulting outstanding principal amount of this Note (the "**Records**"). OPG agrees that, in the absence of manifest mathematical error, the Records shall be *prima facie* evidence of such payments, provided that the failure of OEFC to record or correctly record any amount or date shall not affect the obligation of OPG to pay the outstanding principal amount of the advances and interest, if applicable.

The principal amount of this Note remaining from time to time unpaid and outstanding shall bear interest from the date of this Note both before and after maturity and both before and after Default at the rate of per annum equal to _____%. Interest at such rate shall accrue daily and shall be payable in arrears, in equal semi-annual payments on March 22nd and September 22nd of each year commencing September 22, 2018 until repaid in full. Overdue interest shall bear interest at the same rate, calculated as aforesaid. Whenever it is necessary to compute interest in respect of this Note for a period of less than one full year, other than such equal semi-annual payments, such interest shall be calculated on the basis of the actual number of days elapsed in a year of 365 days.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the General Corporate Requirements Credit Facility Agreement dated June 17, 2016 between OPG and OEFC (as amended supplemented or replaced from time to time, the "**Agreement**"), which Agreement provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

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This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

*****

IN WITNESS WHEREOF OPG has executed this Note

ONTARIO POWER GENERATION INC.

Per: _____
John Lee
Vice President–Treasurer

Per: _____
Ken Hartwick
Chief Financial Officer &
Senior Vice President - Finance

From:	William Tan
To:	Sarah Harris
Subject:	FW: OFA IESO Amending Agreement No 10 - Execution Version blacklined v6 OFA Nov 2 rev.docx
Date:	Monday, November 06, 2017 9:59:46 AM
Attachments:	OFA IESO Amending Agreement No 10 - Execution Version blacklined v6 OFA Nov 2 rev.docx
Importance:	High

From: Lisa Stein
Sent: Friday, November 03, 2017 9:53 AM
To: 'Victor Buza'
Cc: Sarah Harris ; William Tan ; Anthony Martinello ; John Kim
Subject: OFA IESO Amending Agreement No 10 - Execution Version blacklined v6 OFA Nov 2 rev.docx
Importance: High

Hi Victor,

Please find attached the latest version of AA#10, incorporating that changes that you have requested. We have also included additional language pertaining to the “Transfer of Funds”. Please let us know your thoughts and if you would like to discuss further.

Thank you,

Lisa

Lisa N. Stein
Legal Counsel
Ontario Financing Authority
416-325-2320

****
This message, including any attachments, is intended only for the use of the individual(s) to which it is addressed and contains information that is privileged/confidential. Any other distribution, copying or disclosure is strictly prohibited. If you are not the intended recipient or have received this message in error, please notify the sender immediately by reply e-mail and permanently delete this message, including any attachments, without reading it or making a copy. Thank you.
****

AMENDING AGREEMENT NO. 10

This Amending Agreement No. 10 (this "**Amending Agreement**") is made as of the 21st day of November, 2017 (the "**Effective Date**")

BETWEEN:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, a statutory corporation without share capital existing under Part II of the *Electricity Act*, *1998* ("**IESO**")

-and-

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act*, *1993* ("**OFA**")

(together, the "**Parties**")

WHEREAS the Ontario Power Authority ("**OPA**") and the OFA entered into a credit agreement dated January 1, 2005 (the "**Original Agreement**");

AND WHEREAS effective January 1, 2015, the OPA and the then existing Independent Electricity System Operator amalgamated and continued as a corporation without share capital under Part II of the *Electricity Act*, *1998* with the name "Independent Electricity System Operator" **("IESO")**, and the obligations of the OPA became obligations of the IESO;

AND WHEREAS pursuant to the amending agreements dated February 14, 2005, October 11, 2005 (titled, "Amending Agreement No. 3"), September 27, 2006 (titled, "Amending Agreement No. 4"), July 13, 2007 (titled, "Amending Agreement No. 5"), November 9, 2010 (titled, "Amending Agreement No. 6"), December 20, 2013 (titled, "Amending Agreement No. 7"), December 19, 2014 (titled, "Amending Agreement No. 8") and November 30, 2016 (titled, "Amending Agreement No. 9"), the OPA or IESO (as applicable) and the OFA amended the Original Agreement (as so amended, the "**Credit Agreement",** the terms defined therein being used herein as therein defined);

AND WHEREAS the Parties have now agreed to: (i) at the request of the IESO, decrease the total principal amount available under the Credit Agreement from $975,000,000 to a total principal amount of up to $475,000,000; (ii) amend the use of proceeds under the Credit Agreement; (iii) amend the Form of Election Notice and related provisions under the Credit Agreement; and (iv) make other amendments required as a consequence of the implementation of the OFHP (as defined below);

AND WHEREAS pursuant to Section 7.3 of the Credit Agreement, the Credit Agreement may only be amended or otherwise modified by written agreement executed by the Parties.

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereafter set out, the Parties agree that, as of the Effective Time (as defined below):

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1. The definition of “Advances” in Section 1.1 of the Credit Agreement is deleted and replaced by the following:

> “**Advances**” means advances made by the OFA to the IESO under Article 3 and “Advance” means any one of such advances, and in the case of an election by the IESO under Section 3.3, includes a “Continued Advance”, as defined in Section 3.3(1), as applicable.”

2. The definition of “**Commitment**” in Section 1.1 of the Credit Agreement is amended by deleting “$975,000,000” and substituting “$475,000,000” therefor.

3. The definition of “**Permitted Liens**” is amended by deleting the word “and” at the end of subsection (i); replacing the “.” at the end of subsection (j) and replacing it with “; and” ; and adding the following subsection (k):

> “(k) any Lien arising from the IESO’s role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.”

4. The following definitions are added to Section 1.1 of the Credit Agreement:

> **“Clean Energy Adjustment”** has the same meaning as that term is defined in the OFHP.
>
> “**Continued Advance”** has the meaning specified in Section 3.3(1).
>
> “**Current Repayment Date**” has the meaning specified in Section 3.3(2).
>
> “**New Repayment Date**” has the meaning specified in Section 3.3(2).
>
> **“OFHP”** means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

5. Section 2.3 “Use of Proceeds” of the Credit Agreement is deleted in its entirety (with the exception of the title of the section, which exception also applies regarding the amendments made under sections 6, 7 and 8 hereof) and replaced by the following:

> “The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the *Electricity Act, 1998*, as such regulation may be amended or replaced from time to time, provided that Advances may be used only for liquidity purposes.”

6. Section 3.2 “Procedures for Advances” of the Credit Agreement is deleted in its entirety and replaced by the following:

> “(1) Subject to Section 3.3(5), each Advance shall be made subject to two Business Days’ prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each notice of an Advance (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1, other than a Borrowing Notice that is included in an Election Notice as

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permitted by Section 3.3(3). Each Borrowing Notice shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance; (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall be no earlier than 28 days and not later than 95 days after the date of the requested Advance. Each Borrowing Notice shall also certify the use of proceeds of the Advance which shall in any case be in accordance with Section 2.3. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, the IESO shall execute and deliver to the OFA a grid promissory note in respect of Advances substantially in the form of Schedule 3 (the **"Grid Note")**. The IESO authorizes the OFA to record on the Grid Note (a) the date and amount of each Advance or Continued Advance; (b) the applicable rate of interest for each Advance or Continued Advance; (c) the Repayment Date of each Advance or Continued Advance; (d) the date and amount of each payment of interest and each payment of principal or portion thereof in respect of each Advance or Continued Advance; and (e) Advances Outstanding. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such Advances and repayments; provided that the failure of the OFA to record any amount, rate or date shall not affect the obligation of the IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement."

7. Section 3.3 "Elections Regarding Advances" of the Credit Agreement is deleted in its entirety and replaced by the following:

"(1) The IESO may elect to continue all or a portion of the principal amount of any Advance and any amount of interest on such Advance (together, the "**Continued Advance**") for a further period of at least 28 days and up to a maximum of 95 days beginning on the then current Repayment Date in accordance with Section 3.3(2).

(2) Each notice to continue an Advance for a further period (an "**Election Notice**") shall be provided by the IESO to the OFA at least two Business Days prior to the Repayment Date of the Advance (the "**Current Repayment Date**"), and in each case, not later than 10:00 a.m. (Toronto time). Each such Election Notice shall be given substantially in the form of Schedule 2 and shall be irrevocable and binding upon the IESO and shall specify: (a) the Current Repayment Date; (b) the new aggregate total amount of the proposed Continued Advance; (c) the amount of interest or principal, if any, to be paid or re-paid by the IESO with respect to such Advance on the Current Repayment Date; and (d) the new Repayment Date of the proposed Continued Advance, which shall be no earlier than 28 days and not later than 95 days after the Current Repayment Date (the "**New Repayment Date"**). If the IESO fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date.

(3) An Election Notice with respect to a proposed Continued Advance may include a Borrowing Notice for a further Advance proposed to be made on the Current Repayment Date. The Repayment Date of such further Advance shall be the New Repayment Date of the Continued Advance that is specified in the Election Notice. Such Borrowing Notice shall be given substantially in the form of Schedule 2.

(4) The calculation of interest on a Continued Advance shall be determined in the same manner as an Advance under Section 3.4 and shall be recorded on the grid promissory note in respect of Advances in accordance with Section 3.2(2).

(5) Any portion of an Advance not continued for a further period in accordance with Section 3.3(2) shall be repayable on the applicable Repayment Date."

8. Section 5.2 "Acceleration of Maturity; Recission and Annulement" of the Credit Agreement is deleted in its entirety and replaced by the following:

"If an Event of Default occurs and is continuing, then and in every such case the OFA may at its option, in addition to any other remedy available to the OFA at law, by written notice to the IESO, take any or all of the following actions:

(a) suspend the right of the IESO to request any further Advance until the Event of Default has been cured to the OFA's satisfaction or, if the Event of Default is not cured within three (3) Business Days after the date on which written notice of such Event of Default shall have been given to the IESO by the OFA, declare all amounts owing hereunder including all interest accrued to be due and payable immediately, by a notice in writing to the IESO, and upon any such declaration all such amounts shall become immediately due and payable.

(b) invoke the Intercept pursuant to section 5.7 of this Agreement to require payment of any amount due and payable under this Agreement."

9. Section 5.7 "Intercept" is added to the Credit Agreement, stating as follows:

"Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of **November 3rd, 2017** herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the *Capital Investment Plan Act, 1993* (the "**Intercept Letter**"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("**Appropriated Funds**"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("**Intercept**").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder

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and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail."

10. Section 7.9 "Entire Agreement' is added to the Credit Agreement, stating as follows:

"Section 7.9 Entire Agreement

This Agreement as amended from time to time and including the schedules hereto and any other agreements expressly referred to herein, constitutes the whole agreement between the Parties with respect to the matters dealt with in it, and it supersedes any prior agreement, undertakings, discussions and the like respecting the matters dealt with in this Agreement and entered into by the Parties before the date the OFA signs this Agreement."

11. Schedule 1 of the Credit Agreement, Form of Borrowing Notice, is deleted in its entirety and replaced by the Form of Borrowing Notice attached hereto as Schedule 1.

12. Schedule 2 of the Credit Agreement, Form of Election Notice, is deleted in its entirety and replaced by the Form of Election Notice attached hereto as Schedule 2.

13. Schedule 3 of the Credit Agreement, IESO Grid Note, is deleted in its entirety and replaced by the Form of Grid Note attached hereto as Schedule 3.

14. For the purposes of this Amending Agreement and its coming into effect:

a. "**Effective Time**" means ~~that time on the Effective Date which is the later of (i) 2:00 p.m. and (ii)~~ the time on the Effective Date by which the Transfers of Funds (defined below) have been completed; or such other time as the Parties may subsequently agree to in writing as being the "Effective Time";

b. "**Transfers of Funds**" means those transfers of funds to be completed between the Parties on the Effective Date ~~on the Effective Date prior to the Effective Time~~, being:

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i. ~~funds~~the First Advance as defined under section 3.2(3) ~~a separate~~of the credit agreement between the Parties in relation to the IESO's role in the implementation of the OFHP dated ~~,~~November 3, 2017; and, ~~[INSERT] (the **"FHP Agreement")** and the subsequent provision by OFA to the IESO of an updated grid in respect of the grid note issued under the Credit Agreement evidencing the repayment of the Repayment Amount (as defined under section 3.2(3) of the FHP Agreement); and, in an amount equal to the reduction of the balance referred to in ii. immediately following, plus additional amounts;~~

ii. ~~ii.~~ the completion of all Advances described in the Election Notice to be provided by the IESO to the OFA no later than November 17, 2017 (such terms having the meanings ~~as~~ defined in the Credit Agreement) that are to be funded under the Credit Agreement on the Effective Date~~; of this Amending Agreement~~ and,

iii. the repayment by the IESO of all Advances Outstanding (as defined in the Credit Agreement) exceeding $475 million; and,

~~i.~~iv. the payment by the IESO to OFA of the interest then owing under the Credit Agreement.

15. The Parties shall endeavour to complete and exchange all usual documentation relating to the Transfers of Funds, and to any other related matters occurring on the Effective Date, prior to 5:00 p.m. on the Effective Date, and in any case no later than the next business day.

16. After the Effective Time,~~On the date of this Amending Agreement~~ and prior to any further Advances under the Credit Agreement, the IESO shall execute and deliver to the OFA a new grid promissory note in the principal amount of up to $475,000,000 substantially in the form attached hereto as Schedule 3 (the **"Grid Note"**) and indicating a total principal amount of Advances Outstanding as of the Effective Time.~~ to date of $401,878,030.42.~~ Upon receipt of the new Grid Note delivered hereunder, the OFA will cancel and return the grid promissory note dated November 30, 2016 to the IESO.

~~14.~~17. This Amending Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Amending Agreement.

IN ALL OTHER RESPECTS, the Credit Agreement is confirmed by the Parties.

[*signature page follows*]

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IN WITNESS WHEREOF the Parties hereto have executed and delivered this Amending Agreement ~~No. 10~~ on the dates set out below, which shall come into effect as of the Effective Time as defined herein.~~as of the date first above written.~~

ONTARIO FINANCING AUTHORITY

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Per: _____ Date: November , 2017.
Name: ~~Michael D. Manning~~Gadi Mayman
Title: ~~Executive Director & Chief~~Chief Executive Officer
~~Investment Officer, Capital Markets Division~~

I have authority to bind the corporation.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

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Per: Date: November , 2017.
Name: Kimberly Marshall
Title: Vice President, Corporate Services;
Chief Financial Officer; Treasurer

I have authority to bind the corporation.

SCHEDULE 1 TO AMENDING AGREEMENT NO. 10

FORM OF BORROWING NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "**Agreement**", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "**Proposed Advance**"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The principal amount of the Proposed Advance is $_____;
(c) The Repayment Date of the Proposed Advance is _____. [Not earlier than 28 days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:

Authorized Signatory

SCHEDULE 2 TO AMENDING AGREEMENT NO. 10

FORM OF ELECTION NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is _____;

(b) The aggregate amount of the proposed Continued Advance is $_____, which is comprised of:

i. principal amount (or portion thereof) of Advance which is to be continued $_____; and
ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date $_____;

(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): $ _____

(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _____. [Insert date no earlier than 28 days and not later than 95 days after the Current Repayment Date for the Advance.]

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: $_____

The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:

Authorized Signatory

SCHEDULE 3 TO AMENDING AGREEMENT NO. 10

FORM OF GRID NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $475,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICTY SYSTEM OPERATOR (the **"IESO"**), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY ("OFA"**) at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Credit Agreement (as defined below). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Credit Agreement.

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the credit agreement dated January 1, 2005 as amended, supplemented or restated from time to time, between the Borrower and the OFA (the **"Credit Agreement"**).

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Credit Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Name:
Authorized Signatory

Line of Credit Grid Note

Entity : Independent Electricity System Operator
Loan Limit: $475,000,000

Project:
Schedule of loan transactions to:
Loan Advanced to:

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days

From:	William Tan
To:	Sarah Harris
Subject:	FW: OFA IESO Amending Agreement No 10 - Execution Version blacklined v6 OFA Nov 2 rev.docx
Date:	Monday, November 06, 2017 9:59:46 AM
Attachments:	OFA IESO Amending Agreement No 10 - Execution Version blacklined v6 OFA Nov 2 rev.docx
Importance:	High

From: Lisa Stein
Sent: Friday, November 03, 2017 9:53 AM
To: 'Victor Buza'
Cc: Sarah Harris ; William Tan ; Anthony Martinello ; John Kim
Subject: OFA IESO Amending Agreement No 10 - Execution Version blacklined v6 OFA Nov 2 rev.docx
Importance: High

Hi Victor,

Please find attached the latest version of AA#10, incorporating that changes that you have requested. We have also included additional language pertaining to the “Transfer of Funds”. Please let us know your thoughts and if you would like to discuss further.

Thank you,

Lisa

Lisa N. Stein
Legal Counsel
Ontario Financing Authority
416-325-2320

****
This message, including any attachments, is intended only for the use of the individual(s) to which it is addressed and contains information that is privileged/confidential. Any other distribution, copying or disclosure is strictly prohibited. If you are not the intended recipient or have received this message in error, please notify the sender immediately by reply e-mail and permanently delete this message, including any attachments, without reading it or making a copy. Thank you.
****

AMENDING AGREEMENT NO. 10

This Amending Agreement No. 10 (this "**Amending Agreement**") is made as of the 21st day of November, 2017 (the "**Effective Date**")

BETWEEN:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, a statutory corporation without share capital existing under Part II of the *Electricity Act*, *1998* ("**IESO**")

-and-

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act*, *1993* ("**OFA**")

(together, the "**Parties**")

WHEREAS the Ontario Power Authority ("**OPA**") and the OFA entered into a credit agreement dated January 1, 2005 (the "**Original Agreement**");

AND WHEREAS effective January 1, 2015, the OPA and the then existing Independent Electricity System Operator amalgamated and continued as a corporation without share capital under Part II of the *Electricity Act*, *1998* with the name "Independent Electricity System Operator" **("IESO")**, and the obligations of the OPA became obligations of the IESO;

AND WHEREAS pursuant to the amending agreements dated February 14, 2005, October 11, 2005 (titled, "Amending Agreement No. 3"), September 27, 2006 (titled, "Amending Agreement No. 4"), July 13, 2007 (titled, "Amending Agreement No. 5"), November 9, 2010 (titled, "Amending Agreement No. 6"), December 20, 2013 (titled, "Amending Agreement No. 7"), December 19, 2014 (titled, "Amending Agreement No. 8") and November 30, 2016 (titled, "Amending Agreement No. 9"), the OPA or IESO (as applicable) and the OFA amended the Original Agreement (as so amended, the "**Credit Agreement",** the terms defined therein being used herein as therein defined);

AND WHEREAS the Parties have now agreed to: (i) at the request of the IESO, decrease the total principal amount available under the Credit Agreement from $975,000,000 to a total principal amount of up to $475,000,000; (ii) amend the use of proceeds under the Credit Agreement; (iii) amend the Form of Election Notice and related provisions under the Credit Agreement; and (iv) make other amendments required as a consequence of the implementation of the OFHP (as defined below);

AND WHEREAS pursuant to Section 7.3 of the Credit Agreement, the Credit Agreement may only be amended or otherwise modified by written agreement executed by the Parties.

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereafter set out, the Parties agree that, as of the Effective Time (as defined below):

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1. The definition of “Advances” in Section 1.1 of the Credit Agreement is deleted and replaced by the following:

> “**Advances**” means advances made by the OFA to the IESO under Article 3 and “Advance” means any one of such advances, and in the case of an election by the IESO under Section 3.3, includes a “Continued Advance”, as defined in Section 3.3(1), as applicable.”

2. The definition of “**Commitment**” in Section 1.1 of the Credit Agreement is amended by deleting “$975,000,000” and substituting “$475,000,000” therefor.

3. The definition of “**Permitted Liens**” is amended by deleting the word “and” at the end of subsection (i); replacing the “.” at the end of subsection (j) and replacing it with “; and” ; and adding the following subsection (k):

> “(k) any Lien arising from the IESO’s role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.”

4. The following definitions are added to Section 1.1 of the Credit Agreement:

> **“Clean Energy Adjustment”** has the same meaning as that term is defined in the OFHP.
>
> “**Continued Advance”** has the meaning specified in Section 3.3(1).
>
> “**Current Repayment Date**” has the meaning specified in Section 3.3(2).
>
> “**New Repayment Date**” has the meaning specified in Section 3.3(2).
>
> **“OFHP”** means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

5. Section 2.3 “Use of Proceeds” of the Credit Agreement is deleted in its entirety (with the exception of the title of the section, which exception also applies regarding the amendments made under sections 6, 7 and 8 hereof) and replaced by the following:

> “The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the *Electricity Act, 1998*, as such regulation may be amended or replaced from time to time, provided that Advances may be used only for liquidity purposes.”

6. Section 3.2 “Procedures for Advances” of the Credit Agreement is deleted in its entirety and replaced by the following:

> “(1) Subject to Section 3.3(5), each Advance shall be made subject to two Business Days’ prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each notice of an Advance (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1, other than a Borrowing Notice that is included in an Election Notice as

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permitted by Section 3.3(3). Each Borrowing Notice shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance; (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall be no earlier than 28 days and not later than 95 days after the date of the requested Advance. Each Borrowing Notice shall also certify the use of proceeds of the Advance which shall in any case be in accordance with Section 2.3. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, the IESO shall execute and deliver to the OFA a grid promissory note in respect of Advances substantially in the form of Schedule 3 (the **"Grid Note")**. The IESO authorizes the OFA to record on the Grid Note (a) the date and amount of each Advance or Continued Advance; (b) the applicable rate of interest for each Advance or Continued Advance; (c) the Repayment Date of each Advance or Continued Advance; (d) the date and amount of each payment of interest and each payment of principal or portion thereof in respect of each Advance or Continued Advance; and (e) Advances Outstanding. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such Advances and repayments; provided that the failure of the OFA to record any amount, rate or date shall not affect the obligation of the IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement."

7. Section 3.3 "Elections Regarding Advances" of the Credit Agreement is deleted in its entirety and replaced by the following:

"(1) The IESO may elect to continue all or a portion of the principal amount of any Advance and any amount of interest on such Advance (together, the "**Continued Advance**") for a further period of at least 28 days and up to a maximum of 95 days beginning on the then current Repayment Date in accordance with Section 3.3(2).

(2) Each notice to continue an Advance for a further period (an "**Election Notice**") shall be provided by the IESO to the OFA at least two Business Days prior to the Repayment Date of the Advance (the "**Current Repayment Date**"), and in each case, not later than 10:00 a.m. (Toronto time). Each such Election Notice shall be given substantially in the form of Schedule 2 and shall be irrevocable and binding upon the IESO and shall specify: (a) the Current Repayment Date; (b) the new aggregate total amount of the proposed Continued Advance; (c) the amount of interest or principal, if any, to be paid or re-paid by the IESO with respect to such Advance on the Current Repayment Date; and (d) the new Repayment Date of the proposed Continued Advance, which shall be no earlier than 28 days and not later than 95 days after the Current Repayment Date (the "**New Repayment Date"**). If the IESO fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date.

(3) An Election Notice with respect to a proposed Continued Advance may include a Borrowing Notice for a further Advance proposed to be made on the Current Repayment Date. The Repayment Date of such further Advance shall be the New Repayment Date of the Continued Advance that is specified in the Election Notice. Such Borrowing Notice shall be given substantially in the form of Schedule 2.

(4) The calculation of interest on a Continued Advance shall be determined in the same manner as an Advance under Section 3.4 and shall be recorded on the grid promissory note in respect of Advances in accordance with Section 3.2(2).

(5) Any portion of an Advance not continued for a further period in accordance with Section 3.3(2) shall be repayable on the applicable Repayment Date."

8. Section 5.2 "Acceleration of Maturity; Recission and Annulement" of the Credit Agreement is deleted in its entirety and replaced by the following:

"If an Event of Default occurs and is continuing, then and in every such case the OFA may at its option, in addition to any other remedy available to the OFA at law, by written notice to the IESO, take any or all of the following actions:

(a) suspend the right of the IESO to request any further Advance until the Event of Default has been cured to the OFA's satisfaction or, if the Event of Default is not cured within three (3) Business Days after the date on which written notice of such Event of Default shall have been given to the IESO by the OFA, declare all amounts owing hereunder including all interest accrued to be due and payable immediately, by a notice in writing to the IESO, and upon any such declaration all such amounts shall become immediately due and payable.

(b) invoke the Intercept pursuant to section 5.7 of this Agreement to require payment of any amount due and payable under this Agreement."

9. Section 5.7 "Intercept" is added to the Credit Agreement, stating as follows:

"Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of **November 3rd, 2017** herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the *Capital Investment Plan Act, 1993* (the "**Intercept Letter**"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("**Appropriated Funds**"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("**Intercept**").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder

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and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail."

10. Section 7.9 "Entire Agreement' is added to the Credit Agreement, stating as follows:

"Section 7.9 Entire Agreement

This Agreement as amended from time to time and including the schedules hereto and any other agreements expressly referred to herein, constitutes the whole agreement between the Parties with respect to the matters dealt with in it, and it supersedes any prior agreement, undertakings, discussions and the like respecting the matters dealt with in this Agreement and entered into by the Parties before the date the OFA signs this Agreement."

11. Schedule 1 of the Credit Agreement, Form of Borrowing Notice, is deleted in its entirety and replaced by the Form of Borrowing Notice attached hereto as Schedule 1.

12. Schedule 2 of the Credit Agreement, Form of Election Notice, is deleted in its entirety and replaced by the Form of Election Notice attached hereto as Schedule 2.

13. Schedule 3 of the Credit Agreement, IESO Grid Note, is deleted in its entirety and replaced by the Form of Grid Note attached hereto as Schedule 3.

14. For the purposes of this Amending Agreement and its coming into effect:

a. "**Effective Time**" means ~~that time on the Effective Date which is the later of (i) 2:00 p.m. and (ii)~~ the time on the Effective Date by which the Transfers of Funds (defined below) have been completed; or such other time as the Parties may subsequently agree to in writing as being the "Effective Time";

b. "**Transfers of Funds**" means those transfers of funds to be completed between the Parties on the Effective Date ~~on the Effective Date prior to the Effective Time~~, being:

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i. ~~funds~~the First Advance as defined under section 3.2(3) ~~a separate~~of the credit agreement between the Parties in relation to the IESO's role in the implementation of the OFHP dated ~~,~~November 3, 2017; and, ~~[INSERT] (the **"FHP Agreement")** and the subsequent provision by OFA to the IESO of an updated grid in respect of the grid note issued under the Credit Agreement evidencing the repayment of the Repayment Amount (as defined under section 3.2(3) of the FHP Agreement); and, in an amount equal to the reduction of the balance referred to in ii. immediately following, plus additional amounts;~~

ii. ~~ii.~~ the completion of all Advances described in the Election Notice to be provided by the IESO to the OFA no later than November 17, 2017 (such terms having the meanings ~~as~~ defined in the Credit Agreement) that are to be funded under the Credit Agreement on the Effective Date~~; of this Amending Agreement~~ and,

iii. the repayment by the IESO of all Advances Outstanding (as defined in the Credit Agreement) exceeding $475 million; and,

~~i.~~iv. the payment by the IESO to OFA of the interest then owing under the Credit Agreement.

15. The Parties shall endeavour to complete and exchange all usual documentation relating to the Transfers of Funds, and to any other related matters occurring on the Effective Date, prior to 5:00 p.m. on the Effective Date, and in any case no later than the next business day.

16. After the Effective Time,~~On the date of this Amending Agreement~~ and prior to any further Advances under the Credit Agreement, the IESO shall execute and deliver to the OFA a new grid promissory note in the principal amount of up to $475,000,000 substantially in the form attached hereto as Schedule 3 (the **"Grid Note"**) and indicating a total principal amount of Advances Outstanding as of the Effective Time.~~ to date of $401,878,030.42.~~ Upon receipt of the new Grid Note delivered hereunder, the OFA will cancel and return the grid promissory note dated November 30, 2016 to the IESO.

~~14.~~17. This Amending Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Amending Agreement.

IN ALL OTHER RESPECTS, the Credit Agreement is confirmed by the Parties.

[*signature page follows*]

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IN WITNESS WHEREOF the Parties hereto have executed and delivered this Amending Agreement ~~No. 10~~ on the dates set out below, which shall come into effect as of the Effective Time as defined herein.~~as of the date first above written.~~

ONTARIO FINANCING AUTHORITY

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Per: _____ Date: November , 2017.
Name: ~~Michael D. Manning~~Gadi Mayman
Title: ~~Executive Director & Chief~~Chief Executive Officer
~~Investment Officer, Capital Markets Division~~

I have authority to bind the corporation.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

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Per: Date: November , 2017.
Name: Kimberly Marshall
Title: Vice President, Corporate Services;
Chief Financial Officer; Treasurer

I have authority to bind the corporation.

SCHEDULE 1 TO AMENDING AGREEMENT NO. 10

FORM OF BORROWING NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "**Agreement**", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "**Proposed Advance**"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The principal amount of the Proposed Advance is $_____;
(c) The Repayment Date of the Proposed Advance is _____. [Not earlier than 28 days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:

Authorized Signatory

SCHEDULE 2 TO AMENDING AGREEMENT NO. 10

FORM OF ELECTION NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is _____;

(b) The aggregate amount of the proposed Continued Advance is $_____, which is comprised of:

i. principal amount (or portion thereof) of Advance which is to be continued $_____; and
ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date $_____;

(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): $ _____

(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _____. [Insert date no earlier than 28 days and not later than 95 days after the Current Repayment Date for the Advance.]

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: $_____

The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:

Authorized Signatory

SCHEDULE 3 TO AMENDING AGREEMENT NO. 10

FORM OF GRID NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $475,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICTY SYSTEM OPERATOR (the **"IESO"**), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY ("OFA"**) at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Credit Agreement (as defined below). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Credit Agreement.

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the credit agreement dated January 1, 2005 as amended, supplemented or restated from time to time, between the Borrower and the OFA (the **"Credit Agreement"**).

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Credit Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Name:
Authorized Signatory

Line of Credit Grid Note

Entity : Independent Electricity System Operator
Loan Limit: $475,000,000

Project:
Schedule of loan transactions to:
Loan Advanced to:

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days

From:	Sarah Harris
To:	Opal Kandelas
Subject:	FW: OIC Total Amount for OFA Loans as of Dec 31, 2017
Date:	Thursday, February 15, 2018 10:51:24 AM
Attachments:	Total OIC Amount (Decemeber 31 2017).xlsx OIC-1279-2017.pdf

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From: Andrea Dalgarno
Sent: Tuesday, February 13, 2018 9:26 AM
To: John Kim ; Bruno Amara ; Mara Bakic
Cc: Sarah Harris ; Ken Kandeepan ; John Psinas ; San Rajaratnam ; Siva Nathan
Subject: RE: OIC Total Amount for OFA Loans as of Dec 31, 2017

Hi,
I consulted Ken Kandeepan with respect to the appropriateness of including the IESO-OFA FHP related OIC in the reporting and he agrees it should be included.
The attached is the final report provided to Accounting for use in the financial statements as at Dec 31, 2017. I believe they pick up the total OIC amount which will jump by 2 billion and the date range which will be pushed to 2047 on the far end as a result of the addition of the FHP related OIC.
Regards,
Andrea

From: Andrea Dalgarno
Sent: Friday, February 02, 2018 11:14 AM
To: John Kim <John.Kim@ofina.on.ca>; Bruno Amara <Bruno.Amara@ofina.on.ca>; Mara Bakic <Mara.Bakic@ofina.on.ca>
Cc: San Rajaratnam <San.Rajaratnam@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: OIC Total Amount for OFA Loans as of Dec 31, 2017

Hi,
I have tentatively updated a report of OFA OIC amounts we provide to Accounting quarterly for financial reporting purposes to include the OIC that supports the $2 billion dollar Credit Facility Agreement between the OFA and IESO related to the Fair Hydro Plan.
As this is a significant addition, I would like to give interested parties the opportunity to consider the appropriateness of its inclusion.
Accounting should be able to provide you further details with respect to the nature of the reporting which is based on this input should it be needed.
Please let me know as soon as possible should there be an issue with its inclusion
Regards,
Andrea

From: San Rajaratnam
Sent: Friday, February 02, 2018 10:46 AM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of Dec 31, 2017

Hi Andrea,
For reporting in OFA's Dec 31, 2017 financial statements, We would like to check with you of any changes to OIC amounts as of Dec 31, 2017.

Thanks,
San

From: San Rajaratnam
Sent: Friday, October 20, 2017 9:17 AM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of Sep 30, 2017

Hi Andrea,
For reporting in OFA's Sep 30, 2017 financial statements We would like to check with you of any changes to OIC amounts as of Sep 30, 2017.
Thanks,
San

From: Andrea Dalgarno
Sent: Wednesday, July 19, 2017 10:10 AM
To: San Rajaratnam <San.Rajaratnam@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: RE: OIC Total Amount for OFA Loans as of June 30, 2017

Hi,
We confirm the authorized amounts for the OICs in the attached table are unchanged totalling $16,916,000,000 as at June 30 ,2017.
Regards,
Andrea

From: San Rajaratnam
Sent: Wednesday, July 19, 2017 9:56 AM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of June 30, 2017

Hi Andrea,
For reporting in OFA's June 30, 2017 financial statements We would like to check with you of any changes to OIC amounts as of June 30, 2017.
Thanks,
San

From: Andrea Dalgarno
Sent: Wednesday, April 19, 2017 9:57 AM
To: San Rajaratnam <San.Rajaratnam@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: RE: OIC Total Amount for OFA Loans as of Mar 31, 2017

Hi San,
Sarah asked me to address this request
The only changes are as follows:
OIC 1883/06 - $800,000,000 - the amended maturity date is June 1, 2041 (previously November 1, 2032).
OIC 2144/07 - $2,000,000,000 - the amended maturity date is June 1, 2041 (previously December 1,

2037).
and the changes have been made to the OFA Summary attached.
These updates take into account the amendment to the maturity dates incorporated in OIC 844/2008 (attached for your reference).
Other than that:
I can confirm that the total OIC amounts remains unchanged as of March 31, 2017. I can also confirm that there have been no additional OICs. I cannot however, comment on any loans or transactions undertaken under the OICs. Documentation does not keep track of this. If needed, I believe that Corporate Finance keeps track of this information. As such the supporting documentation provided is comprised of copies of the OIC's in question.
Regards,
Andrea

From: San Rajaratnam
Sent: Tuesday, April 18, 2017 2:51 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of Mar 31, 2017

Hi William,
We would like to check with you of any changes to OIC amounts as of Mar 31, 2017? We require this info for reporting in OFA's Mar 31, 2017 Financial Statements.
Thanks,
San

From: William Tan
Sent: Friday, January 20, 2017 2:56 PM
To: San Rajaratnam <San.Rajaratnam@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: OIC Total Amount for OFA Loans as of Dec 31,2016

Hello San,
We confirm the authorized amounts for the OICs in the attached table are unchanged totalling $16,916,000,000 as at Dec 31, 2016.
Please note the amended maturity dates for the following two OICs:
OIC 675/97 - $2,160,000,000 - the amended maturity date is June 1, 2041 (previously August 31, 2027).
OIC 767/99 - $656,000,000 - the amended maturity date is June 1, 2041 (previously August 31, 2029).
Thanks,
Will

From: Sarah Harris
Sent: Tuesday, January 17, 2017 4:14 PM
To: William Tan <William.Tan@ofina.on.ca>
Subject: FW: OIC Total Amount for OFA Loans as of Dec 31,2016

From: San Rajaratnam
Sent: Tuesday, January 17, 2017 3:39 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>

Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of Dec 31,2016

Hi Sarah,

We would like to check whether any changes to OIC amounts as of Dec 31, 2016? We require this info for reporting in OFA's Dec 31,2016 FS.

Lenin provided us the attached file (as of Sep 30,2016).

Thanks,

San

OIC Summary

As At: **Septemebr 30, 2017**

Regular Loans	**Total OIC Amount**
Under OIC 675/97 -	
Authorized:	$2,160,000,000
Repayment date:	June 1, 2041
Under OIC 767/99 -	
Authorized:	$656,000,000
Repayment date:	June 1, 2041
IESO FHP Credit Facility	
Under OIC 1279/2017 -	
Authorized:	$2,000,000,000
Repayment date:	December 31, 2047
School Board Loans	**Total OIC Amount**
Under OIC 1883/2006	
Authorized:	$800,000,000
Repayment date:	June 1, 2041
Under OIC 2144/2007	
Authorized:	$2,000,000,000
Repayment date:	June 1, 2041
Under OIC 300/2010	
Authorized:	$1,800,000,000
Repayment date:	May 15, 2036
Under OIC 163/2012	
Authorized:	$1,700,000,000
Repayment date:	Year 2040
Under OIC 354/2014	
Authorized:	$700,000,000
Repayment date:	March 5, 2044
Auto Loans	**Total OIC Amount**
Under OIC 2154/2008	$1,700,000,000
Under OIC 678/2009	$1,100,000,000
Under OIC 975/2009	$4,300,000,000
Total Amount	**$18,916,000,000**

Amount Issued		Remaining Authority	
$	1,700,000,000.00	$	-
$	480,818,602.74	$	619,181,397.26
$	1,983,345,267.75	$	2,316,654,732.25

Executive Council of Ontario/Conseil exécutif de l'Ontario **[Bilingual]**

Ontario

Order in Council
Décret

On the recommendation of the undersigned, the Lieutenant Governor of Ontario, by and with the advice and concurrence of the Executive Council of Ontario, orders that:

Sur la recommandation de la personne soussignée, la lieutenante-gouverneure de l'Ontario, sur l'avis et avec le consentement du Conseil exécutif de l'Ontario, décrète ce qui suit :

WHEREAS pursuant to subsection 22(1) of the *Capital Investment Plan Act, 1993* (the "Act"), the Minister of Finance may purchase securities of or make loans to corporations established under subsection 2(1) of the Act in such amounts, at such times and on such terms and conditions as the Lieutenant Governor in Council considers expedient;

AND WHEREAS the Ontario Financing Authority (the "OFA") is a corporation established under subsection 2(1) of the Act;

AND WHEREAS pursuant to subsection 6(3) of the Act, the power of a corporation established under subsection 2(1) of the Act to borrow and issue securities, among other things, may only be exercised under the authority of a by-law that has been approved by the Minister of Finance;

AND WHEREAS the OFA wishes to borrow up to Two Billion Dollars in lawful money of Canada from the Minister of Finance and has been authorized to do so by a borrowing by-law approved in accordance with the Act;

THEREFORE:

Pursuant to subsection 22 (1) of the Act, the Minister of Finance is authorized to lend a maximum of Two Billion Dollars in lawful money of Canada to the OFA on the following terms and conditions:

(a) the loan may be advanced in such amounts and at such time or times as required by the OFA;

(b) repayment of advances made under the loan plus accrued interest may be made in whole or in part at any time provided that the loan plus any accrued interest shall be fully repaid by December 31, 2047;

(c) each advance (an "Advance") made under the loan hereby authorized shall bear interest at a rate which is determined as follows:

(i) from the date of the Advance to (but excluding) the date of repayment the Advance shall bear interest at a per annum rate equivalent to the yield earned on

ninety day Province of Ontario treasury bills on the date before the Advance Date as determined by the Province, provided that if an Advance is outstanding for longer than ninety days, the interest rate shall be reset on the last day of each ninety day period (the "Reset Date") to the yield earned on ninety day Province of Ontario treasury bills immediately preceding the Reset Date for such ninety day period as determined by the Province;

(ii) in the event that moneys included in an Advance are used by the OFA for the purpose of funding loans to third parties (a "Third Party Loan"), the rate of interest payable by the OFA to the Province on the portion of the Advance so used shall be adjusted effective as of the date that the portion of the Advance is used to fund the Third Party Loan so that the per annum rate of interest payable by the OFA on such moneys is equivalent to the per annum rate of interest payable to the OFA under the Third Party Loan less an amount as may be determined by the Minister of Finance in respect of such Third Party Loan or a class of such Third Party Loans, until but excluding the date on which the Third Party Loan is repaid, at which time the interest rate set out in subparagraph (i) shall again be applicable to that portion of the Advance; and

(iii) in the event that moneys described in subparagraph (ii), once repaid, are subsequently used to fund loans to third parties, subparagraph (ii) shall again be applicable in determining the interest rate payable to the Province on that portion of the Advance used to fund such loan, and so on, until the Advance shall be repaid to the Province in full;

(iv) despite subparagraphs (ii) and (iii), in the event that no interest is payable to the OFA under a Third Party Loan, no interest shall be payable by the OFA on the portion of the Advance so used and to the extent that the terms of a Third Party Loan provide for the deferral of the payment of accrued interest for a period, the interest payment terms of an Advance or portion thereof shall also be deferred for a similar period.

(d) interest for any period of less than one year shall be payable for the actual number of days included in such period, computed on the basis of a 365-day year;

(e) despite paragraph (b) of this Order, interest on any portion of an Advance made to the OFA under the loan that is used by the OFA to fund a Third Party Loan shall accrue on the basis stated above but shall become payable only to the extent the OFA receives payment of interest under the relevant Third Party Loan;

(f) despite paragraph (b) of this Order, any portion of the principal of an Advance made to the OFA under the loan that is used by the OFA to fund a Third Party Loan shall become payable only to the extent the OFA receives repayment of principal under the relevant Third Party Loan; and

(g) the loan hereby authorized shall be evidenced by a promissory note.

ATTENDU QUE le ministre des Finances peut, en vertu du paragraphe 22 (1) de la *Loi de 1993 sur le plan d'investissement* (la « Loi »), acheter des valeurs mobilières des personnes morales

créées en vertu du paragraphe 2 (1) de la Loi ou leur consentir des prêts selon les montants, aux moments et aux conditions que le lieutenant-gouverneur en conseil estime opportuns;

ATTENDU QUE l'Office ontarien de financement (l'« OOF ») est une personne morale créée en vertu du paragraphe 2 (1) de la Loi;

ATTENDU QUE, conformément au paragraphe 6 (3) de la Loi, le pouvoir qu'ont les personnes morales créées en vertu du paragraphe 2 (1) de la Loi de contracter des emprunts et d'émettre des valeurs mobilières, entre autres, ne peut être exercé qu'aux termes d'un règlement administratif approuvé par le ministre des Finances;

ATTENDU QUE l'OOF souhaite emprunter jusqu'à concurrence de deux milliards de dollars en monnaie légale du Canada du ministre des Finances et qu'il a été autorisé à le faire par un règlement administratif d'emprunt approuvé conformément à la Loi;

PAR CONSÉQUENT :

en vertu du paragraphe 22 (1) de la Loi, le ministre des Finances est autorisé à prêter un montant maximal de deux milliards de dollars en monnaie légale du Canada à l'OOF, aux conditions suivantes :

a) le prêt peut être consenti selon les montants et aux moments qui conviennent à l'OOF;

b) le remboursement des avances consenties au titre du prêt, plus les intérêts courus, peut à tout moment être effectué en totalité ou en partie, pourvu que le prêt et les intérêts courus soient entièrement remboursés au plus tard le 31 décembre 2047;

c) chaque avance (« avance ») faite au titre du prêt autorisé par les présentes portera intérêt au taux est fixé comme suit :

(i) de la date où elle a été faite jusqu'à la date (non comprise) de son remboursement, l'avance portera intérêt à un taux annuel équivalant au rendement gagné sur des bons du Trésor de la province de l'Ontario de quatre-vingt-dix jours à la date précédant la date de l'avance fixée par la province, pourvu que ce taux d'intérêt soit rajusté le dernier jour de chaque période de quatre-vingt-dix jours (« date de rajustement ») selon le rendement gagné sur de tels bons du Trésor immédiatement avant la date de rajustement pour une période de quatre-vingt-dix jours décidée par la province, si l'avance est impayée pendant plus de quatre-vingt-dix jours;

(ii) dans l'éventualité où l'OOF se servirait de sommes comprises dans une avance pour financer des prêts à des tiers, le taux d'intérêt à payer par l'OOF à la province sur la partie de l'avance ainsi utilisée sera rajusté à la date à laquelle la partie de l'avance sera utilisée pour le financement du prêt à un tiers de façon que le taux d'intérêt annuel à payer par l'OOF sur de telles sommes soit équivalent à ce dernier taux moins un montant que pourra fixer le ministre des Finances à l'égard d'un tel prêt ou d'une telle catégorie de prêt, jusqu'à la date (non comprise) à laquelle le prêt à un tiers sera remboursé, date à laquelle le taux d'intérêt établi au sous-alinéa (i) s'appliquera de nouveau à cette partie de l'avance;

(iii) dans l'éventualité où les sommes décrites au sous-alinéa (ii), une fois remboursées, seraient ultérieurement utilisées pour le financement de prêts à des tiers, le sous-alinéa (ii) s'appliquera de nouveau dans l'établissement du taux d'intérêt à payer à la province sur la partie de l'avance utilisée à cette fin, et ainsi de suite, jusqu'à ce que l'avance ait été remboursée intégralement à la province;

(iv) malgré les sous-alinéas (ii) et (iii), dans l'éventualité où aucun intérêt ne serait payable à l'OOF au titre d'un prêt à un tiers, aucun intérêt ne sera à payer par l'OOF sur la partie de l'avance ainsi utilisée et dans la mesure où les conditions du prêt à un tiers prévoient le report du paiement d'intérêts courus pour une période, le paiement d'intérêts au titre d'une avance ou d'une partie d'une avance sera également reporté pour une période d'égale durée;

d) l'intérêt payable relativement à toute période de moins d'un an sera calculé en fonction du nombre de jours réellement compris dans cette période, par rapport à une année comptant 365 jours;

e) par dérogation à l'alinéa a) ci-dessus, l'intérêt sur toute partie d'une avance consentie à l'OOF dans le cadre du prêt que cette dernière utilise pour financer un prêt à un tiers est calculé comme il est indiqué ci-dessus, mais cet intérêt devient payable uniquement dans la mesure où l'OOF reçoit un paiement d'intérêts au titre du prêt à un tiers;

f) par dérogation à l'alinéa b) ci-dessus, toute partie du capital d'une avance consentie à l'OOF dans le cadre du prêt que cette dernière utilise pour financer un prêt à un tiers devient payable uniquement dans la mesure où l'OOF reçoit un remboursement du capital au titre du prêt à un tiers

g) le prêt autorisé en vertu des présentes sera attesté par un billet à ordre.

Recommended: Minister of Finance
Recommandé par : Le ministre des Finances

Deb Matthews

Concurred: Chair of Cabinet
Appuyé par : Le président/la présidente du Conseil des ministres

Approved and Ordered:
Approuvé et décrété le : JUN 28 2017

Lieutenant Governor
La lieutenante-gouverneure

From:	Andrea Dalgarno
To:	Sarah Harris
Subject:	FW: OIC Total Amount for OFA Loans as of Dec 31, 2017
Date:	Tuesday, February 13, 2018 1:57:34 PM
Attachments:	image001.png

From: Ken Kandeepan
Sent: Tuesday, February 13, 2018 9:15 AM
To: Andrea Dalgarno
Cc: Sarah Harris ; San Rajaratnam ; Siva Nathan ; John Psinas
Subject: RE: OIC Total Amount for OFA Loans as of Dec 31, 2017

Hi Andrea

Agreed, the credit facility of $2B to IESO is indeed extended by the OFA and does require disclosure.

Thanks

Ken K

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Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; San Rajaratnam <San.Rajaratnam@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of Dec 31, 2017

Hi Ken,

We are trying to finalize the attached worksheet for Accounting. I believe it is used in the statements to populate the highlighted sentence:

5. TRANSACTIONS WITH PUBLIC BODIES

The OFA provides financing to various public bodies on direction from the Province. As the OFA is directed by the Province to make these loans in furtherance of stated Provincial initiatives, and these loans are included in the Province's consolidated financial statements, these transactions are not reflected in these financial statements.

Funds for these loans are advanced to the OFA by the Province under credit facilities aggregating $16.9 billion expiring from 2036 to 2044. Principal repayments received from public bodies by the OFA are forwarded to the Province. The interest rates charged to public bodies is generally slightly higher than the rate charged by the Province on the advances to fund the loans ("the spread").

We have tentatively added the IESO-OFA FHP OIC to the worksheet but want to ensure this is both expected and acceptable.

We approached Corporate Finance/Corporate Electricity Finance to see if they had any concerns but have yet to hear back.

We are hoping that you may be able to confirm the appropriateness of its inclusion in light of the fact that it will cause a $2 billion jump in the amount reported and push the far date out to 2047.

Regards,

Andrea Dalgarno

Documentation & Analysis Specialist

Ontario Financing Authority
Tel 416-212-7451
This message, including any attachments, is intended only for the use of the individual(s) to which it is addressed and may contain information that is privileged and confidential. Any other distribution, copying or disclosure is strictly prohibited. If you are not the intended recipient or have received this message in error, please notify us immediately by reply e-mail and permanently delete this message including any attachments, without reading it or making a copy. Thank you

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Cc: Sarah Harris ; Siva Nathan ; San Rajaratnam
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Please let me know as soon as possible should there be an issue with its inclusion

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Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of Dec 31, 2017
Hi Andrea,
For reporting in OFA's Dec 31, 2017 financial statements, We would like to check with you of any changes to OIC amounts as of Dec 31, 2017.
Thanks,
San

From: San Rajaratnam
Sent: Friday, October 20, 2017 9:17 AM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of Sep 30, 2017
Hi Andrea,
For reporting in OFA's Sep 30, 2017 financial statements We would like to check with you of any changes to OIC amounts as of Sep 30, 2017.
Thanks,
San

From: Andrea Dalgarno
Sent: Wednesday, July 19, 2017 10:10 AM
To: San Rajaratnam <San.Rajaratnam@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: RE: OIC Total Amount for OFA Loans as of June 30, 2017
Hi,
We confirm the authorized amounts for the OICs in the attached table are unchanged totalling $16,916,000,000 as at June 30 ,2017.
Regards,
Andrea

From: San Rajaratnam
Sent: Wednesday, July 19, 2017 9:56 AM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of June 30, 2017
Hi Andrea,
For reporting in OFA's June 30, 2017 financial statements We would like to check with you of any changes to OIC amounts as of June 30, 2017.
Thanks,
San

From: Andrea Dalgarno
Sent: Wednesday, April 19, 2017 9:57 AM
To: San Rajaratnam <San.Rajaratnam@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: RE: OIC Total Amount for OFA Loans as of Mar 31, 2017
Hi San,

Sarah asked me to address this request
The only changes are as follows:
OIC 1883/06 - $800,000,000 - the amended maturity date is June 1, 2041 (previously November 1, 2032).
OIC 2144/07 - $2,000,000,000 - the amended maturity date is June 1, 2041 (previously December 1, 2037).
and the changes have been made to the OFA Summary attached.
These updates take into account the amendment to the maturity dates incorporated in OIC 844/2008 (attached for your reference).
Other than that:
I can confirm that the total OIC amounts remains unchanged as of March 31, 2017. I can also confirm that there have been no additional OICs. I cannot however, comment on any loans or transactions undertaken under the OICs. Documentation does not keep track of this. If needed, I believe that Corporate Finance keeps track of this information. As such the supporting documentation provided is comprised of copies of the OIC's in question.
Regards,
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From: San Rajaratnam
Sent: Tuesday, April 18, 2017 2:51 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of Mar 31, 2017
Hi William,
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Thanks,
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From: William Tan
Sent: Friday, January 20, 2017 2:56 PM
To: San Rajaratnam <San.Rajaratnam@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: OIC Total Amount for OFA Loans as of Dec 31,2016
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Please note the amended maturity dates for the following two OICs:
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Sent: Tuesday, January 17, 2017 4:14 PM

To: William Tan <William.Tan@ofina.on.ca>
Subject: FW: OIC Total Amount for OFA Loans as of Dec 31,2016

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Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of Dec 31,2016

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To:	Sarah Harris
Subject:	FW: OIC Total Amount for OFA Loans as of Dec 31, 2017
Date:	Thursday, February 08, 2018 11:24:12 AM
Attachments:	Total OIC Amount (Decemeber 31 2017).xlsx OIC-1279-2017.pdf

Hi,
I have received not feedback but believe San will need us to finalize.
I am thinking I will send a follow up and indicate no response will be taken as it is fine to include.
Regards,
Andrea

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Sent: Friday, February 02, 2018 11:14 AM
To: John Kim ; Bruno Amara ; Mara Bakic
Cc: San Rajaratnam ; Siva Nathan ; Sarah Harris
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I have tentatively updated a report of OFA OIC amounts we provide to Accounting quarterly for financial reporting purposes to include the OIC that supports the $2 billion dollar Credit Facility Agreement between the OFA and IESO related to the Fair Hydro Plan.
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Subject: OIC Total Amount for OFA Loans as of Dec 31, 2017

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For reporting in OFA's Dec 31, 2017 financial statements, We would like to check with you of any changes to OIC amounts as of Dec 31, 2017.
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To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
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We confirm the authorized amounts for the OICs in the attached table are unchanged totalling $16,916,000,000 as at June 30 ,2017.
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The only changes are as follows:
OIC 1883/06 - $800,000,000 - the amended maturity date is June 1, 2041 (previously November 1, 2032).
OIC 2144/07 - $2,000,000,000 - the amended maturity date is June 1, 2041 (previously December 1, 2037).
and the changes have been made to the OFA Summary attached.
These updates take into account the amendment to the maturity dates incorporated in OIC 844/2008 (attached for your reference).
Other than that:
I can confirm that the total OIC amounts remains unchanged as of March 31, 2017. I can also confirm that there have been no additional OICs. I cannot however, comment on any loans or transactions undertaken under the OICs. Documentation does not keep track of this. If needed, I believe that Corporate Finance keeps track of this information. As such the supporting documentation provided is comprised of copies of the OIC's in question.

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Please note the amended maturity dates for the following two OICs:
OIC 675/97 - $2,160,000,000 - the amended maturity date is June 1, 2041 (previously August 31, 2027).
OIC 767/99 - $656,000,000 - the amended maturity date is June 1, 2041 (previously August 31, 2029).
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OIC Summary

As At: **Septemebr 30, 2017**

Regular Loans	**Total OIC Amount**
Under OIC 675/97 -	
Authorized:	$2,160,000,000
Repayment date:	June 1, 2041
Under OIC 767/99 -	
Authorized:	$656,000,000
Repayment date:	June 1, 2041
IESO FHP Credit Facility	
Under OIC 1279/2017 -	
Authorized:	$2,000,000,000
Repayment date:	December 31, 2047
School Board Loans	**Total OIC Amount**
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Authorized:	$800,000,000
Repayment date:	June 1, 2041
Under OIC 2144/2007	
Authorized:	$2,000,000,000
Repayment date:	June 1, 2041
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Authorized:	$1,800,000,000
Repayment date:	May 15, 2036
Under OIC 163/2012	
Authorized:	$1,700,000,000
Repayment date:	Year 2040
Under OIC 354/2014	
Authorized:	$700,000,000
Repayment date:	March 5, 2044
Auto Loans	**Total OIC Amount**
Under OIC 2154/2008	$1,700,000,000
Under OIC 678/2009	$1,100,000,000
Under OIC 975/2009	$4,300,000,000
Total Amount	**$18,916,000,000**

Amount Issued		Remaining Authority	
$	1,700,000,000.00	$	-
$	480,818,602.74	$	619,181,397.26
$	1,983,345,267.75	$	2,316,654,732.25

Executive Council of Ontario/Conseil exécutif de l'Ontario **[Bilingual]**

Ontario

Order in Council
Décret

On the recommendation of the undersigned, the Lieutenant Governor of Ontario, by and with the advice and concurrence of the Executive Council of Ontario, orders that:

Sur la recommandation de la personne soussignée, la lieutenante-gouverneure de l'Ontario, sur l'avis et avec le consentement du Conseil exécutif de l'Ontario, décrète ce qui suit :

WHEREAS pursuant to subsection 22(1) of the *Capital Investment Plan Act, 1993* (the "Act"), the Minister of Finance may purchase securities of or make loans to corporations established under subsection 2(1) of the Act in such amounts, at such times and on such terms and conditions as the Lieutenant Governor in Council considers expedient;

AND WHEREAS the Ontario Financing Authority (the "OFA") is a corporation established under subsection 2(1) of the Act;

AND WHEREAS pursuant to subsection 6(3) of the Act, the power of a corporation established under subsection 2(1) of the Act to borrow and issue securities, among other things, may only be exercised under the authority of a by-law that has been approved by the Minister of Finance;

AND WHEREAS the OFA wishes to borrow up to Two Billion Dollars in lawful money of Canada from the Minister of Finance and has been authorized to do so by a borrowing by-law approved in accordance with the Act;

THEREFORE:

Pursuant to subsection 22 (1) of the Act, the Minister of Finance is authorized to lend a maximum of Two Billion Dollars in lawful money of Canada to the OFA on the following terms and conditions:

(a) the loan may be advanced in such amounts and at such time or times as required by the OFA;

(b) repayment of advances made under the loan plus accrued interest may be made in whole or in part at any time provided that the loan plus any accrued interest shall be fully repaid by December 31, 2047;

(c) each advance (an "Advance") made under the loan hereby authorized shall bear interest at a rate which is determined as follows:

(i) from the date of the Advance to (but excluding) the date of repayment the Advance shall bear interest at a per annum rate equivalent to the yield earned on

ninety day Province of Ontario treasury bills on the date before the Advance Date as determined by the Province, provided that if an Advance is outstanding for longer than ninety days, the interest rate shall be reset on the last day of each ninety day period (the "Reset Date") to the yield earned on ninety day Province of Ontario treasury bills immediately preceding the Reset Date for such ninety day period as determined by the Province;

(ii) in the event that moneys included in an Advance are used by the OFA for the purpose of funding loans to third parties (a "Third Party Loan"), the rate of interest payable by the OFA to the Province on the portion of the Advance so used shall be adjusted effective as of the date that the portion of the Advance is used to fund the Third Party Loan so that the per annum rate of interest payable by the OFA on such moneys is equivalent to the per annum rate of interest payable to the OFA under the Third Party Loan less an amount as may be determined by the Minister of Finance in respect of such Third Party Loan or a class of such Third Party Loans, until but excluding the date on which the Third Party Loan is repaid, at which time the interest rate set out in subparagraph (i) shall again be applicable to that portion of the Advance; and

(iii) in the event that moneys described in subparagraph (ii), once repaid, are subsequently used to fund loans to third parties, subparagraph (ii) shall again be applicable in determining the interest rate payable to the Province on that portion of the Advance used to fund such loan, and so on, until the Advance shall be repaid to the Province in full;

(iv) despite subparagraphs (ii) and (iii), in the event that no interest is payable to the OFA under a Third Party Loan, no interest shall be payable by the OFA on the portion of the Advance so used and to the extent that the terms of a Third Party Loan provide for the deferral of the payment of accrued interest for a period, the interest payment terms of an Advance or portion thereof shall also be deferred for a similar period.

(d) interest for any period of less than one year shall be payable for the actual number of days included in such period, computed on the basis of a 365-day year;

(e) despite paragraph (b) of this Order, interest on any portion of an Advance made to the OFA under the loan that is used by the OFA to fund a Third Party Loan shall accrue on the basis stated above but shall become payable only to the extent the OFA receives payment of interest under the relevant Third Party Loan;

(f) despite paragraph (b) of this Order, any portion of the principal of an Advance made to the OFA under the loan that is used by the OFA to fund a Third Party Loan shall become payable only to the extent the OFA receives repayment of principal under the relevant Third Party Loan; and

(g) the loan hereby authorized shall be evidenced by a promissory note.

ATTENDU QUE le ministre des Finances peut, en vertu du paragraphe 22 (1) de la *Loi de 1993 sur le plan d'investissement* (la « Loi »), acheter des valeurs mobilières des personnes morales

créées en vertu du paragraphe 2 (1) de la Loi ou leur consentir des prêts selon les montants, aux moments et aux conditions que le lieutenant-gouverneur en conseil estime opportuns;

ATTENDU QUE l'Office ontarien de financement (l'« OOF ») est une personne morale créée en vertu du paragraphe 2 (1) de la Loi;

ATTENDU QUE, conformément au paragraphe 6 (3) de la Loi, le pouvoir qu'ont les personnes morales créées en vertu du paragraphe 2 (1) de la Loi de contracter des emprunts et d'émettre des valeurs mobilières, entre autres, ne peut être exercé qu'aux termes d'un règlement administratif approuvé par le ministre des Finances;

ATTENDU QUE l'OOF souhaite emprunter jusqu'à concurrence de deux milliards de dollars en monnaie légale du Canada du ministre des Finances et qu'il a été autorisé à le faire par un règlement administratif d'emprunt approuvé conformément à la Loi;

PAR CONSÉQUENT :

en vertu du paragraphe 22 (1) de la Loi, le ministre des Finances est autorisé à prêter un montant maximal de deux milliards de dollars en monnaie légale du Canada à l'OOF, aux conditions suivantes :

a) le prêt peut être consenti selon les montants et aux moments qui conviennent à l'OOF;

b) le remboursement des avances consenties au titre du prêt, plus les intérêts courus, peut à tout moment être effectué en totalité ou en partie, pourvu que le prêt et les intérêts courus soient entièrement remboursés au plus tard le 31 décembre 2047;

c) chaque avance (« avance ») faite au titre du prêt autorisé par les présentes portera intérêt au taux est fixé comme suit :

(i) de la date où elle a été faite jusqu'à la date (non comprise) de son remboursement, l'avance portera intérêt à un taux annuel équivalant au rendement gagné sur des bons du Trésor de la province de l'Ontario de quatre-vingt-dix jours à la date précédant la date de l'avance fixée par la province, pourvu que ce taux d'intérêt soit rajusté le dernier jour de chaque période de quatre-vingt-dix jours (« date de rajustement ») selon le rendement gagné sur de tels bons du Trésor immédiatement avant la date de rajustement pour une période de quatre-vingt-dix jours décidée par la province, si l'avance est impayée pendant plus de quatre-vingt-dix jours;

(ii) dans l'éventualité où l'OOF se servirait de sommes comprises dans une avance pour financer des prêts à des tiers, le taux d'intérêt à payer par l'OOF à la province sur la partie de l'avance ainsi utilisée sera rajusté à la date à laquelle la partie de l'avance sera utilisée pour le financement du prêt à un tiers de façon que le taux d'intérêt annuel à payer par l'OOF sur de telles sommes soit équivalent à ce dernier taux moins un montant que pourra fixer le ministre des Finances à l'égard d'un tel prêt ou d'une telle catégorie de prêt, jusqu'à la date (non comprise) à laquelle le prêt à un tiers sera remboursé, date à laquelle le taux d'intérêt établi au sous-alinéa (i) s'appliquera de nouveau à cette partie de l'avance;

(iii) dans l'éventualité où les sommes décrites au sous-alinéa (ii), une fois remboursées, seraient ultérieurement utilisées pour le financement de prêts à des tiers, le sous-alinéa (ii) s'appliquera de nouveau dans l'établissement du taux d'intérêt à payer à la province sur la partie de l'avance utilisée à cette fin, et ainsi de suite, jusqu'à ce que l'avance ait été remboursée intégralement à la province;

(iv) malgré les sous-alinéas (ii) et (iii), dans l'éventualité où aucun intérêt ne serait payable à l'OOF au titre d'un prêt à un tiers, aucun intérêt ne sera à payer par l'OOF sur la partie de l'avance ainsi utilisée et dans la mesure où les conditions du prêt à un tiers prévoient le report du paiement d'intérêts courus pour une période, le paiement d'intérêts au titre d'une avance ou d'une partie d'une avance sera également reporté pour une période d'égale durée;

d) l'intérêt payable relativement à toute période de moins d'un an sera calculé en fonction du nombre de jours réellement compris dans cette période, par rapport à une année comptant 365 jours;

e) par dérogation à l'alinéa a) ci-dessus, l'intérêt sur toute partie d'une avance consentie à l'OOF dans le cadre du prêt que cette dernière utilise pour financer un prêt à un tiers est calculé comme il est indiqué ci-dessus, mais cet intérêt devient payable uniquement dans la mesure où l'OOF reçoit un paiement d'intérêts au titre du prêt à un tiers;

f) par dérogation à l'alinéa b) ci-dessus, toute partie du capital d'une avance consentie à l'OOF dans le cadre du prêt que cette dernière utilise pour financer un prêt à un tiers devient payable uniquement dans la mesure où l'OOF reçoit un remboursement du capital au titre du prêt à un tiers

g) le prêt autorisé en vertu des présentes sera attesté par un billet à ordre.

Recommended: Minister of Finance
Recommandé par : Le ministre des Finances

Deb Matthews

Concurred: Chair of Cabinet
Appuyé par : Le président/la présidente du Conseil des ministres

Approved and Ordered:
Approuvé et décrété le : JUN 28 2017

Lieutenant Governor
La lieutenante-gouverneure

From:	Andrea Dalgarno
To:	Sarah Harris
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Date:	Thursday, February 08, 2018 11:24:12 AM
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As At: **Septemebr 30, 2017**

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Pursuant to subsection 22 (1) of the Act, the Minister of Finance is authorized to lend a maximum of Two Billion Dollars in lawful money of Canada to the OFA on the following terms and conditions:

(a) the loan may be advanced in such amounts and at such time or times as required by the OFA;

(b) repayment of advances made under the loan plus accrued interest may be made in whole or in part at any time provided that the loan plus any accrued interest shall be fully repaid by December 31, 2047;

(c) each advance (an "Advance") made under the loan hereby authorized shall bear interest at a rate which is determined as follows:

(i) from the date of the Advance to (but excluding) the date of repayment the Advance shall bear interest at a per annum rate equivalent to the yield earned on

ninety day Province of Ontario treasury bills on the date before the Advance Date as determined by the Province, provided that if an Advance is outstanding for longer than ninety days, the interest rate shall be reset on the last day of each ninety day period (the "Reset Date") to the yield earned on ninety day Province of Ontario treasury bills immediately preceding the Reset Date for such ninety day period as determined by the Province;

(ii) in the event that moneys included in an Advance are used by the OFA for the purpose of funding loans to third parties (a "Third Party Loan"), the rate of interest payable by the OFA to the Province on the portion of the Advance so used shall be adjusted effective as of the date that the portion of the Advance is used to fund the Third Party Loan so that the per annum rate of interest payable by the OFA on such moneys is equivalent to the per annum rate of interest payable to the OFA under the Third Party Loan less an amount as may be determined by the Minister of Finance in respect of such Third Party Loan or a class of such Third Party Loans, until but excluding the date on which the Third Party Loan is repaid, at which time the interest rate set out in subparagraph (i) shall again be applicable to that portion of the Advance; and

(iii) in the event that moneys described in subparagraph (ii), once repaid, are subsequently used to fund loans to third parties, subparagraph (ii) shall again be applicable in determining the interest rate payable to the Province on that portion of the Advance used to fund such loan, and so on, until the Advance shall be repaid to the Province in full;

(iv) despite subparagraphs (ii) and (iii), in the event that no interest is payable to the OFA under a Third Party Loan, no interest shall be payable by the OFA on the portion of the Advance so used and to the extent that the terms of a Third Party Loan provide for the deferral of the payment of accrued interest for a period, the interest payment terms of an Advance or portion thereof shall also be deferred for a similar period.

(d) interest for any period of less than one year shall be payable for the actual number of days included in such period, computed on the basis of a 365-day year;

(e) despite paragraph (b) of this Order, interest on any portion of an Advance made to the OFA under the loan that is used by the OFA to fund a Third Party Loan shall accrue on the basis stated above but shall become payable only to the extent the OFA receives payment of interest under the relevant Third Party Loan;

(f) despite paragraph (b) of this Order, any portion of the principal of an Advance made to the OFA under the loan that is used by the OFA to fund a Third Party Loan shall become payable only to the extent the OFA receives repayment of principal under the relevant Third Party Loan; and

(g) the loan hereby authorized shall be evidenced by a promissory note.

ATTENDU QUE le ministre des Finances peut, en vertu du paragraphe 22 (1) de la *Loi de 1993 sur le plan d'investissement* (la « Loi »), acheter des valeurs mobilières des personnes morales

créées en vertu du paragraphe 2 (1) de la Loi ou leur consentir des prêts selon les montants, aux moments et aux conditions que le lieutenant-gouverneur en conseil estime opportuns;

ATTENDU QUE l'Office ontarien de financement (l'« OOF ») est une personne morale créée en vertu du paragraphe 2 (1) de la Loi;

ATTENDU QUE, conformément au paragraphe 6 (3) de la Loi, le pouvoir qu'ont les personnes morales créées en vertu du paragraphe 2 (1) de la Loi de contracter des emprunts et d'émettre des valeurs mobilières, entre autres, ne peut être exercé qu'aux termes d'un règlement administratif approuvé par le ministre des Finances;

ATTENDU QUE l'OOF souhaite emprunter jusqu'à concurrence de deux milliards de dollars en monnaie légale du Canada du ministre des Finances et qu'il a été autorisé à le faire par un règlement administratif d'emprunt approuvé conformément à la Loi;

PAR CONSÉQUENT :

en vertu du paragraphe 22 (1) de la Loi, le ministre des Finances est autorisé à prêter un montant maximal de deux milliards de dollars en monnaie légale du Canada à l'OOF, aux conditions suivantes :

a) le prêt peut être consenti selon les montants et aux moments qui conviennent à l'OOF;

b) le remboursement des avances consenties au titre du prêt, plus les intérêts courus, peut à tout moment être effectué en totalité ou en partie, pourvu que le prêt et les intérêts courus soient entièrement remboursés au plus tard le 31 décembre 2047;

c) chaque avance (« avance ») faite au titre du prêt autorisé par les présentes portera intérêt au taux est fixé comme suit :

(i) de la date où elle a été faite jusqu'à la date (non comprise) de son remboursement, l'avance portera intérêt à un taux annuel équivalant au rendement gagné sur des bons du Trésor de la province de l'Ontario de quatre-vingt-dix jours à la date précédant la date de l'avance fixée par la province, pourvu que ce taux d'intérêt soit rajusté le dernier jour de chaque période de quatre-vingt-dix jours (« date de rajustement ») selon le rendement gagné sur de tels bons du Trésor immédiatement avant la date de rajustement pour une période de quatre-vingt-dix jours décidée par la province, si l'avance est impayée pendant plus de quatre-vingt-dix jours;

(ii) dans l'éventualité où l'OOF se servirait de sommes comprises dans une avance pour financer des prêts à des tiers, le taux d'intérêt à payer par l'OOF à la province sur la partie de l'avance ainsi utilisée sera rajusté à la date à laquelle la partie de l'avance sera utilisée pour le financement du prêt à un tiers de façon que le taux d'intérêt annuel à payer par l'OOF sur de telles sommes soit équivalent à ce dernier taux moins un montant que pourra fixer le ministre des Finances à l'égard d'un tel prêt ou d'une telle catégorie de prêt, jusqu'à la date (non comprise) à laquelle le prêt à un tiers sera remboursé, date à laquelle le taux d'intérêt établi au sous-alinéa (i) s'appliquera de nouveau à cette partie de l'avance;

(iii) dans l'éventualité où les sommes décrites au sous-alinéa (ii), une fois remboursées, seraient ultérieurement utilisées pour le financement de prêts à des tiers, le sous-alinéa (ii) s'appliquera de nouveau dans l'établissement du taux d'intérêt à payer à la province sur la partie de l'avance utilisée à cette fin, et ainsi de suite, jusqu'à ce que l'avance ait été remboursée intégralement à la province;

(iv) malgré les sous-alinéas (ii) et (iii), dans l'éventualité où aucun intérêt ne serait payable à l'OOF au titre d'un prêt à un tiers, aucun intérêt ne sera à payer par l'OOF sur la partie de l'avance ainsi utilisée et dans la mesure où les conditions du prêt à un tiers prévoient le report du paiement d'intérêts courus pour une période, le paiement d'intérêts au titre d'une avance ou d'une partie d'une avance sera également reporté pour une période d'égale durée;

d) l'intérêt payable relativement à toute période de moins d'un an sera calculé en fonction du nombre de jours réellement compris dans cette période, par rapport à une année comptant 365 jours;

e) par dérogation à l'alinéa a) ci-dessus, l'intérêt sur toute partie d'une avance consentie à l'OOF dans le cadre du prêt que cette dernière utilise pour financer un prêt à un tiers est calculé comme il est indiqué ci-dessus, mais cet intérêt devient payable uniquement dans la mesure où l'OOF reçoit un paiement d'intérêts au titre du prêt à un tiers;

f) par dérogation à l'alinéa b) ci-dessus, toute partie du capital d'une avance consentie à l'OOF dans le cadre du prêt que cette dernière utilise pour financer un prêt à un tiers devient payable uniquement dans la mesure où l'OOF reçoit un remboursement du capital au titre du prêt à un tiers

g) le prêt autorisé en vertu des présentes sera attesté par un billet à ordre.

Recommended: Minister of Finance
Recommandé par : Le ministre des Finances

Deb Matthews

Concurred: Chair of Cabinet
Appuyé par : Le président/la présidente du Conseil des ministres

Approved and Ordered:
Approuvé et décrété le : JUN 28 2017

Lieutenant Governor
La lieutenante-gouverneure

From:	Andrea Dalgarno
To:	John Kim; Bruno Amara; Mara Bakic
Cc:	San Rajaratnam; Siva Nathan; Sarah Harris
Subject:	FW: OIC Total Amount for OFA Loans as of Dec 31, 2017
Date:	Friday, February 02, 2018 11:14:16 AM
Attachments:	Total OIC Amount (Decemeber 31 2017).xlsx OIC-1279-2017.pdf

Hi,
I have tentatively updated a report of OFA OIC amounts we provide to Accounting quarterly for financial reporting purposes to include the OIC that supports the $2 billion dollar Credit Facility Agreement between the OFA and IESO related to the Fair Hydro Plan.
As this is a significant addition, I would like to give interested parties the opportunity to consider the appropriateness of its inclusion.
Accounting should be able to provide you further details with respect to the nature of the reporting which is based on this input should it be needed.
Please let me know as soon as possible should there be an issue with its inclusion
Regards,
Andrea

From: San Rajaratnam
Sent: Friday, February 02, 2018 10:46 AM
To: Andrea Dalgarno
Cc: Siva Nathan ; Sarah Harris
Subject: OIC Total Amount for OFA Loans as of Dec 31, 2017
Hi Andrea,
For reporting in OFA's Dec 31, 2017 financial statements, We would like to check with you of any changes to OIC amounts as of Dec 31, 2017.
Thanks,
San

From: San Rajaratnam
Sent: Friday, October 20, 2017 9:17 AM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of Sep 30, 2017
Hi Andrea,
For reporting in OFA's Sep 30, 2017 financial statements We would like to check with you of any changes to OIC amounts as of Sep 30, 2017.
Thanks,
San

From: Andrea Dalgarno
Sent: Wednesday, July 19, 2017 10:10 AM
To: San Rajaratnam <San.Rajaratnam@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: RE: OIC Total Amount for OFA Loans as of June 30, 2017
Hi,
We confirm the authorized amounts for the OICs in the attached table are unchanged totalling

$16,916,000,000 as at June 30 ,2017.
Regards,
Andrea

From: San Rajaratnam
Sent: Wednesday, July 19, 2017 9:56 AM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of June 30, 2017
Hi Andrea,
For reporting in OFA's June 30, 2017 financial statements We would like to check with you of any changes to OIC amounts as of June 30, 2017.
Thanks,
San

From: Andrea Dalgarno
Sent: Wednesday, April 19, 2017 9:57 AM
To: San Rajaratnam <San.Rajaratnam@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: RE: OIC Total Amount for OFA Loans as of Mar 31, 2017
Hi San,
Sarah asked me to address this request
The only changes are as follows:
OIC 1883/06 - $800,000,000 - the amended maturity date is June 1, 2041 (previously November 1, 2032).
OIC 2144/07 - $2,000,000,000 - the amended maturity date is June 1, 2041 (previously December 1, 2037).
and the changes have been made to the OFA Summary attached.
These updates take into account the amendment to the maturity dates incorporated in OIC 844/2008 (attached for your reference).
Other than that:
I can confirm that the total OIC amounts remains unchanged as of March 31, 2017. I can also confirm that there have been no additional OICs. I cannot however, comment on any loans or transactions undertaken under the OICs. Documentation does not keep track of this. If needed, I believe that Corporate Finance keeps track of this information. As such the supporting documentation provided is comprised of copies of the OIC's in question.
Regards,
Andrea

From: San Rajaratnam
Sent: Tuesday, April 18, 2017 2:51 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of Mar 31, 2017
Hi William,
We would like to check with you of any changes to OIC amounts as of Mar 31, 2017? We require this

info for reporting in OFA's Mar 31, 2017 Financial Statements.
Thanks,
San

From: William Tan
Sent: Friday, January 20, 2017 2:56 PM
To: San Rajaratnam <San.Rajaratnam@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: OIC Total Amount for OFA Loans as of Dec 31,2016

Hello San,
We confirm the authorized amounts for the OICs in the attached table are unchanged totalling $16,916,000,000 as at Dec 31, 2016.
Please note the amended maturity dates for the following two OICs:
OIC 675/97 - $2,160,000,000 - the amended maturity date is June 1, 2041 (previously August 31, 2027).
OIC 767/99 - $656,000,000 - the amended maturity date is June 1, 2041 (previously August 31, 2029).
Thanks,
Will

From: Sarah Harris
Sent: Tuesday, January 17, 2017 4:14 PM
To: William Tan <William.Tan@ofina.on.ca>
Subject: FW: OIC Total Amount for OFA Loans as of Dec 31,2016

From: San Rajaratnam
Sent: Tuesday, January 17, 2017 3:39 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of Dec 31,2016

Hi Sarah,
We would like to check whether any changes to OIC amounts as of Dec 31, 2016? We require this info for reporting in OFA's Dec 31,2016 FS.
Lenin provided us the attached file (as of Sep 30,2016).
Thanks,
San

OIC Summary

As At: **Septemebr 30, 2017**

Regular Loans	**Total OIC Amount**
Under OIC 675/97 -	
Authorized:	$2,160,000,000
Repayment date:	June 1, 2041
Under OIC 767/99 -	
Authorized:	$656,000,000
Repayment date:	June 1, 2041
IESO FHP Credit Facility	
Under OIC 1279/2017 -	
Authorized:	$2,000,000,000
Repayment date:	December 31, 2047
School Board Loans	**Total OIC Amount**
Under OIC 1883/2006	
Authorized:	$800,000,000
Repayment date:	June 1, 2041
Under OIC 2144/2007	
Authorized:	$2,000,000,000
Repayment date:	June 1, 2041
Under OIC 300/2010	
Authorized:	$1,800,000,000
Repayment date:	May 15, 2036
Under OIC 163/2012	
Authorized:	$1,700,000,000
Repayment date:	Year 2040
Under OIC 354/2014	
Authorized:	$700,000,000
Repayment date:	March 5, 2044
Auto Loans	**Total OIC Amount**
Under OIC 2154/2008	$1,700,000,000
Under OIC 678/2009	$1,100,000,000
Under OIC 975/2009	$4,300,000,000
Total Amount	**$18,916,000,000**

Amount Issued		Remaining Authority	
$	1,700,000,000.00	$	-
$	480,818,602.74	$	619,181,397.26
$	1,983,345,267.75	$	2,316,654,732.25

Executive Council of Ontario/Conseil exécutif de l'Ontario **[Bilingual]**

Ontario

Order in Council
Décret

On the recommendation of the undersigned, the Lieutenant Governor of Ontario, by and with the advice and concurrence of the Executive Council of Ontario, orders that:

Sur la recommandation de la personne soussignée, la lieutenante-gouverneure de l'Ontario, sur l'avis et avec le consentement du Conseil exécutif de l'Ontario, décrète ce qui suit :

WHEREAS pursuant to subsection 22(1) of the *Capital Investment Plan Act, 1993* (the "Act"), the Minister of Finance may purchase securities of or make loans to corporations established under subsection 2(1) of the Act in such amounts, at such times and on such terms and conditions as the Lieutenant Governor in Council considers expedient;

AND WHEREAS the Ontario Financing Authority (the "OFA") is a corporation established under subsection 2(1) of the Act;

AND WHEREAS pursuant to subsection 6(3) of the Act, the power of a corporation established under subsection 2(1) of the Act to borrow and issue securities, among other things, may only be exercised under the authority of a by-law that has been approved by the Minister of Finance;

AND WHEREAS the OFA wishes to borrow up to Two Billion Dollars in lawful money of Canada from the Minister of Finance and has been authorized to do so by a borrowing by-law approved in accordance with the Act;

THEREFORE:

Pursuant to subsection 22 (1) of the Act, the Minister of Finance is authorized to lend a maximum of Two Billion Dollars in lawful money of Canada to the OFA on the following terms and conditions:

(a) the loan may be advanced in such amounts and at such time or times as required by the OFA;

(b) repayment of advances made under the loan plus accrued interest may be made in whole or in part at any time provided that the loan plus any accrued interest shall be fully repaid by December 31, 2047;

(c) each advance (an "Advance") made under the loan hereby authorized shall bear interest at a rate which is determined as follows:

(i) from the date of the Advance to (but excluding) the date of repayment the Advance shall bear interest at a per annum rate equivalent to the yield earned on

ninety day Province of Ontario treasury bills on the date before the Advance Date as determined by the Province, provided that if an Advance is outstanding for longer than ninety days, the interest rate shall be reset on the last day of each ninety day period (the "Reset Date") to the yield earned on ninety day Province of Ontario treasury bills immediately preceding the Reset Date for such ninety day period as determined by the Province;

(ii) in the event that moneys included in an Advance are used by the OFA for the purpose of funding loans to third parties (a "Third Party Loan"), the rate of interest payable by the OFA to the Province on the portion of the Advance so used shall be adjusted effective as of the date that the portion of the Advance is used to fund the Third Party Loan so that the per annum rate of interest payable by the OFA on such moneys is equivalent to the per annum rate of interest payable to the OFA under the Third Party Loan less an amount as may be determined by the Minister of Finance in respect of such Third Party Loan or a class of such Third Party Loans, until but excluding the date on which the Third Party Loan is repaid, at which time the interest rate set out in subparagraph (i) shall again be applicable to that portion of the Advance; and

(iii) in the event that moneys described in subparagraph (ii), once repaid, are subsequently used to fund loans to third parties, subparagraph (ii) shall again be applicable in determining the interest rate payable to the Province on that portion of the Advance used to fund such loan, and so on, until the Advance shall be repaid to the Province in full;

(iv) despite subparagraphs (ii) and (iii), in the event that no interest is payable to the OFA under a Third Party Loan, no interest shall be payable by the OFA on the portion of the Advance so used and to the extent that the terms of a Third Party Loan provide for the deferral of the payment of accrued interest for a period, the interest payment terms of an Advance or portion thereof shall also be deferred for a similar period.

(d) interest for any period of less than one year shall be payable for the actual number of days included in such period, computed on the basis of a 365-day year;

(e) despite paragraph (b) of this Order, interest on any portion of an Advance made to the OFA under the loan that is used by the OFA to fund a Third Party Loan shall accrue on the basis stated above but shall become payable only to the extent the OFA receives payment of interest under the relevant Third Party Loan;

(f) despite paragraph (b) of this Order, any portion of the principal of an Advance made to the OFA under the loan that is used by the OFA to fund a Third Party Loan shall become payable only to the extent the OFA receives repayment of principal under the relevant Third Party Loan; and

(g) the loan hereby authorized shall be evidenced by a promissory note.

ATTENDU QUE le ministre des Finances peut, en vertu du paragraphe 22 (1) de la *Loi de 1993 sur le plan d'investissement* (la « Loi »), acheter des valeurs mobilières des personnes morales

créées en vertu du paragraphe 2 (1) de la Loi ou leur consentir des prêts selon les montants, aux moments et aux conditions que le lieutenant-gouverneur en conseil estime opportuns;

ATTENDU QUE l'Office ontarien de financement (l'« OOF ») est une personne morale créée en vertu du paragraphe 2 (1) de la Loi;

ATTENDU QUE, conformément au paragraphe 6 (3) de la Loi, le pouvoir qu'ont les personnes morales créées en vertu du paragraphe 2 (1) de la Loi de contracter des emprunts et d'émettre des valeurs mobilières, entre autres, ne peut être exercé qu'aux termes d'un règlement administratif approuvé par le ministre des Finances;

ATTENDU QUE l'OOF souhaite emprunter jusqu'à concurrence de deux milliards de dollars en monnaie légale du Canada du ministre des Finances et qu'il a été autorisé à le faire par un règlement administratif d'emprunt approuvé conformément à la Loi;

PAR CONSÉQUENT :

en vertu du paragraphe 22 (1) de la Loi, le ministre des Finances est autorisé à prêter un montant maximal de deux milliards de dollars en monnaie légale du Canada à l'OOF, aux conditions suivantes :

a) le prêt peut être consenti selon les montants et aux moments qui conviennent à l'OOF;

b) le remboursement des avances consenties au titre du prêt, plus les intérêts courus, peut à tout moment être effectué en totalité ou en partie, pourvu que le prêt et les intérêts courus soient entièrement remboursés au plus tard le 31 décembre 2047;

c) chaque avance (« avance ») faite au titre du prêt autorisé par les présentes portera intérêt au taux est fixé comme suit :

(i) de la date où elle a été faite jusqu'à la date (non comprise) de son remboursement, l'avance portera intérêt à un taux annuel équivalant au rendement gagné sur des bons du Trésor de la province de l'Ontario de quatre-vingt-dix jours à la date précédant la date de l'avance fixée par la province, pourvu que ce taux d'intérêt soit rajusté le dernier jour de chaque période de quatre-vingt-dix jours (« date de rajustement ») selon le rendement gagné sur de tels bons du Trésor immédiatement avant la date de rajustement pour une période de quatre-vingt-dix jours décidée par la province, si l'avance est impayée pendant plus de quatre-vingt-dix jours;

(ii) dans l'éventualité où l'OOF se servirait de sommes comprises dans une avance pour financer des prêts à des tiers, le taux d'intérêt à payer par l'OOF à la province sur la partie de l'avance ainsi utilisée sera rajusté à la date à laquelle la partie de l'avance sera utilisée pour le financement du prêt à un tiers de façon que le taux d'intérêt annuel à payer par l'OOF sur de telles sommes soit équivalent à ce dernier taux moins un montant que pourra fixer le ministre des Finances à l'égard d'un tel prêt ou d'une telle catégorie de prêt, jusqu'à la date (non comprise) à laquelle le prêt à un tiers sera remboursé, date à laquelle le taux d'intérêt établi au sous-alinéa (i) s'appliquera de nouveau à cette partie de l'avance;

(iii) dans l'éventualité où les sommes décrites au sous-alinéa (ii), une fois remboursées, seraient ultérieurement utilisées pour le financement de prêts à des tiers, le sous-alinéa (ii) s'appliquera de nouveau dans l'établissement du taux d'intérêt à payer à la province sur la partie de l'avance utilisée à cette fin, et ainsi de suite, jusqu'à ce que l'avance ait été remboursée intégralement à la province;

(iv) malgré les sous-alinéas (ii) et (iii), dans l'éventualité où aucun intérêt ne serait payable à l'OOF au titre d'un prêt à un tiers, aucun intérêt ne sera à payer par l'OOF sur la partie de l'avance ainsi utilisée et dans la mesure où les conditions du prêt à un tiers prévoient le report du paiement d'intérêts courus pour une période, le paiement d'intérêts au titre d'une avance ou d'une partie d'une avance sera également reporté pour une période d'égale durée;

d) l'intérêt payable relativement à toute période de moins d'un an sera calculé en fonction du nombre de jours réellement compris dans cette période, par rapport à une année comptant 365 jours;

e) par dérogation à l'alinéa a) ci-dessus, l'intérêt sur toute partie d'une avance consentie à l'OOF dans le cadre du prêt que cette dernière utilise pour financer un prêt à un tiers est calculé comme il est indiqué ci-dessus, mais cet intérêt devient payable uniquement dans la mesure où l'OOF reçoit un paiement d'intérêts au titre du prêt à un tiers;

f) par dérogation à l'alinéa b) ci-dessus, toute partie du capital d'une avance consentie à l'OOF dans le cadre du prêt que cette dernière utilise pour financer un prêt à un tiers devient payable uniquement dans la mesure où l'OOF reçoit un remboursement du capital au titre du prêt à un tiers

g) le prêt autorisé en vertu des présentes sera attesté par un billet à ordre.

Recommended: Minister of Finance
Recommandé par : Le ministre des Finances

Deb Matthews

Concurred: Chair of Cabinet
Appuyé par : Le président/la présidente du Conseil des ministres

Approved and Ordered:
Approuvé et décrété le : JUN 28 2017

Lieutenant Governor
La lieutenante-gouverneure

From:	Andrea Dalgarno
To:	John Kim; Bruno Amara; Mara Bakic
Cc:	San Rajaratnam; Siva Nathan; Sarah Harris
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Andrea

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For reporting in OFA's Dec 31, 2017 financial statements, We would like to check with you of any changes to OIC amounts as of Dec 31, 2017.
Thanks,
San

From: San Rajaratnam
Sent: Friday, October 20, 2017 9:17 AM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of Sep 30, 2017
Hi Andrea,
For reporting in OFA's Sep 30, 2017 financial statements We would like to check with you of any changes to OIC amounts as of Sep 30, 2017.
Thanks,
San

From: Andrea Dalgarno
Sent: Wednesday, July 19, 2017 10:10 AM
To: San Rajaratnam <San.Rajaratnam@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: RE: OIC Total Amount for OFA Loans as of June 30, 2017
Hi,
We confirm the authorized amounts for the OICs in the attached table are unchanged totalling

$16,916,000,000 as at June 30 ,2017.
Regards,
Andrea

From: San Rajaratnam
Sent: Wednesday, July 19, 2017 9:56 AM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of June 30, 2017
Hi Andrea,
For reporting in OFA's June 30, 2017 financial statements We would like to check with you of any changes to OIC amounts as of June 30, 2017.
Thanks,
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Sent: Wednesday, April 19, 2017 9:57 AM
To: San Rajaratnam <San.Rajaratnam@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: RE: OIC Total Amount for OFA Loans as of Mar 31, 2017
Hi San,
Sarah asked me to address this request
The only changes are as follows:
OIC 1883/06 - $800,000,000 - the amended maturity date is June 1, 2041 (previously November 1, 2032).
OIC 2144/07 - $2,000,000,000 - the amended maturity date is June 1, 2041 (previously December 1, 2037).
and the changes have been made to the OFA Summary attached.
These updates take into account the amendment to the maturity dates incorporated in OIC 844/2008 (attached for your reference).
Other than that:
I can confirm that the total OIC amounts remains unchanged as of March 31, 2017. I can also confirm that there have been no additional OICs. I cannot however, comment on any loans or transactions undertaken under the OICs. Documentation does not keep track of this. If needed, I believe that Corporate Finance keeps track of this information. As such the supporting documentation provided is comprised of copies of the OIC's in question.
Regards,
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From: San Rajaratnam
Sent: Tuesday, April 18, 2017 2:51 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of Mar 31, 2017
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We would like to check with you of any changes to OIC amounts as of Mar 31, 2017? We require this

info for reporting in OFA's Mar 31, 2017 Financial Statements.
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From: William Tan
Sent: Friday, January 20, 2017 2:56 PM
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Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: OIC Total Amount for OFA Loans as of Dec 31,2016

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We confirm the authorized amounts for the OICs in the attached table are unchanged totalling $16,916,000,000 as at Dec 31, 2016.
Please note the amended maturity dates for the following two OICs:
OIC 675/97 - $2,160,000,000 - the amended maturity date is June 1, 2041 (previously August 31, 2027).
OIC 767/99 - $656,000,000 - the amended maturity date is June 1, 2041 (previously August 31, 2029).
Thanks,
Will

From: Sarah Harris
Sent: Tuesday, January 17, 2017 4:14 PM
To: William Tan <William.Tan@ofina.on.ca>
Subject: FW: OIC Total Amount for OFA Loans as of Dec 31,2016

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Sent: Tuesday, January 17, 2017 3:39 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of Dec 31,2016

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We would like to check whether any changes to OIC amounts as of Dec 31, 2016? We require this info for reporting in OFA's Dec 31,2016 FS.
Lenin provided us the attached file (as of Sep 30,2016).
Thanks,
San

OIC Summary

As At: **Septemebr 30, 2017**

Regular Loans	**Total OIC Amount**
Under OIC 675/97 -	
Authorized:	$2,160,000,000
Repayment date:	June 1, 2041
Under OIC 767/99 -	
Authorized:	$656,000,000
Repayment date:	June 1, 2041
IESO FHP Credit Facility	
Under OIC 1279/2017 -	
Authorized:	$2,000,000,000
Repayment date:	December 31, 2047
School Board Loans	**Total OIC Amount**
Under OIC 1883/2006	
Authorized:	$800,000,000
Repayment date:	June 1, 2041
Under OIC 2144/2007	
Authorized:	$2,000,000,000
Repayment date:	June 1, 2041
Under OIC 300/2010	
Authorized:	$1,800,000,000
Repayment date:	May 15, 2036
Under OIC 163/2012	
Authorized:	$1,700,000,000
Repayment date:	Year 2040
Under OIC 354/2014	
Authorized:	$700,000,000
Repayment date:	March 5, 2044
Auto Loans	**Total OIC Amount**
Under OIC 2154/2008	$1,700,000,000
Under OIC 678/2009	$1,100,000,000
Under OIC 975/2009	$4,300,000,000
Total Amount	**$18,916,000,000**

Amount Issued		Remaining Authority	
$	1,700,000,000.00	$	-
$	480,818,602.74	$	619,181,397.26
$	1,983,345,267.75	$	2,316,654,732.25

Executive Council of Ontario/Conseil exécutif de l'Ontario **[Bilingual]**

Ontario

Order in Council
Décret

On the recommendation of the undersigned, the Lieutenant Governor of Ontario, by and with the advice and concurrence of the Executive Council of Ontario, orders that:

Sur la recommandation de la personne soussignée, la lieutenante-gouverneure de l'Ontario, sur l'avis et avec le consentement du Conseil exécutif de l'Ontario, décrète ce qui suit :

WHEREAS pursuant to subsection 22(1) of the *Capital Investment Plan Act, 1993* (the "Act"), the Minister of Finance may purchase securities of or make loans to corporations established under subsection 2(1) of the Act in such amounts, at such times and on such terms and conditions as the Lieutenant Governor in Council considers expedient;

AND WHEREAS the Ontario Financing Authority (the "OFA") is a corporation established under subsection 2(1) of the Act;

AND WHEREAS pursuant to subsection 6(3) of the Act, the power of a corporation established under subsection 2(1) of the Act to borrow and issue securities, among other things, may only be exercised under the authority of a by-law that has been approved by the Minister of Finance;

AND WHEREAS the OFA wishes to borrow up to Two Billion Dollars in lawful money of Canada from the Minister of Finance and has been authorized to do so by a borrowing by-law approved in accordance with the Act;

THEREFORE:

Pursuant to subsection 22 (1) of the Act, the Minister of Finance is authorized to lend a maximum of Two Billion Dollars in lawful money of Canada to the OFA on the following terms and conditions:

(a) the loan may be advanced in such amounts and at such time or times as required by the OFA;

(b) repayment of advances made under the loan plus accrued interest may be made in whole or in part at any time provided that the loan plus any accrued interest shall be fully repaid by December 31, 2047;

(c) each advance (an "Advance") made under the loan hereby authorized shall bear interest at a rate which is determined as follows:

(i) from the date of the Advance to (but excluding) the date of repayment the Advance shall bear interest at a per annum rate equivalent to the yield earned on

ninety day Province of Ontario treasury bills on the date before the Advance Date as determined by the Province, provided that if an Advance is outstanding for longer than ninety days, the interest rate shall be reset on the last day of each ninety day period (the "Reset Date") to the yield earned on ninety day Province of Ontario treasury bills immediately preceding the Reset Date for such ninety day period as determined by the Province;

(ii) in the event that moneys included in an Advance are used by the OFA for the purpose of funding loans to third parties (a "Third Party Loan"), the rate of interest payable by the OFA to the Province on the portion of the Advance so used shall be adjusted effective as of the date that the portion of the Advance is used to fund the Third Party Loan so that the per annum rate of interest payable by the OFA on such moneys is equivalent to the per annum rate of interest payable to the OFA under the Third Party Loan less an amount as may be determined by the Minister of Finance in respect of such Third Party Loan or a class of such Third Party Loans, until but excluding the date on which the Third Party Loan is repaid, at which time the interest rate set out in subparagraph (i) shall again be applicable to that portion of the Advance; and

(iii) in the event that moneys described in subparagraph (ii), once repaid, are subsequently used to fund loans to third parties, subparagraph (ii) shall again be applicable in determining the interest rate payable to the Province on that portion of the Advance used to fund such loan, and so on, until the Advance shall be repaid to the Province in full;

(iv) despite subparagraphs (ii) and (iii), in the event that no interest is payable to the OFA under a Third Party Loan, no interest shall be payable by the OFA on the portion of the Advance so used and to the extent that the terms of a Third Party Loan provide for the deferral of the payment of accrued interest for a period, the interest payment terms of an Advance or portion thereof shall also be deferred for a similar period.

(d) interest for any period of less than one year shall be payable for the actual number of days included in such period, computed on the basis of a 365-day year;

(e) despite paragraph (b) of this Order, interest on any portion of an Advance made to the OFA under the loan that is used by the OFA to fund a Third Party Loan shall accrue on the basis stated above but shall become payable only to the extent the OFA receives payment of interest under the relevant Third Party Loan;

(f) despite paragraph (b) of this Order, any portion of the principal of an Advance made to the OFA under the loan that is used by the OFA to fund a Third Party Loan shall become payable only to the extent the OFA receives repayment of principal under the relevant Third Party Loan; and

(g) the loan hereby authorized shall be evidenced by a promissory note.

ATTENDU QUE le ministre des Finances peut, en vertu du paragraphe 22 (1) de la *Loi de 1993 sur le plan d'investissement* (la « Loi »), acheter des valeurs mobilières des personnes morales

créées en vertu du paragraphe 2 (1) de la Loi ou leur consentir des prêts selon les montants, aux moments et aux conditions que le lieutenant-gouverneur en conseil estime opportuns;

ATTENDU QUE l'Office ontarien de financement (l'« OOF ») est une personne morale créée en vertu du paragraphe 2 (1) de la Loi;

ATTENDU QUE, conformément au paragraphe 6 (3) de la Loi, le pouvoir qu'ont les personnes morales créées en vertu du paragraphe 2 (1) de la Loi de contracter des emprunts et d'émettre des valeurs mobilières, entre autres, ne peut être exercé qu'aux termes d'un règlement administratif approuvé par le ministre des Finances;

ATTENDU QUE l'OOF souhaite emprunter jusqu'à concurrence de deux milliards de dollars en monnaie légale du Canada du ministre des Finances et qu'il a été autorisé à le faire par un règlement administratif d'emprunt approuvé conformément à la Loi;

PAR CONSÉQUENT :

en vertu du paragraphe 22 (1) de la Loi, le ministre des Finances est autorisé à prêter un montant maximal de deux milliards de dollars en monnaie légale du Canada à l'OOF, aux conditions suivantes :

a) le prêt peut être consenti selon les montants et aux moments qui conviennent à l'OOF;

b) le remboursement des avances consenties au titre du prêt, plus les intérêts courus, peut à tout moment être effectué en totalité ou en partie, pourvu que le prêt et les intérêts courus soient entièrement remboursés au plus tard le 31 décembre 2047;

c) chaque avance (« avance ») faite au titre du prêt autorisé par les présentes portera intérêt au taux est fixé comme suit :

(i) de la date où elle a été faite jusqu'à la date (non comprise) de son remboursement, l'avance portera intérêt à un taux annuel équivalant au rendement gagné sur des bons du Trésor de la province de l'Ontario de quatre-vingt-dix jours à la date précédant la date de l'avance fixée par la province, pourvu que ce taux d'intérêt soit rajusté le dernier jour de chaque période de quatre-vingt-dix jours (« date de rajustement ») selon le rendement gagné sur de tels bons du Trésor immédiatement avant la date de rajustement pour une période de quatre-vingt-dix jours décidée par la province, si l'avance est impayée pendant plus de quatre-vingt-dix jours;

(ii) dans l'éventualité où l'OOF se servirait de sommes comprises dans une avance pour financer des prêts à des tiers, le taux d'intérêt à payer par l'OOF à la province sur la partie de l'avance ainsi utilisée sera rajusté à la date à laquelle la partie de l'avance sera utilisée pour le financement du prêt à un tiers de façon que le taux d'intérêt annuel à payer par l'OOF sur de telles sommes soit équivalent à ce dernier taux moins un montant que pourra fixer le ministre des Finances à l'égard d'un tel prêt ou d'une telle catégorie de prêt, jusqu'à la date (non comprise) à laquelle le prêt à un tiers sera remboursé, date à laquelle le taux d'intérêt établi au sous-alinéa (i) s'appliquera de nouveau à cette partie de l'avance;

(iii) dans l'éventualité où les sommes décrites au sous-alinéa (ii), une fois remboursées, seraient ultérieurement utilisées pour le financement de prêts à des tiers, le sous-alinéa (ii) s'appliquera de nouveau dans l'établissement du taux d'intérêt à payer à la province sur la partie de l'avance utilisée à cette fin, et ainsi de suite, jusqu'à ce que l'avance ait été remboursée intégralement à la province;

(iv) malgré les sous-alinéas (ii) et (iii), dans l'éventualité où aucun intérêt ne serait payable à l'OOF au titre d'un prêt à un tiers, aucun intérêt ne sera à payer par l'OOF sur la partie de l'avance ainsi utilisée et dans la mesure où les conditions du prêt à un tiers prévoient le report du paiement d'intérêts courus pour une période, le paiement d'intérêts au titre d'une avance ou d'une partie d'une avance sera également reporté pour une période d'égale durée;

d) l'intérêt payable relativement à toute période de moins d'un an sera calculé en fonction du nombre de jours réellement compris dans cette période, par rapport à une année comptant 365 jours;

e) par dérogation à l'alinéa a) ci-dessus, l'intérêt sur toute partie d'une avance consentie à l'OOF dans le cadre du prêt que cette dernière utilise pour financer un prêt à un tiers est calculé comme il est indiqué ci-dessus, mais cet intérêt devient payable uniquement dans la mesure où l'OOF reçoit un paiement d'intérêts au titre du prêt à un tiers;

f) par dérogation à l'alinéa b) ci-dessus, toute partie du capital d'une avance consentie à l'OOF dans le cadre du prêt que cette dernière utilise pour financer un prêt à un tiers devient payable uniquement dans la mesure où l'OOF reçoit un remboursement du capital au titre du prêt à un tiers

g) le prêt autorisé en vertu des présentes sera attesté par un billet à ordre.

Recommended: Minister of Finance
Recommandé par : Le ministre des Finances

Deb Matthews

Concurred: Chair of Cabinet
Appuyé par : Le président/la présidente du Conseil des ministres

Approved and Ordered:
Approuvé et décrété le : JUN 28 2017

Lieutenant Governor
La lieutenante-gouverneure

From:	Sarah Harris
To:	Opal Kandelas
Subject:	FW: OIC Total Amount for OFA Loans as of Dec 31, 2017
Date:	Thursday, February 15, 2018 10:51:24 AM
Attachments:	Total OIC Amount (Decemeber 31 2017).xlsx OIC-1279-2017.pdf

---

From: Andrea Dalgarno
Sent: Tuesday, February 13, 2018 9:26 AM
To: John Kim <John.Kim@ofina.on.ca>; Bruno Amara <Bruno.Amara@ofina.on.ca>; Mara Bakic <Mara.Bakic@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Ken Kandeepan <Ken.Kandeepan@ofina.on.ca>; John Psinas <John.Psinas@ofina.on.ca>; San Rajaratnam <San.Rajaratnam@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: RE: OIC Total Amount for OFA Loans as of Dec 31, 2017

Hi,

I consulted Ken Kandeepan with respect to the appropriateness of including the IESO-OFA FHP related OIC in the reporting and he agrees it should be included.

The attached is the final report provided to Accounting for use in the financial statements as at Dec 31, 2017. I believe they pick up the total OIC amount which will jump by 2 billion and the date range which will be pushed to 2047 on the far end as a result of the addition of the FHP related OIC.

Regards,

Andrea

From: Andrea Dalgarno
Sent: Friday, February 02, 2018 11:14 AM
To: John Kim <John.Kim@ofina.on.ca>; Bruno Amara <Bruno.Amara@ofina.on.ca>; Mara Bakic <Mara.Bakic@ofina.on.ca>
Cc: San Rajaratnam <San.Rajaratnam@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: OIC Total Amount for OFA Loans as of Dec 31, 2017

Hi,

I have tentatively updated a report of OFA OIC amounts we provide to Accounting quarterly for financial reporting purposes to include the OIC that supports the $2 billion dollar Credit Facility Agreement between the OFA and IESO related to the Fair Hydro Plan.

As this is a significant addition, I would like to give interested parties the opportunity to consider the

appropriateness of its inclusion.

Accounting should be able to provide you further details with respect to the nature of the reporting which is based on this input should it be needed.

Please let me know as soon as possible should there be an issue with its inclusion

Regards,

Andrea

From: San Rajaratnam
Sent: Friday, February 02, 2018 10:46 AM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of Dec 31, 2017

Hi Andrea,

For reporting in OFA's Dec 31, 2017 financial statements, We would like to check with you of any changes to OIC amounts as of Dec 31, 2017.

Thanks,
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Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of Sep 30, 2017

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Hi San,

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As At: **Septemebr 30, 2017**

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Authorized:	$2,000,000,000
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AND WHEREAS pursuant to subsection 6(3) of the Act, the power of a corporation established under subsection 2(1) of the Act to borrow and issue securities, among other things, may only be exercised under the authority of a by-law that has been approved by the Minister of Finance;

AND WHEREAS the OFA wishes to borrow up to Two Billion Dollars in lawful money of Canada from the Minister of Finance and has been authorized to do so by a borrowing by-law approved in accordance with the Act;

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(a) the loan may be advanced in such amounts and at such time or times as required by the OFA;

(b) repayment of advances made under the loan plus accrued interest may be made in whole or in part at any time provided that the loan plus any accrued interest shall be fully repaid by December 31, 2047;

(c) each advance (an "Advance") made under the loan hereby authorized shall bear interest at a rate which is determined as follows:

(i) from the date of the Advance to (but excluding) the date of repayment the Advance shall bear interest at a per annum rate equivalent to the yield earned on

ninety day Province of Ontario treasury bills on the date before the Advance Date as determined by the Province, provided that if an Advance is outstanding for longer than ninety days, the interest rate shall be reset on the last day of each ninety day period (the "Reset Date") to the yield earned on ninety day Province of Ontario treasury bills immediately preceding the Reset Date for such ninety day period as determined by the Province;

(ii) in the event that moneys included in an Advance are used by the OFA for the purpose of funding loans to third parties (a "Third Party Loan"), the rate of interest payable by the OFA to the Province on the portion of the Advance so used shall be adjusted effective as of the date that the portion of the Advance is used to fund the Third Party Loan so that the per annum rate of interest payable by the OFA on such moneys is equivalent to the per annum rate of interest payable to the OFA under the Third Party Loan less an amount as may be determined by the Minister of Finance in respect of such Third Party Loan or a class of such Third Party Loans, until but excluding the date on which the Third Party Loan is repaid, at which time the interest rate set out in subparagraph (i) shall again be applicable to that portion of the Advance; and

(iii) in the event that moneys described in subparagraph (ii), once repaid, are subsequently used to fund loans to third parties, subparagraph (ii) shall again be applicable in determining the interest rate payable to the Province on that portion of the Advance used to fund such loan, and so on, until the Advance shall be repaid to the Province in full;

(iv) despite subparagraphs (ii) and (iii), in the event that no interest is payable to the OFA under a Third Party Loan, no interest shall be payable by the OFA on the portion of the Advance so used and to the extent that the terms of a Third Party Loan provide for the deferral of the payment of accrued interest for a period, the interest payment terms of an Advance or portion thereof shall also be deferred for a similar period.

(d) interest for any period of less than one year shall be payable for the actual number of days included in such period, computed on the basis of a 365-day year;

(e) despite paragraph (b) of this Order, interest on any portion of an Advance made to the OFA under the loan that is used by the OFA to fund a Third Party Loan shall accrue on the basis stated above but shall become payable only to the extent the OFA receives payment of interest under the relevant Third Party Loan;

(f) despite paragraph (b) of this Order, any portion of the principal of an Advance made to the OFA under the loan that is used by the OFA to fund a Third Party Loan shall become payable only to the extent the OFA receives repayment of principal under the relevant Third Party Loan; and

(g) the loan hereby authorized shall be evidenced by a promissory note.

ATTENDU QUE le ministre des Finances peut, en vertu du paragraphe 22 (1) de la *Loi de 1993 sur le plan d'investissement* (la « Loi »), acheter des valeurs mobilières des personnes morales

créées en vertu du paragraphe 2 (1) de la Loi ou leur consentir des prêts selon les montants, aux moments et aux conditions que le lieutenant-gouverneur en conseil estime opportuns;

ATTENDU QUE l'Office ontarien de financement (l'« OOF ») est une personne morale créée en vertu du paragraphe 2 (1) de la Loi;

ATTENDU QUE, conformément au paragraphe 6 (3) de la Loi, le pouvoir qu'ont les personnes morales créées en vertu du paragraphe 2 (1) de la Loi de contracter des emprunts et d'émettre des valeurs mobilières, entre autres, ne peut être exercé qu'aux termes d'un règlement administratif approuvé par le ministre des Finances;

ATTENDU QUE l'OOF souhaite emprunter jusqu'à concurrence de deux milliards de dollars en monnaie légale du Canada du ministre des Finances et qu'il a été autorisé à le faire par un règlement administratif d'emprunt approuvé conformément à la Loi;

PAR CONSÉQUENT :

en vertu du paragraphe 22 (1) de la Loi, le ministre des Finances est autorisé à prêter un montant maximal de deux milliards de dollars en monnaie légale du Canada à l'OOF, aux conditions suivantes :

a) le prêt peut être consenti selon les montants et aux moments qui conviennent à l'OOF;

b) le remboursement des avances consenties au titre du prêt, plus les intérêts courus, peut à tout moment être effectué en totalité ou en partie, pourvu que le prêt et les intérêts courus soient entièrement remboursés au plus tard le 31 décembre 2047;

c) chaque avance (« avance ») faite au titre du prêt autorisé par les présentes portera intérêt au taux est fixé comme suit :

(i) de la date où elle a été faite jusqu'à la date (non comprise) de son remboursement, l'avance portera intérêt à un taux annuel équivalant au rendement gagné sur des bons du Trésor de la province de l'Ontario de quatre-vingt-dix jours à la date précédant la date de l'avance fixée par la province, pourvu que ce taux d'intérêt soit rajusté le dernier jour de chaque période de quatre-vingt-dix jours (« date de rajustement ») selon le rendement gagné sur de tels bons du Trésor immédiatement avant la date de rajustement pour une période de quatre-vingt-dix jours décidée par la province, si l'avance est impayée pendant plus de quatre-vingt-dix jours;

(ii) dans l'éventualité où l'OOF se servirait de sommes comprises dans une avance pour financer des prêts à des tiers, le taux d'intérêt à payer par l'OOF à la province sur la partie de l'avance ainsi utilisée sera rajusté à la date à laquelle la partie de l'avance sera utilisée pour le financement du prêt à un tiers de façon que le taux d'intérêt annuel à payer par l'OOF sur de telles sommes soit équivalent à ce dernier taux moins un montant que pourra fixer le ministre des Finances à l'égard d'un tel prêt ou d'une telle catégorie de prêt, jusqu'à la date (non comprise) à laquelle le prêt à un tiers sera remboursé, date à laquelle le taux d'intérêt établi au sous-alinéa (i) s'appliquera de nouveau à cette partie de l'avance;

(iii) dans l'éventualité où les sommes décrites au sous-alinéa (ii), une fois remboursées, seraient ultérieurement utilisées pour le financement de prêts à des tiers, le sous-alinéa (ii) s'appliquera de nouveau dans l'établissement du taux d'intérêt à payer à la province sur la partie de l'avance utilisée à cette fin, et ainsi de suite, jusqu'à ce que l'avance ait été remboursée intégralement à la province;

(iv) malgré les sous-alinéas (ii) et (iii), dans l'éventualité où aucun intérêt ne serait payable à l'OOF au titre d'un prêt à un tiers, aucun intérêt ne sera à payer par l'OOF sur la partie de l'avance ainsi utilisée et dans la mesure où les conditions du prêt à un tiers prévoient le report du paiement d'intérêts courus pour une période, le paiement d'intérêts au titre d'une avance ou d'une partie d'une avance sera également reporté pour une période d'égale durée;

d) l'intérêt payable relativement à toute période de moins d'un an sera calculé en fonction du nombre de jours réellement compris dans cette période, par rapport à une année comptant 365 jours;

e) par dérogation à l'alinéa a) ci-dessus, l'intérêt sur toute partie d'une avance consentie à l'OOF dans le cadre du prêt que cette dernière utilise pour financer un prêt à un tiers est calculé comme il est indiqué ci-dessus, mais cet intérêt devient payable uniquement dans la mesure où l'OOF reçoit un paiement d'intérêts au titre du prêt à un tiers;

f) par dérogation à l'alinéa b) ci-dessus, toute partie du capital d'une avance consentie à l'OOF dans le cadre du prêt que cette dernière utilise pour financer un prêt à un tiers devient payable uniquement dans la mesure où l'OOF reçoit un remboursement du capital au titre du prêt à un tiers

g) le prêt autorisé en vertu des présentes sera attesté par un billet à ordre.

Recommended: Minister of Finance
Recommandé par : Le ministre des Finances

Deb Matthews

Concurred: Chair of Cabinet
Appuyé par : Le président/la présidente du Conseil des ministres

Approved and Ordered:
Approuvé et décrété le : JUN 28 2017

Lieutenant Governor
La lieutenante-gouverneure

From:	Andrea Dalgarno
To:	Sarah Harris
Subject:	FW: OIC Total Amount for OFA Loans as of Sep 30, 2017
Date:	Tuesday, February 13, 2018 1:58:07 PM
Attachments:	Total OIC Amount (September 31 2017).xlsx

From: Andrea Dalgarno
Sent: Wednesday, October 25, 2017 3:22 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: OIC Total Amount for OFA Loans as of Sep 30, 2017

Hi,

Let me know you thoughts re my draft response:

"For the purposes of September 30, 2017, there is no change in the OIC amounts. I have cleaned up the spreadsheet a bit (please see attached) but the substance has not changed.

A suggestion for consideration in terms of wording:

Funds for these loans are advanced to the OFA by the Province under authority provided pursuant to the Capital Investment Plan Act, 1993. The total advanced to the OFA cannot exceed $16.9 billion based on authority provided to date.

The thinking behind this suggestion is as follows:

-the $16.9 billion is the total original amount of all OIC's that provided the authority for the Province to fund the OFA in support of the public body financing.
- little concerned about reference to credit facilities in this context
-the financing to public bodies is through a combination of loans and lines of credit.
-the auto loan related OIC's do not actually specify a repayment date so we are not sure if stating the expiry range as being from 2036-2044 is appropriate

Let me know should you have any questions or concerns."

Andrea

From: San Rajaratnam
Sent: Tuesday, October 24, 2017 2:16 PM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: OIC Total Amount for OFA Loans as of Sep 30, 2017

Hi Andrea,

This is what we disclose in the notes to OFA's quarterly and yearly financial statements. Provided below is the note in June 30, 2017 FS:

5. TRANSACTIONS WITH PUBLIC BODIES

The OFA provides financing to various public bodies on direction from the Province. As the OFA is directed by the Province to make these loans in furtherance of stated Provincial initiatives, and these loans are included in the Province's consolidated financial statements, these transactions are not reflected in these financial statements.

Funds for these loans are advanced to the OFA by the Province under credit facilities aggregating $16.9 billion expiring from 2036 to 2044. Principal repayments received from public bodies by the OFA are forwarded to the Province. The interest rates charged to public bodies is generally slightly higher than the rate charged by the Province on the advances to fund the loans ("the spread").

Thanks,
San

From: Andrea Dalgarno
Sent: Tuesday, October 24, 2017 1:56 PM
To: San Rajaratnam <San.Rajaratnam@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: OIC Total Amount for OFA Loans as of Sep 30, 2017

Hi San,

Is there any way you can send me a copy of the note and whatever section of the OFA statements the note refers to?

We are trying to get a better idea as to what is being communicated in order to hopefully determine if the Fair Hydro Plan OIC should be added given it is not included for the purposes of the OFA Lending Directive.

Regards,

Andrea

From: San Rajaratnam
Sent: Friday, October 20, 2017 9:17 AM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of Sep 30, 2017

Hi Andrea,

For reporting in OFA's Sep 30, 2017 financial statements We would like to check with you of any changes to OIC amounts as of Sep 30, 2017.

Thanks,
San

From: Andrea Dalgarno
Sent: Wednesday, July 19, 2017 10:10 AM
To: San Rajaratnam <San.Rajaratnam@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: RE: OIC Total Amount for OFA Loans as of June 30, 2017

Hi,

We confirm the authorized amounts for the OICs in the attached table are unchanged totalling $16,916,000,000 as at June 30 ,2017.

Regards,

Andrea

From: San Rajaratnam
Sent: Wednesday, July 19, 2017 9:56 AM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of June 30, 2017

Hi Andrea,

For reporting in OFA's June 30, 2017 financial statements We would like to check with you of any changes to OIC amounts as of June 30, 2017.

Thanks,
San

From: Andrea Dalgarno
Sent: Wednesday, April 19, 2017 9:57 AM
To: San Rajaratnam <San.Rajaratnam@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: RE: OIC Total Amount for OFA Loans as of Mar 31, 2017

Hi San,

Sarah asked me to address this request

The only changes are as follows:

OIC 1883/06 - $800,000,000 - the amended maturity date is June 1, 2041 (previously November 1, 2032).
OIC 2144/07 - $2,000,000,000 - the amended maturity date is June 1, 2041 (previously December 1, 2037).

and the changes have been made to the OFA Summary attached.

These updates take into account the amendment to the maturity dates incorporated in OIC 844/2008 (attached for your reference).

Other than that:

I can confirm that the total OIC amounts remains unchanged as of March 31, 2017. I can also confirm that there have been no additional OICs. I cannot however, comment on any loans or transactions undertaken under the OICs. Documentation does not keep track of this. If needed, I believe that Corporate Finance keeps track of this information. As such the supporting documentation provided is comprised of copies of the OIC's in question.

Regards,

Andrea

From: San Rajaratnam
Sent: Tuesday, April 18, 2017 2:51 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>

Subject: OIC Total Amount for OFA Loans as of Mar 31, 2017

Hi William,

We would like to check with you of any changes to OIC amounts as of Mar 31, 2017? We require this info for reporting in OFA's Mar 31, 2017 Financial Statements.

Thanks,
San

From: William Tan
Sent: Friday, January 20, 2017 2:56 PM
To: San Rajaratnam <San.Rajaratnam@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: OIC Total Amount for OFA Loans as of Dec 31,2016

Hello San,

We confirm the authorized amounts for the OICs in the attached table are unchanged totalling $16,916,000,000 as at Dec 31, 2016.
Please note the amended maturity dates for the following two OICs:

OIC 675/97 - $2,160,000,000 - the amended maturity date is June 1, 2041 (previously August 31, 2027).
OIC 767/99 - $656,000,000 - the amended maturity date is June 1, 2041 (previously August 31, 2029).

Thanks,

Will

From: Sarah Harris
Sent: Tuesday, January 17, 2017 4:14 PM
To: William Tan <William.Tan@ofina.on.ca>
Subject: FW: OIC Total Amount for OFA Loans as of Dec 31,2016

From: San Rajaratnam
Sent: Tuesday, January 17, 2017 3:39 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of Dec 31,2016

Hi Sarah,

We would like to check whether any changes to OIC amounts as of Dec 31, 2016? We require this info for reporting in OFA's Dec 31,2016 FS.

Lenin provided us the attached file (as of Sep 30,2016).

Thanks,
San

OIC Summary

Regular Loans	**Total OIC Amount**
Under OIC 675/97 -	
Authorized:	$2,160,000,000
Repayment date:	June 1, 2041
Under OIC 767/99 -	
Authorized:	$656,000,000
Repayment date:	June 1, 2041
School Board Loans	**Total OIC Amount**
Under OIC 1883/2006	
Authorized:	$800,000,000
Repayment date:	June 1, 2041
Under OIC 2144/2007	
Authorized:	$2,000,000,000
Repayment date:	June 1, 2041
Under OIC 300/2010	
Authorized:	$1,800,000,000
Repayment date:	May 15, 2036
Under OIC 163/2012	
Authorized:	$1,700,000,000
Repayment date:	Year 2040
Under OIC 354/2014	
Authorized:	$700,000,000
Repayment date:	March 5, 2044
Auto Loans	**Total OIC Amount**
Under OIC 2154/2008	$1,700,000,000
Under OIC 678/2009	$1,100,000,000
Under OIC 975/2009	$4,300,000,000
Total Amount	**$16,916,000,000**

Amount Issued		Remaining Authority	
$	1,700,000,000.00	$	-
$	480,818,602.74	$	619,181,397.26
$	1,983,345,267.75	$	2,316,654,732.25

From:	Andrea Dalgarno
To:	Sarah Harris
Subject:	FW: OIC Total Amount for OFA Loans as of Sep 30, 2017
Date:	Tuesday, February 13, 2018 2:01:44 PM
Attachments:	Total OIC Amount (September 30 2017).xlsx

From: Andrea Dalgarno
Sent: Thursday, October 26, 2017 8:44 AM
To: San Rajaratnam <San.Rajaratnam@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: OIC Total Amount for OFA Loans as of Sep 30, 2017

Hi San

We confirm the authorized amounts for the OIC's in the attached table are unchanged totaling $16,916,000,000 as at September 30, 2017. I have cleaned up the spreadsheet a bit (please see attached) but the substance has not changed.

A suggestion for consideration in terms of wording:

Funds for these loans are advanced to the OFA by the Province through a combination of loans and credit facilities. The total advanced by the Province cannot exceed $16.916 billion.

The thinking behind this suggestion is as follows:

-the $16.916 billion is the total original authority available to the Province (under all OICs) to fund the OFA in support of the referenced public body financing.
-the financing to public bodies is through a combination of loans and credit facilities.
-the auto loan related OIC's do not specify a final repayment date

Let me know should you have any questions or concerns.

Andrea

From: San Rajaratnam
Sent: Tuesday, October 24, 2017 2:16 PM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: OIC Total Amount for OFA Loans as of Sep 30, 2017

Hi Andrea,

This is what we disclose in the notes to OFA's quarterly and yearly financial statements. Provided below is the note in June 30, 2017 FS:

5. TRANSACTIONS WITH PUBLIC BODIES

The OFA provides financing to various public bodies on direction from the Province. As the OFA is directed by the Province to make these loans in furtherance of stated Provincial initiatives, and these loans are included in the Province's consolidated financial statements, these transactions are not reflected in these financial statements.

Funds for these loans are advanced to the OFA by the Province under credit facilities aggregating $16.9 billion expiring from 2036 to 2044. Principal repayments received from public bodies by the OFA are forwarded to the Province. The interest rates charged to public bodies is generally slightly higher than the rate charged by the Province on the advances to fund the loans ("the spread").

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To: San Rajaratnam <San.Rajaratnam@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: OIC Total Amount for OFA Loans as of Sep 30, 2017

Hi San,

Is there any way you can send me a copy of the note and whatever section of the OFA statements the note refers to?

We are trying to get a better idea as to what is being communicated in order to hopefully determine if the Fair Hydro Plan OIC should be added given it is not included for the purposes of the OFA Lending Directive.

Regards,

Andrea

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Sent: Friday, October 20, 2017 9:17 AM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of Sep 30, 2017

Hi Andrea,

For reporting in OFA's Sep 30, 2017 financial statements We would like to check with you of any changes to OIC amounts as of Sep 30, 2017.

Thanks,
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To: San Rajaratnam <San.Rajaratnam@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
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To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of June 30, 2017

Hi Andrea,

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Thanks,
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From: Andrea Dalgarno
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To: San Rajaratnam <San.Rajaratnam@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: RE: OIC Total Amount for OFA Loans as of Mar 31, 2017

Hi San,

Sarah asked me to address this request

The only changes are as follows:

OIC 1883/06 - $800,000,000 - the amended maturity date is June 1, 2041 (previously November 1, 2032).
OIC 2144/07 - $2,000,000,000 - the amended maturity date is June 1, 2041 (previously December 1, 2037).

and the changes have been made to the OFA Summary attached.

These updates take into account the amendment to the maturity dates incorporated in OIC 844/2008 (attached for your reference).

Other than that:

I can confirm that the total OIC amounts remains unchanged as of March 31, 2017. I can also confirm that there have been no additional OICs. I cannot however, comment on any loans or transactions undertaken under the OICs. Documentation does not keep track of this. If needed, I believe that Corporate Finance keeps track of this information. As such the supporting documentation provided is comprised of copies of the OIC's in question.

Regards,

Andrea

From: San Rajaratnam
Sent: Tuesday, April 18, 2017 2:51 PM
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Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of Mar 31, 2017

Hi William,

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San

From: William Tan
Sent: Friday, January 20, 2017 2:56 PM
To: San Rajaratnam <San.Rajaratnam@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: OIC Total Amount for OFA Loans as of Dec 31,2016

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OIC 767/99 - $656,000,000 - the amended maturity date is June 1, 2041 (previously August 31, 2029).

Thanks,

Will

From: Sarah Harris
Sent: Tuesday, January 17, 2017 4:14 PM
To: William Tan <William.Tan@ofina.on.ca>
Subject: FW: OIC Total Amount for OFA Loans as of Dec 31,2016

From: San Rajaratnam
Sent: Tuesday, January 17, 2017 3:39 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of Dec 31,2016

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We would like to check whether any changes to OIC amounts as of Dec 31, 2016? We require this info for reporting in OFA's Dec 31,2016 FS.

Lenin provided us the attached file (as of Sep 30,2016).

Thanks,
San

OIC Summary

As At: **Septemebr 30, 2017**

Regular Loans	**Total OIC Amount**
Under OIC 675/97 -	
Authorized:	$2,160,000,000
Repayment date:	June 1, 2041
Under OIC 767/99 -	
Authorized:	$656,000,000
Repayment date:	June 1, 2041
School Board Loans	**Total OIC Amount**
Under OIC 1883/2006	
Authorized:	$800,000,000
Repayment date:	June 1, 2041
Under OIC 2144/2007	
Authorized:	$2,000,000,000
Repayment date:	June 1, 2041
Under OIC 300/2010	
Authorized:	$1,800,000,000
Repayment date:	May 15, 2036
Under OIC 163/2012	
Authorized:	$1,700,000,000
Repayment date:	Year 2040
Under OIC 354/2014	
Authorized:	$700,000,000
Repayment date:	March 5, 2044
Auto Loans	**Total OIC Amount**
Under OIC 2154/2008	$1,700,000,000
Under OIC 678/2009	$1,100,000,000
Under OIC 975/2009	$4,300,000,000
Total Amount	**$16,916,000,000**

Amount Issued		Remaining Authority	
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$	480,818,602.74	$	619,181,397.26
$	1,983,345,267.75	$	2,316,654,732.25

From:	Sarah Harris
To:	Sarah Harris
Subject:	FW: Performance Development Plan
Date:	Monday, January 15, 2018 8:16:03 AM
Attachments:	Performance Development Plan William Tan Econ 4 2016-17.v3.doc Performance Development Plan William Tan Econ 4 2017-18.doc

---

From: William Tan
Sent: Thursday, December 28, 2017 11:22 AM
To: Sarah Harris
Subject: RE: Performance Development Plan

Hello Sarah,

I have no comments on the July-October PIP and December-March PIP. Also attached are PDP for 2017 and 2018. Please review.

Thanks,

Will

From: Sarah Harris
Sent: Friday, December 15, 2017 1:54 PM
To: William Tan <William.Tan@ofina.on.ca>
Subject: FW: Performance Development Plan

Hi Will,

Thanks for the draft completed PDP. The date of the PDP results go from August 2016 to Aug 2017, so you should just include the results up to August 4, 2017, and then you can prep a new one for August 4, 2017 to Aug 4, 2018. So, what you can say for example, is that you're drafting the IESO credit facility, but you can't say you completed it. If it wasn't complete up to August 4, 2017, then you save it for the completion of the next period. You should also include results saying how you added value, reduced risk, and state both successes and things where you recognize where things need development. Please give it another crack, and also prepare the draft framework for August 4, 2017- August 4, 2018.

From our meeting last month on the PIP, I attach the results (my apologies for the delay; as you know I've been away couple times in Ottawa for my dad's health issues). You'll see that I've noted the areas that have improved and areas that need further development. You've put in noticeable effort and have made progress; you do need to continue to further develop on a number of items. I attach a draft PIP for December 18, 2017 to March 19, 2018. It essentially mirrors the current one, with a few minor tweaks. If you don't have any comments, we can execute on Monday.

Thanks,

Sarah

From: William Tan
Sent: Thursday, December 07, 2017 10:16 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: Performance Development Plan

Hello Sarah,

Please find the attached Performance Development Plan.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority

1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca
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Ontario

Ministry of Finance
Ministry of Revenue

Performance Development Plan and Learning Plan

Section A - PDP/LP Information (confidential when completed)

Employee

Last Name	First Name	WIN #
Tan	Willie Chun Jung	448307

Job Title	Classification
Documentation & Analyst Specialist	Economist 4

☒ OPSEU & OPSEU Excluded ☐ AMAPCEO

Division/Branch/Region

Capital Markets Division, Ontario Financing Authority

Supervisor

Last Name	First Name	Job Title
Harris	Sarah	Manager, Operations

Performance Plan Review Period: From	To
August 4, 2016	August 4, 2017

Performance Plan (Section B) established	☒ Yes	☐ Final Review	Date of review
Learning Plan (Section C) established	☒ Yes	# Learning Days Taken	1
# Learning Objectives established	5	# Learning Objectives Completed	4
Career Plan (Section E) established	☐ Yes ☐ No		

Confirmation of Performance Plan

I have discussed the contents of this performance plan with my immediate supervisor. I understand the expectations set out in my performance plan and the basis upon which my performance will be reviewed in the upcoming performance plan review period.

Employee's Signature	Date

Supervisor's Signature	Date

Section B - Performance Development

Key Performance Requirements & Commitments	Performance Outcomes & Measures	Results Achieved (Complete at the end of the review period.)
Identify the work/job related tasks, activities, functions and/or projects to be completed during the performance review	Indicate how you will carry out and measure performance commitments.	Record accomplishments and the impact of result on the unit/branch or ministry.
Provide documentation and analysis to support the Province of Ontario's borrowing/financing programs.	Document and understand procedures and all aspects involved in bond issuance programs, DMTN, EMTN and any other additional programs that the Province may undertake. Prepare and document bond issues. Support and assist with the documentation of EMTN, ADI, Global and USMTN issues, by setting bring-down calls, drafting closing certificates, preparing schedules of expenses, and providing comments on Prospectuses, Underwriting Agreements and other related documents Negotiate with legal counsel, investment banks, fiscal agents, etc., that detailed terms and conditions of all necessary agreements for complex financing structures and instruments. Ensure that the terms and conditions reflect the operational requirements of the participants in the transactions. Administer Documentation's invoice tracking and payment process for the Province's borrowing programs	I have led several DMTN bond issues. I am working independently and improving upon my accuracy. I am looking forward to future opportunities to work on an international issuances. I was provided with some additional background information on the differences between bring-down calls and due diligence calls resulting in vast improvement in this area. I have passed this on to two new colleagues on their first bring-down calls and due diligence calls. Proficient in administering the invoice tracking and payment process. Taken ownership in following up with venders when payment is disputed. I am in the process of integrating new proposed changes to tracking invoice payments.

Provide support to the documentation and analysis coordinator on T-bill activations and redemptions.	Administer T-bill activations and redemptions. Ensure that procedures are followed, completed and if necessary, updated, in a timely manner.	Proficient in T-bill activations and redemptions. These tasks are being completed according to the procedures and in a timely manner. Updated T-bill procedure manual to reduce the number of T-bill Notifications to save on CDS costs.
Monitor and participate in the Province's, OEFC's and OFA's financing to other public bodies, ministries, etc..	Negotiate and amend various financing agreements with third party ministries and public bodies including OILC, OPG etc. Administer day to day loans and advances to third parties, including OILC	Proficient on preparing, documenting and administering the loan OILC Long-Term Loans program. Processed a rare OILC FRN Loan. I have a great relationship with OILC team as the lead contact. Assigned as the lead in the drafting of the Fair Hydro Plan (FHP) Credit Facility Agreement, amendment for an existing credit facility and Historical Summary. In this task I was exposed the Microsoft Word document editing, credit facility negotiation process project management stages and related tasks. Conducted research into processes and provisions after consulting with legal counsel before instituting them into the agreements. Example: Settlements - grid note for status updates and order of events. Advances – Revolving nature of the credit facility which led to the redesign of the Borrowing Notice and Election Notice. Identified potential risk related to IESO's request to change the "Use of Proceeds" and managed it by consulting with internal and external counsel to assist in the redrafting the section which required multiple follow-up meetings and draft versions. Planned next steps, shared timelines, provided status updates to stakeholders to allow them to raise concerns or make preparations and provided instructions to stakeholders to help move create urgency and move the project along.

		Recommended language to distinguish between programs such as RRRP, RPP, Clean Energy Fund etc. to ensure accountability and transparency of IESO which was eventually integrated into the Borrowing Notice and Election Notice. Identified a conflicting language related to liens and reverse pledge and Permitted Liens (k).
Ad hoc assignments and projects.	Work on any assignments, projects, and tasks as determined by Manager.	Prepared credit facility amendment agreement history/summary. Created the Agreement due date tracking sheet. Participated in the RNS announcement/NSM submission project. Began work on the OLMS Report/OILC Loan Confirmation Improvement. This project involves coordinating with technology on process improvement. Created BSC email distribution list to efficiently track and manage the Required and Optional meeting attendees. Facilitated a bond extension and exchange. This particular transaction had additional complexities compared to traditional bond exchanges. Updated bond extension and exchange procedure manual. Penned a note on Challenges in issuing equity linked bonds. Summary of Investment Management Agreement Spreadsheet. Completed novation agreement/partial payment and

		issuance of new promissory note. Replied to bond queries from external parties.

Section C - Learning Plan (Mandatory)

	Learning Objectives	Required For ☒ Current Position	Required For ☒ Future	Learning Methods	# Days Planned*	Expected Cost	Results Achieved Yes	Results Achieved No	Results Achieved # Days*
1	Procurement: Preparing Procurement Documents	X		(e-learning)	2.5 hours		X		online
2	Risk Management	X		(e-learning)	No class available			X	online
3	Excel intermediate or advance	X		In class	1 day	$340.98	X		1
4	Time management.	X		In class	2 hrs	$199	X		2 hrs
5	Improve knowledge of finance, the OFA and the Ontario Government as it relates to the position	x		On the job training and courses			X		

Employee's Comments

I look forward to additional opportunities for my development in all forms. I welcome job related tasks, job shadow, skill development exercises, courses and seminars.
Learned the level of detail requried.
Responsibilities of different departments.
Perfomance expectations.
Project plan steps.
Check lists.
Personalities.
Status updates with required action from statekholders.
Plan next day check list.
Goal posts established.
Ask how far to need to take something.
Responsibilities and boundaries
Crafting emails and writing skills.
Understanding Amending Agreements.
Valuable experience no previous frame of reference. Resonable ask and expectations.

Supervisor's Comments

Will shall continue to be exposed to and trained on increasingly complex functions of his position. Will shall be given opportunities and support to further refine his analytical skills, expand his knowledge base and enhance his attention to detail in order to carry out the full functions of the position of Documentation & Analysis Specialist

Consider the following Methods of Learning

*Complete # Days columns for classroom and on-line courses only.

- ☐ On-the-job training
- ☐ Job shadowing
- ☐ Special Projects
- ☐ Classroom courses
- ☐ Computer-based learning
- ☐ Temporary Assignment
- ☐ Committee
- ☐ Coaching/mentoring
- ☐ Discussion Group
- ☐ Community of Practice
- ☐ Self Study
- ☐ Videos

Section D - Overall Assessment & Comments for Performance Plan Review Period

Date of Meeting ...

OPSEU & OPSEU Excluded	AMAPCEO
☐ Met performance commitments	☐ Above satisfactory
☐ Did not meet performance commitments	☐ Satisfactory
	☐ Below satisfactory/Needs improvement

Supervisor's Comments

Demonstrated Strengths

Areas for Improvement

Employee's Comments

I will do my upmost to study and prepare for these my tasks in the coming year. On occasion I have dedicated my personal-time for additional work related study. I am commited to meeting and exceeding my performance commitments. I am appreciative to my manager for supporting my development. I look forward to additional challenges as my skills progress. I welcome any opportunities to help my department and team achieve its goals whenever possible.

Supervisor's Signature	Date

Employee's Signature	Date

Employee's signature indicates employee has read and discussed supervisor's concluding comments/appraisal. It is not necessarily an indication of agreement.

Evaluator's Manager's Signature	Date

Section E - Career Plan (Optional)

Employee to Complete

1. What are your general career goals?

Currently, I am only focused on my current role and how I can achieve the best possible results.

2. What education and/or experience do you require to meet your career goals?
   (Be sure to discuss educational requirements as part of your learning plan - Section C of this form.)

I intend to explore additional internal courses. In time, I will explore external courses and industry conferences to stay abreast of current events.

3. What might you do to move your career goals forward?

Currently, I am only focused on my current role and how I can achieve the best possible results.

4. Action Plan (To be developed jointly by the employee and supervisor.)

Currently, I am only focused on my current role and how I can achieve the best possible results.

Ontario

Ministry of Finance
Ministry of Revenue

Performance Development Plan and Learning Plan

Section A - PDP/LP Information (confidential when completed)

Employee

Last Name	First Name	WIN #
Tan	Willie Chun Jung	448307

Job Title	Classification
Documentation & Analyst Specialist	Economist 4

☒ OPSEU & OPSEU Excluded ☐ AMAPCEO

Division/Branch/Region

Capital Markets Division, Ontario Financing Authority

Supervisor

Last Name	First Name	Job Title
Harris	Sarah	Manager, Operations

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August 4, 2017	August 4, 2018

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Employee's Signature	Date

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Section B - Performance Development

Key Performance Requirements & Commitments	Performance Outcomes & Measures	Results Achieved (Complete at the end of the review period.)
Identify the work/job related tasks, activities, functions and/or projects to be completed during the performance review	Indicate how you will carry out and measure performance commitments.	Record accomplishments and the impact of result on the unit/branch or ministry.
Provide documentation and analysis to support the Province of Ontario's borrowing/financing programs.	Document and understand procedures and all aspects involved in bond issuance programs, DMTN, EMTN and any other additional programs that the Province may undertake. Prepare and document bond issues. Support and assist with the documentation of EMTN, ADI, Global and USMTN issues, by setting bring-down calls, drafting closing certificates, preparing schedules of expenses, and providing comments on Prospectuses, Underwriting Agreements and other related documents Negotiate with legal counsel, investment banks, fiscal agents, etc., that detailed terms and conditions of all necessary agreements for complex financing structures and instruments. Ensure that the terms and conditions reflect the operational requirements of the participants in the transactions. Administer Documentation's invoice tracking and payment process for the Province's borrowing programs	

Provide support to the documentation and analysis coordinator on T-bill activations and redemptions.	Administer T-bill activations and redemptions. Ensure that procedures are followed, completed and if necessary, updated, in a timely manner.	
Monitor and participate in the Province's, OEFC's and OFA's financing to other public bodies, ministries, etc..	Negotiate and amend various financing agreements with third party ministries and public bodies including OILC, OPG etc. Administer day to day loans and advances to third parties, including OILC	
Ad hoc assignments and projects.	Work on any assignments, projects, and tasks as determined by Manager.	

Section C - Learning Plan (Mandatory)

	Learning Objectives	Required For ☒ Current Position	Required For ☒ Future	Learning Methods	# Days Planned*	Expected Cost	Results Achieved Yes	Results Achieved No	Results Achieved # Days*
1	Writing Briefing Notes	X		External Course					
2	Communication Skills	X		External Course					
3	Writing Skills	X		External Course					
4	Improve knowledge of finance, the OFA and the Ontario Government as it relates to the position	X		On-the-job training					
5									

Employee's Comments

I look forward to additional opportunities for my development in all forms. I welcome job related tasks, job shadow, skill development exercises, courses and seminars.

Supervisor's Comments

Will shall continue to be exposed to and trained on increasingly complex functions of his position. Will shall be given opportunities and support to further refine his analytical skills, expand his knowledge base and enhance his attention to detail in order to carry out the full functions of the position of Documentation & Analysis Specialist.

Consider the following Methods of Learning

*Complete # Days columns for classroom and on-line courses only.

- ☐ On-the-job training
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- ☐ Special Projects
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- ☐ Computer-based learning
- ☐ Temporary Assignment
- ☐ Committee
- ☐ Coaching/mentoring
- ☐ Discussion Group
- ☐ Community of Practice
- ☐ Self Study
- ☐ Videos

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	☐ Below satisfactory/Needs improvement

Supervisor's Comments

Demonstrated Strengths

Areas for Improvement

Employee's Comments

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Employee's Signature	Date

Employee's signature indicates employee has read and discussed supervisor's concluding comments/appraisal. It is not necessarily an indication of agreement.

Evaluator's Manager's Signature	Date

Section E - Career Plan (Optional)

Employee to Complete

1. What are your general career goals?

Currently, I am only focused on my current role and how I can achieve the best possible results.

2. What education and/or experience do you require to meet your career goals?
   (Be sure to discuss educational requirements as part of your learning plan - Section C of this form.)

I intend to explore additional internal courses. In time, I will explore external courses and industry conferences to stay abreast of current events.

3. What might you do to move your career goals forward?

Currently, I am only focused on my current role and how I can achieve the best possible results.

4. Action Plan (To be developed jointly by the employee and supervisor.)

Currently, I am only focused on my current role and how I can achieve the best possible results.

From: William Tan
To: Sarah Harris
Subject: FW: Province - IO Long Term Loan Agreement
Date: Tuesday, May 22, 2018 9:50:16 AM

Good morning Sarah,

- p.14 reference to Executive Director needs to updated to current title

  I'll get that corrected.

- Form of pricing term sheet and Loan Terms Confirmation – did you verify with Carlos/Craig that it should be 30/360T – "T" is an internal reference, and it may be worth checking with Craig about alternatives

  Yes, Craig confirmed that 30/360T is correct.

Also, did Carlos confirm he was fine with the wording on the "Make Whole" provision?

Carlos, is fine with how the Make Whole Provision is worded.

For purposes of finalizing comment sand circulating drafts, the analyst is usually the point person for doing this work for these types of agreements (just like the FHP facility). Though there isn't harm in Nicole circulating it, it is preferable that you finalize the draft comments and allow Nicole to "sign-off", as well as you send the file to the other party.

Sure, I'll initiate the next round of edit emails.

Thanks,

Will

From: Sarah Harris
Sent: Tuesday, May 22, 2018 9:36 AM
To: William Tan
Subject: RE: Province - IO Long Term Loan Agreement

Hi Will,

I noted a couple of the changes that we discussed were not made in the draft.

- p.14 reference to Executive Director needs to updated to current title
- Form of pricing term sheet and Loan Terms Confirmation – did you verify with Carlos/Craig that it should be 30/360T – "T" is an internal reference, and it may be worth checking with Craig about alternatives

You can address those in the next turn of the document.

Also, did Carlos confirm he was fine with the wording on the "Make Whole" provision?

For purposes of finalizing comment sand circulating drafts, the analyst is usually the point person for doing this work for these types of agreements (just like the FHP facility). Though there isn't harm in Nicole circulating it, it is preferable that you finalize the draft comments and allow Nicole to "sign-off", as well as you send the file to the other party.

Thanks,

Sarah

From: Symeonides, Nicole (MOF) [mailto:Nicole.Symeonides@ontario.ca]
Sent: Friday, May 18, 2018 11:21 AM
To: Patel, Anjlee (IO) <Anjlee.Patel@infrastructureontario.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: Province - IO Long Term Loan Agreement

Hi Anjlee,

I hope that you're doing well. I've attached a draft of the long-term loan agreement for your review. We have accepted most of IOs comments, however, there were a few that were not incorporated. This draft also includes the OFA/MOF comments as well.
Happy to discuss any outstanding issues.
Have a great long weekend!

Nicole Symeonides
Counsel
777 Bay St., 11th Fl.
T: 416-325-0035

From:	Sarah Harris
To:	Jean-Francois Beaupre
Subject:	FW: RE: IESO OEFC Update
Date:	Wednesday, November 08, 2017 9:58:35 AM
Attachments:	RE IESO OEFC - $120MM and $160MM.msg

Hi JF,
You were supposed have gotten the attached yesterday…
Sarah

From: Sarah Harris
Sent: Wednesday, November 08, 2017 9:57 AM
To: William Tan
Subject: FW: RE: IESO OEFC Update

Hi Will,
Just a note for future. Yesterday I asked you to forward Lisa's email to Jean-Francois and Ryan so they have the whole picture. It would have been a good idea to have also forwarded Lisa's intercept e-mail at the same time as the other agreements, with a covering e-mail for context.
Thanks,
Sarah

From: William Tan
Sent: Wednesday, November 08, 2017 9:53 AM
To: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: RE: IESO OEFC Update

Hi JF,
Sorry for the confusion. I am getting familiar with task myself. My understanding is IESO requires OEFC agreements for $160M Revolving Credit Facility Agreement and $120M Agreement Providing for Issuance of a Note to reflect most of the provision updates from the FHP Credit Facility. For your reference I included the FHP Agreement.
According to Lisa Stein email attached OEFC is not subject to OFA's lending policies.
Thanks,
Will

From: Jean-Francois Beaupre
Sent: Wednesday, November 08, 2017 9:11 AM
To: William Tan <William.Tan@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: RE: IESO OEFC Update

Hi Will,
The title of your email below states "IESO-OEFC Update" yet the agreements you forwarded are the ones for IESO-OFA which we already have. Please advise as I understood from Sarah that Kelly was previously working on these 2 IESO-OEFC credit facility agreements. Did you forward the wrong documents?
An additional question I have is whether OEFC's lending policies permit for the intercept provision to be applied the same way as for the OFA? Also, is the goal of the 2 IESO-OEFC credit facility

agreements to incorporate FHP elements or do they serve a separate purpose altogether? Any background you can provide to bring me up to speed would be helpful.
Thanks,
JF

From: William Tan
Sent: Tuesday, November 07, 2017 3:29 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO OEFC Update

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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From: Lisa Stein []
To: John Kim [John.Kim@ofina.on.ca]; Sarah Harris [Sarah.Harris@ofina.on.ca]
CC: William Tan [William.Tan@ofina.on.ca]; Opal Kandelas [Opal.Kandelas@ofina.on.ca]; Gavin He [Gavin.He@ofina.on.ca]; Sarah Neville [Sarah.Neville@ofina.on.ca]
Subject: RE: IESO / OEFC - $120MM and $160MM
Date: Monday, November 06, 2017 10:43:15

No, I don't think the OFA Lending Policy would apply to these OEFC loans. The OFA Lending Policy addresses lending activities to public bodies undertaken where the OFA is acting as an intermediary on behalf of the Province.

From: John Kim
Sent: Sunday, November 05, 2017 1:55 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>
Subject: Re: IESO / OEFC - $120MM and $160MM

Hi Sarah,

We will look at this but this is oefc so not sure if the same lending policy applies.

John

Sent from my iPhone

On Nov 5, 2017, at 12:06 PM, Sarah Harris <Sarah.Harris@ofina.on.ca> wrote:

Hi John,

We've received no internal direction on the nature of changes IESO is looking for in relation to existing OEFC credit facility with the IESO and the FHP. I surmise it may have to do with adjusting the agreement to allow FHP permitted liens (which we would need internal approval to do) or similar changes, but do you know if IESO communicated requirements to Gadi or Ron?

Thanks,
Sarah
Sent from my iPhone

Begin forwarded message:

From: Anthony Martinello <Anthony.Martinello@ieso.ca>
Date: November 5, 2017 at 11:02:50 AM EST
To: William Tan <William.Tan@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>, Sarah Harris <Sarah.Harris@ofina.on.ca>, Victor Buza <Victor.Buza@ieso.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Will – unless any concerns, will appreciate if you please begin to draft the two OEFC amendments this week – given that the IESO is targeting to sign the OPG / IESO fair hydro agreement by this month's end,….we need to have the two OEFC's done before this.

Regards.

From: Anthony Martinello
Sent: November 01, 2017 12:56 PM
To: 'William Tan'
Cc: 'Lisa Stein'; 'Sarah Harris'; 'John Kim'; Victor Buza
Subject: IESO / OEFC - $120MM and $160MM

Once we have completed the 2 OFA facilities and the intercept letter – we then have to turn to the 2 outstanding IESO-OEFC credit facilities to contemplate any further amendments too.

Just ensuring that these 2 OEFC facilities are not missed.

Regards.

This e-mail message and any files transmitted with it are intended only for the named recipient(s) above and may contain information that is privileged, confidential and/or exempt from disclosure under applicable law. If you are not the intended recipient(s), any dissemination, distribution or copying of this e-mail message or any files transmitted with it is strictly prohibited. If you have received this message in error, or are not the named recipient(s), please notify the sender immediately and delete this e-mail message.

From: Sarah Harris
To: William Tan
Subject: FW: RE: IESO OEFC Update
Date: Wednesday, November 08, 2017 9:57:23 AM
Attachments: RE IESO OEFC - $120MM and $160MM.msg

Hi Will,
Just a note for future. Yesterday I asked you to forward Lisa's email to Jean-Francois and Ryan so they have the whole picture. It would have been a good idea to have also forwarded Lisa's intercept e-mail at the same time as the other agreements, with a covering e-mail for context.
Thanks,
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<Sarah.Harris@ofina.on.ca>

Subject: RE: IESO OEFC Update

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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To: John Kim [John.Kim@ofina.on.ca]; Sarah Harris [Sarah.Harris@ofina.on.ca]
CC: William Tan [William.Tan@ofina.on.ca]; Opal Kandelas [Opal.Kandelas@ofina.on.ca]; Gavin He [Gavin.He@ofina.on.ca]; Sarah Neville [Sarah.Neville@ofina.on.ca]
Subject: RE: IESO / OEFC - $120MM and $160MM
Date: Monday, November 06, 2017 10:43:15

No, I don't think the OFA Lending Policy would apply to these OEFC loans. The OFA Lending Policy addresses lending activities to public bodies undertaken where the OFA is acting as an intermediary on behalf of the Province.

From: John Kim
Sent: Sunday, November 05, 2017 1:55 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>
Subject: Re: IESO / OEFC - $120MM and $160MM

Hi Sarah,

We will look at this but this is oefc so not sure if the same lending policy applies.

John

Sent from my iPhone

On Nov 5, 2017, at 12:06 PM, Sarah Harris <Sarah.Harris@ofina.on.ca> wrote:

Hi John,

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Thanks,
Sarah
Sent from my iPhone

Begin forwarded message:

From: Anthony Martinello <Anthony.Martinello@ieso.ca>
Date: November 5, 2017 at 11:02:50 AM EST
To: William Tan <William.Tan@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>, Sarah Harris <Sarah.Harris@ofina.on.ca>, Victor Buza <Victor.Buza@ieso.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

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Regards.

From: Anthony Martinello
Sent: November 01, 2017 12:56 PM
To: 'William Tan'
Cc: 'Lisa Stein'; 'Sarah Harris'; 'John Kim'; Victor Buza
Subject: IESO / OEFC - $120MM and $160MM

Once we have completed the 2 OFA facilities and the intercept letter – we then have to turn to the 2 outstanding IESO-OEFC credit facilities to contemplate any further amendments too.

Just ensuring that these 2 OEFC facilities are not missed.

Regards.

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From: Sarah Harris
To: William Tan
Subject: FW: RE: IESO OEFC Update
Date: Wednesday, November 08, 2017 9:57:23 AM
Attachments: RE IESO OEFC - $120MM and $160MM.msg

Hi Will,
Just a note for future. Yesterday I asked you to forward Lisa's email to Jean-Francois and Ryan so they have the whole picture. It would have been a good idea to have also forwarded Lisa's intercept e-mail at the same time as the other agreements, with a covering e-mail for context.
Thanks,
Sarah

From: William Tan
Sent: Wednesday, November 08, 2017 9:53 AM
To: Jean-Francois Beaupre ; Ryan Blackbyrne
Cc: Sarah Harris
Subject: RE: RE: IESO OEFC Update
Hi JF,
Sorry for the confusion. I am getting familiar with task myself. My understanding is IESO requires OEFC agreements for $160M Revolving Credit Facility Agreement and $120M Agreement Providing for Issuance of a Note to reflect most of the provision updates from the FHP Credit Facility. For your reference I included the FHP Agreement.
According to Lisa Stein email attached OEFC is not subject to OFA's lending policies.
Thanks,
Will

From: Jean-Francois Beaupre
Sent: Wednesday, November 08, 2017 9:11 AM
To: William Tan <William.Tan@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
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Thanks,
JF

From: William Tan
Sent: Tuesday, November 07, 2017 3:29 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Sarah Harris

<Sarah.Harris@ofina.on.ca>

Subject: RE: IESO OEFC Update

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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From: Lisa Stein []
To: John Kim [John.Kim@ofina.on.ca]; Sarah Harris [Sarah.Harris@ofina.on.ca]
CC: William Tan [William.Tan@ofina.on.ca]; Opal Kandelas [Opal.Kandelas@ofina.on.ca]; Gavin He [Gavin.He@ofina.on.ca]; Sarah Neville [Sarah.Neville@ofina.on.ca]
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From: Sarah Harris
To: Jean-Francois Beaupre
Subject: FW: RE: IESO OEFC Update
Date: Wednesday, November 08, 2017 9:25:59 AM

Hi JF,
Just to clarify, Kelly had previously amended the last IESO –OEFC credit facilities, but at the time he left, no further revisions were immediately pending. Ryan requested to 'take over' the IESO facilities, so we (Kelly, Ryan, and I) had a brief hand-off meeting to provide brief background on the facilities, with the understanding that Ryan would take care of any future amendments. IESO had mentioned a short time ago that it might be looking to address any OEFC changes after the OFA facilities were completed, but there were no working drafts, since the nature of the changes were not known.
All that to say, there is currently no OEFC-IESO draft amending agreements for the FHP changes. Ryan will need to draft, but will need to see the FHP lien/negative pledge clauses in the OFA-IESO credit facilities that were just signed.
Thanks,
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To: William Tan ; Ryan Blackbyrne
Cc: Sarah Harris
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Subject: RE: IESO OEFC Update
Best regards,
Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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From:	Sarah Harris
To:	Jean-Francois Beaupre
Subject:	FW: RE: IESO OEFC Update
Date:	Wednesday, November 08, 2017 9:58:35 AM
Attachments:	RE IESO OEFC - $120MM and $160MM.msg

Hi JF,
You were supposed have gotten the attached yesterday…
Sarah

From: Sarah Harris
Sent: Wednesday, November 08, 2017 9:57 AM
To: William Tan
Subject: FW: RE: IESO OEFC Update

Hi Will,
Just a note for future. Yesterday I asked you to forward Lisa's email to Jean-Francois and Ryan so they have the whole picture. It would have been a good idea to have also forwarded Lisa's intercept e-mail at the same time as the other agreements, with a covering e-mail for context.
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From: Lisa Stein []
To: John Kim [John.Kim@ofina.on.ca]; Sarah Harris [Sarah.Harris@ofina.on.ca]
CC: William Tan [William.Tan@ofina.on.ca]; Opal Kandelas [Opal.Kandelas@ofina.on.ca]; Gavin He [Gavin.He@ofina.on.ca]; Sarah Neville [Sarah.Neville@ofina.on.ca]
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From:	Sarah Harris
To:	Jean-Francois Beaupre
Subject:	FW: Signatures for FHP and Amending Agreement No. 10
Date:	Tuesday, November 07, 2017 10:04:15 AM
Attachments:	FHP Credit Agreement OFA IESO - Nov 6, 2017 - OFA Signed.pdf OFA IESO Amending Agreement No. to Jan 1, 2005 Credit Facility Nov 6,2017 - OFA signed.pdf

---

From: William Tan
Sent: Monday, November 06, 2017 4:07 PM
To: 'Victor Buza'
Cc: Lisa Stein ; Sarah Harris ; Anthony Martinello ; John Kim
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hello Victor,

Please find the attached signed FHP Credit Facility Agreement and Amending Agreement #10 to the Jan. 1, 2005 Credit Agreement. Original signature pages will reach you tomorrow or the day after.

Thanks,

Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 3:25 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10
Importance: High

Will,

Please find attached the following documents signed by IESO:

1. Amending Agreement #10 to the Jan. 1, 2005 Credit Agreement;
2. Certified IESO Board Resolution and Incumbency Certificate;
3. Scan of the $2 Billion Grid Note.
4. Intercept Letter Agreement.

I will send the new Revolving Credit Facility Agreement in relation to FHP under a separate email immediately following.

We have already overnighted the original grid note for $2 billion and an original Intercept Letter signed by all parties. Per your request, we will send original agreement signature pages for both agreements as well – can we send those tomorrow or do you need the overnighted too?

Let us know. We look forward to receiving your confirmation of closing.

Victor

Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079
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From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 3:09 PM
To: Victor Buza
Cc: Lisa Stein; Sarah Harris; Anthony Martinello

Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hello Victor,

I clarified internally and we would want an original signature page for the FHP Agreement and Amending Agreement No. 10.

Thanks,

Will

From: William Tan
Sent: Monday, November 06, 2017 2:25 PM
To: 'Victor Buza' <Victor.Buza@ieso.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hi Victor,

My apologies. Please scan the separated $2B and $475 MM Grid promissory notes. Forward the $2B promissory note but hold on to the $475MM Grid Promissory Note until November 21.

- Resolution of the Board of Directors
- Incumbency Certificate
- Intercept Letter
- $2 B Grid Promissory Note
- $475 MM Grid Promissory Note

Yes, please forward the documents to myself.

William Tan
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3

Thanks,

Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 2:12 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

I will scan and send all documents you listed in their entirety, not just signature pages. Can you confirm, are you saying you want a scan of the $475MM grid note?

Just so I get it right, should I courier the hardcopies of the Intercept Letter and Note to your attention and address, Will? Call me if it's quicker.

Victor

416-969-6079

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 1:57 PM
To: Victor Buza; Anthony Martinello
Cc: Lisa Stein; Sarah Harris
Subject: FW: Signatures for FHP and Amending Agreement No. 10

Hi Victor,

Thank you for the update. When you send the soft copy signatures, would it be possible to include

the signatures within the agreements?
You were probably going to include the following signed soft copies anyway but out of caution I have listed them below:

- Resolution of the Board of Directors
- Incumbency Certificate
- Intercept Letter
- $2 B Grid Note
- $475 MM Grid Note

Hardcopy of the Intercept Letter and $2B Grid Note – overnight delivery is fine.
Per s. 16 AA #10 - Anthony and I discussed on Friday that $475MM Grid note would be signed today but held by IESO until November 21. After the borrowing notice and election notices are actioned, OFA will produce the grid notes to evidence payment and advancements. IESO will then send the new $475MM prom note to OFA. Once received OFA will send the $975MM cancelled prom note to IESO.
Thanks,
Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 10:48 AM
To: William Tan <William.Tan@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10
Hi Will – I have a signing meeting scheduled with our signatory at 2:30pm this afternoon – so I will send you counterpart signatures and a scanned version of the Intercept Letter by 3:00pm or possibly earlier.
Hardcopy of Intercept Letter to follow as you prefer – overnight or pickup? We also need to make arrangements re delivery of the $2Bn Grid Note.
Per s.16 of AA#10, the other Note for $475MM is to be delivered following the Effective Time in exchange for the return by OFA of the Nov 30 2016 Note for $975MM.
Victor

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 10:33 AM
To: Anthony Martinello
Cc: Lisa Stein; Victor Buza; Sarah Harris
Subject: Signatures for FHP and Amending Agreement No. 10
Good morning Anthony,
Just checking-in on approximately when we can expect the documents to be executed so I may prepare my signatory.
Thanks,
Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
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INDEPENDENT ELECTRICITY SYSTEM OPERATOR

as Borrower

and

ONTARIO FINANCING AUTHORITY

as Lender

REVOLVING CREDIT FACILITY AGREEMENT

Date: November 6, 2017

REVOLVING CREDIT FACILITY AGREEMENT

THIS AGREEMENT is made as of the 6 day of November 2017,

BETWEEN:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, a statutory corporation without share capital existing under Part II of the *Electricity Act, 1998* (the "**IESO**")
(as Borrower)

AND

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* (the "**OFA**" and together with the IESO, the "**Parties**")
(as Lender)

RECITALS:

WHEREAS the IESO has requested a revolving credit facility for up to a maximum principal amount of $2 billion from the OFA for the purpose of supporting the IESO's role in the implementation and administration of the *Ontario Fair Hydro Plan Act, 2017*.

THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the Parties agree as follows:

ARTICLE 1

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"**Advances**" means advances made by the OFA to the IESO under Article 3 and "Advance" means any one of such advances, and in the case of an election by the IESO under Section 3.3, includes a "Continued Advance", as defined in Section 3.3(1), as applicable.

"Advances Outstanding" means, at any time, an amount equal to the aggregate principal amount of all Advances outstanding at such time.

"Agreement", "herein", "hereby", "hereor', "hereunder" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression "Article" or "Section" followed by a number means the specified Article or Section of this Agreement.

"Borrowing Notice" has the meaning specified in Section 3.2(1).

"Business Day" means any day that is not a day on which banks are generally authorized or required by law or executive order to be closed in the City of Toronto.

"Clean Energy Adjustment" has the same meaning as that term is defined in the OFHP.

"Commitment" means, at any time, an amount equal to $2 billion.

"Consolidated Assets" means, at any time, the book value of the assets of the IESO and the Subsidiaries, determined as of such time on a consolidated basis in accordance with GAAP.

"Continued Advance" has the meaning specified in Section 3.3(1).

"Credit Facility" means the revolving credit facility to be made available to the IESO by the OFA under this Agreement for the purposes specified in Section 2.2.

"Current Repayment Date" has the meaning specified in Section 3.3(2).

"Default" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"Dollars" or **"$"** means lawful currency of Canada.

"Election Notice" has the meaning specified in Section 3.3(2).

"Event of Default" has the meaning specified in Section 5.1.

"First Advance" has the meaning specified in Section 3.2(3).

"GAAP" means accounting policies and standards as established by the Chartered Professional Accountants of Canada, at the relevant time and applied on a consistent basis.

"Grid Note" has the meaning specified in Section 3.2(2).

"Indebtedness" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) every obligation of such Person for borrowed money;

(b) every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments;

(c) every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) every capital lease obligation of such Person;

(f) the Swap Termination Value of each Swap Contract of such Person; and

(g) every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"Lien" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"Material Subsidiary" means, at any time, a Subsidiary which has consolidated assets with a book value of more than $25 million determined in accordance with GAAP.

"**New Repayment Date**" has the meaning specified in Section 3.3(2).

"**OFHP**" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

"Permitted Liens" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) any obligations or duties, affecting the property of the IESO to any municipality or governmental, statutory or public authority, with respect to any franchise, grant, license

or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by the IESO or such Material Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by the IESO or such Material Subsidiary;

(d) any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) the right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) any undetermined or inchoate Liens and charges incidental to the current operations of the IESO or a Material Subsidiary that have not at the time been filed against the IESO or such Material Subsidiary; provided, however, that if any such Lien or charge shall have been filed, the IESO or such Material Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) any Lien the validity of which is being contested at the time by the IESO or a Material Subsidiary in good faith and the enforcement of which has been stayed;

(h) any easements, rights-of-way and servitudes that in the opinion of the IESO will not in the aggregate materially and adversely impair the use or value of the land for the purpose for which it is held or occupied by the IESO or a Material Subsidiary;

(i) any Liens and privileges arising out of judgments or awards with respect to which the IESO or a Material Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall have secured a stay of execution pending such appeal or proceedings for review;

(j) any other Liens of a nature similar to the foregoing which do not in the opinion of the IESO, acting reasonably, materially impair the use of the property subject thereto or the operation of the business of the IESO or any Material Subsidiary or the value of such property for the purpose of any such business; and

(k) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other

lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

"Person" means any individual, corporation, partnership joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"Purchase Money Mortgage" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or part of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"Repayment Date" means, in respect of the repayment of Advances, the repayment date contained in the most recent Borrowing Notice or Election Notice.

"Stated Maturity" when used with respect to any Indebtedness or any installment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such installment of interest is due and payable.

"Subsidiary" means:

(a) a corporation more than 50% of the voting power or the outstanding Voting Shares of which is owned, directly or indirectly, by the IESO or by one or more other Subsidiaries or by the IESO and one or more other Subsidiaries; or

(b) any Person (other than a corporation) in which the IESO, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

"Swap Contract" means any agreement whether or not in writing, relating to any transaction or derivative transaction including a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction currency swap, cross-currency rate swap, swaption, currency option or other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.

"Swap Termination Value" means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap contracts:

(a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and

(b) for any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.

"Voting Shares" of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings.

The division of this Agreement into Articles and Sections and the insertion of headings are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and vice versa and words importing gender may include any gender. In this Agreement, (a) the words "including" and "includes" mean "including (or includes) without limitation", and (b) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" each mean "to but excluding".

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with GAAP.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the next succeeding Business Day.

ARTICLE 2
REVOLVING CREDIT FACILITY

Section 2.1 Availability.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO. The OFA shall make each Advance in Dollars.

Section 2.2 Use of Proceeds.

The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the *Electricity Act, 1998*, as such regulation may be amended or replaced from time to time, subject to the condition that proceeds of Advances may be used only for IESO's financing needs and requirements of any kind arising in connection with the IESO's role with respect to and obligations under the OFHP.

Section 2.3 Credit Facility Limit.

The Advances Outstanding shall not at any time exceed the Commitment. The Credit Facility shall revolve and no payment under the Credit Facility shall reduce the Commitment.

Section 2.4 Mandatory Repayment.

Subject to Sections 2.5 and 5.2, the IESO shall repay each Advance together with the interest accrued thereon on the applicable Repayment Date, and, in any event, shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder on September 30, 2022.

Section 2.5 Prepayments.

The IESO is not entitled to prepay any part of the Advances Outstanding or the interest accrued thereon without the prior written consent of the OFA.

Section 2.6 Payments under this Agreement.

(1) The OFA shall make Advances to the IESO under this Agreement to or to the order of the IESO by wire transfer of immediately available funds in accordance with wire transfer instructions given by the IESO to the OFA from time to time, or in such other manner as the IESO may specify to the OFA from time to time.

(2) The IESO shall make any payment required hereunder to be made by it to the OFA, to or to the order of the OFA, by wire transfer of immediately available funds in accordance with wire transfer instruction given by the OFA to the IESO from time to time, or in such other manner as the OFA may specify to the IESO from time to time. The IESO shall make each such payment in Canadian Dollars.

Section 2.7 Computations of Interest.

(1) All computations of interest shall be made by the OFA taking into account the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest is payable on the basis of a year of 365 days or 366 days, as the case may be.

(2) For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Agreement for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

Section 2.8 Limit on Rate of Interest.

(1) Notwithstanding any provision contained in this Agreement, the IESO shall not be obliged to make any payments of interest or other amounts payable to the OFA hereunder in excess of the amount or rate which would be prohibited by applicable law or would result in the receipt by the OFA of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada)).

(2) In the event that any such payments are limited or prohibited as provided in Section 2.8(1), the OFA shall have no further obligation to make any Advances available hereunder and the Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, shall become immediately due and payable.

Section 2.9 Application of Payments.

All payments made by the IESO under this Agreement shall be applied firstly to the payment of interest payable to the OFA on late payments of principal or interest hereunder, secondly, to the payment of accrued and unpaid interest payable to the OFA hereunder and thirdly, to the payment of the outstanding principal amount of any Advances payable to the OFA.

ARTICLE 3
ADVANCES

Section 3.1 Advances.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO under the Credit Facility from time to time on any Business Day prior to September 23, 2022.

Section 3.2 Procedure for Advances.

(1) Subject to Section 3.3(5), each Advance shall be made subject to two Business Days' prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each notice of an Advance (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1, other than a Borrowing Notice that is included in an Election Notice as permitted by Section 3.3(3). Each Borrowing Notice shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance; (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall not be earlier than 5 days and not later than 95 days after the date of the requested Advance. Each Borrowing Notice shall also certify the use of proceeds of the Advance which shall in any case be in accordance with Section 2.2. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, the IESO shall execute and deliver to the OFA a grid promissory note in respect of Advances substantially in the form of Schedule 3 (the "**Grid Note**"). The IESO authorizes the OFA to record on the Grid Note (a) the date and amount of each Advance or Continued Advance; (b) the applicable rate of interest for each Advance or Continued Advance; (c) the Repayment Date of each Advance or Continued Advance; (d) the date and amount of each payment of interest and each payment of principal or portion thereof in respect of each Advance or Continued Advance; and (e) Advances Outstanding. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such Advances and repayments; provided that the failure of the OFA to record any amount, rate or date shall not affect the obligation of the IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement.

(3) Respecting the first Advance to be made under this Agreement (the "**First Advance**"), a specified portion thereof (the "**Repayment Amount**") shall be used to repay a portion of the IESO's outstanding indebtedness to the OFA under the credit agreement between the Parties dated January 1, 2005, as amended (the "**Existing Credit Facility**"). The amount of the Repayment Amount shall be detailed in the Borrowing Notice issued in respect of the First Advance. Concurrently with the First Advance, OFA shall provide to IESO an updated grid in respect of the grid note issued under the Existing Credit Facility evidencing the repayment of the Repayment Amount thereunder.

Section 3.3 Elections Regarding Advances.

(1) The IESO may elect to continue all or a portion of the principal amount of any Advance and any amount of interest on such Advance (together, the "**Continued Advance**") for a further period of at least 5 days and up to a maximum of 95 days beginning on the then current Repayment Date in accordance with Section 3.3(2).

(2) Each notice to continue an Advance for a further period (an "**Election Notice**") shall be provided by the IESO to the OFA at least two Business Days prior to the Repayment Date of the Advance (the "**Current Repayment Date**"), and in each case, not later than

10:00 a.m. (Toronto time). Each such Election Notice shall be given substantially in the form of Schedule 2 and shall be irrevocable and binding upon the IESO and shall specify: (a) the Current Repayment Date; (b) the new aggregate total amount of the proposed Continued Advance; (c) the amount of interest or principal, if any, to be paid or re-paid by the IESO with respect to such Advance on the Current Repayment Date; and (d) the new Repayment Date of the proposed Continued Advance, which shall be no earlier than 5 days and not later than 95 days after the current Repayment Date (the "**New Repayment Date**"). If the IESO fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date.

(3) An Election Notice with respect to a proposed Continued Advance may include a Borrowing Notice for a further Advance proposed to be made on the Current Repayment Date. The Repayment Date of such further Advance shall be the New Repayment Date of the Continued Advance that is specified in the Election Notice. Such Borrowing Notice shall be given substantially in the form of Schedule 2.

(4) The calculation of interest on a Continued Advance shall be determined in the same manner as an Advance under Section 3.4 and shall be recorded on the Grid Note in accordance with Section 3.2(2).

(5) Any portion of an Advance not continued for a further period in accordance with Section 3.3(2) shall be repayable on the applicable Repayment Date.

(6) The Credit Facility shall at all times rank *pari passu* with all other unsubordinated and unsecured Indebtedness of the IESO, subject to the existence of any Liens that secure Indebtedness, as permitted by subections 4.6 (a) through (e) hereof.

(7) All amounts owing in respect of the Advances shall be paid without exercising any right of set off or counterclaim by the IESO.

Section 3.4 Interest on Advances.

(1) The IESO shall pay interest on the unpaid principal amount of each Advance in accordance with this Section 3.4 from and including the date of such Advance until the principal amount of such Advance is repaid in full.

(2) Interest shall accrue on the principal amount of each Advance from and including the date of the Advance to but excluding the Repayment Date of such Advance, at an annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum, before as well as after the date such principal amount or interest thereon becomes due hereunder and both before and after Default and shall be payable on the Repayment Date for such Advance. Any amount of interest arising hereunder which is not paid when due shall bear interest at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment. The amount of interest payable on an Advance will be calculated by the

OFA by dividing the interest rate applicable to the Advance by 365 or 366, as the case may be, and multiplying the result by the principal amount of the Advance and further multiplying the result by the number of days in the period from the date of the Advance to the Repayment Date of the Advance.

(3) If the IESO elects to continue an Advance in accordance with Section 3.3(2), the OFA shall determine the interest rate applicable after the original Repayment Date of the Advance and endorse the said rate on the grid forming part of the Grid Note in respect of Advances held by it.

Section 3.5 Conditions Precedent

The obligation of the OFA to make the Advances to the IESO pursuant to Section 2.1 is subject to the following conditions being satisfied to the OFA's satisfaction at the time of making each Advance:

(a) that the representations and warranties of the IESO contained in this Agreement are true and correct as at the date of making the Advance;

(b) that no Event of Default has occurred and is continuing;

(c) that there shall, in the reasonable opinion of the OFA, have been no material adverse change in the financial condition of the IESO or a Material Subsidiary; and

(d) that the OFA has received such other documentation which it has reasonably requested to ensure that the IESO is in compliance with the terms and conditions of this Agreement, including certified true copies of any necessary resolutions, a written legal opinion from counsel to the IESO confirming that the borrowing is within the legal powers of the IESO and that the Agreement is a direct, unsecured obligation of the IESO enforceable against the IESO in form satisfactory to the OFA.

ARTICLE 4
COVENANTS OF THE IESO

Section 4.1 Repayment of Advances.

The IESO will duly and punctually pay all amounts owing under this Agreement in accordance with the terms and subject to the conditions of this Agreement.

Section 4.2 IESO will Maintain its Corporate Existence.

The IESO will at all times maintain its corporate existence.

Section 4.3 Maintenance of Properties.

The IESO will cause all property owned by the IESO or any Material Subsidiary to be maintained and kept in good condition, repair and working order, all as in the judgment of the IESO or any Material Subsidiary may be necessary for the proper operation of such property, except as and to the extent that the IESO or any Material Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 4.3 shall prevent the IESO or any Material Subsidiary from discontinuing the maintenance of any such property or decommissioning any such property if such discontinuance or decommissioning is, in the judgment of the IESO or any such Material Subsidiary, desirable in the conduct of its business or the business of any such Material Subsidiary, or has been directly or indirectly requested or required by the Province of Ontario.

Section 4.4 Insurance.

The IESO will cause all property owned by the IESO or any Material Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the mature and to the extent that such property is usually insured by companies operating similar businesses.

Section 4.5 Conduct of Business.

The IESO will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in accordance with good business practice.

Section 4.6 Negative Pledge.

The IESO will not, and will not permit any Material Subsidiary to, create, incur or assume any Lien, charging the interest of the IESO or any Material Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, all amounts owing under this Agreement are secured equally and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) the creation, incurrence or assumption of any Purchase Money Mortgage;

(b) the grant of any Lien in the normal course of business to any banks or financial institutions for present or future Indebtedness of the IESO or any Material Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) any extension, renewal or replacement of any of the Liens referred to in Sections 4.6(a), (b) or (c), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased; and

(e) any Lien charging the interest of the IESO or any Material Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 4.6(a), (b) or (c), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 4.6(e) which is outstanding at such time does not exceed 10% of Consolidated Assets at such time.

Section 4.7 Payment of OFA Expenses

In addition to any liability of the IESO to the OFA under any other provision of this Agreement, the IESO will, on demand, reimburse and indemnify OFA for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OFA in connection with the Agreement (including those services incurred in the preservation of rights under or enforcement of this Agreement at any time during the continuance of a Default or Event of Default and for any reasonable loss or expense incurred by OFA as a result of any failure by the IESO to fulfill any of its obligations under this Agreement). All such costs, charges and expenses shall bear interest at the Province of Ontario's cost of funds plus 0.25 percent per annum (as determined by the OFA) calculated and payable monthly not in advance from in each case from the date on which the OFA incurs the cost, charge or expense until the date on which the IESO reimbursement the OFA therefor. The OFA agrees, acting reasonably, to invoice the IESO for any such costs, charges and expense as they are incurred, together with interest at the aforesaid rate (with interest on overdue interest).

Section 4.8 Reporting.

The IESO will promptly provide to the OFA any reports or supporting documents that the OFA may request from time to time.

Section 4.9 Late Repayment of Advance.

In the event that the IESO fails to repay the principal amount of any Advance and all interest accrued thereon when due, the IESO shall pay interest on the unpaid amount of such Advance at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment.

ARTICLE 5
EVENTS OF DEFAULT AND REMEDIES

Section 5.1 Event of Default.

Wherever used in this Agreement, the term "Event of Default" means any of the following:

(a) the IESO's failure to pay any interest upon any Advance when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) failure to pay the principal amount of any Advance on the applicable Repayment Date or the Advances Outstanding, all interest accrued thereon and all other amounts owing under this Agreement on September 30, 2022;

(c) failure on the part of the IESO to observe or perform its obligations set forth in Section 4.1;

(d) failure on the part of the IESO to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 20 days after the date on which written notice of such failure shall have been given to the IESO by the OFA;

(e) any representation or warranty made by the IESO in this Agreement or in any certificate or other document at any time delivered hereunder to the OFA was incorrect or misleading in any material respect;

(f) one or more breaches by the IESO of its covenants under one or more evidences of Indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $5 million, which breaches:

(i) constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist, or

(ii) have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived or rescinded);

(g) the IESO or any Material Subsidiary:

(i) becomes unable to meet its obligations as they generally become due or has ceased paying its current obligations in the ordinary course of business as they generally become due;

(ii) admits in writing its inability to pay its debts generally or makes a general assignment for the benefit its creditors or files a proposal or other scheme

of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) institutes or has instituted against it any proceeding seeking:

(A) to adjudicate it as bankrupt or insolvent,

(B) liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors, or

(C) the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets,

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismissed or unstayed for a period of 30 days, or any remedy sought in any such proceeding (including the entry of order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

(iv) takes any corporate action to authorize any of the actions in Sections 5.1 (g)(i) to (iii); or

(h) if there shall be rendered against the IESO or any Material Subsidiary a final judgment or judgments for the payment of money in an aggregate amount in excess of $5 million by a court or courts of competent jurisdiction, and the IESO or any Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 5.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case the OFA may at its option, in addition to any other remedy available to the OFA at law, by written notice to the IESO, take any or all of the following actions:

(a) suspend the right of the IESO to request any further Advance until the Event of Default has been cured to the OFA's satisfaction or, if the Event of Default is not

cured within three (3) Business Days after the date on which written notice of such Event of Default shall have been given to the IESO by the OFA, declare all amounts owing hereunder including all interest accrued to be due and payable immediately, by a notice in writing to the IESO, and upon any such declaration all such amounts shall become immediately due and payable.

(b) invoke the Intercept pursuant to section 5.7 of this Agreement to require payment of any amount due and payable under this Agreement.

Section 5.3 Suits for Enforcement by the OFA.

If an Event of Default occurs and is continuing, the OFA may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in the OFA by this Agreement or by law.

Section 5.4 OFA May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of the IESO under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property of the IESO, or if any other judicial proceedings relative to the IESO, its creditors or its property are pending, the OFA shall be entitled and empowered, by intention in such proceeding or otherwise:

(a) to file and prove a claim for all amounts owing under this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of the OFA (including any claim for fees and disbursements of the OFA, its agents and counsel) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claim.

Section 5.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to the OFA is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.6 Delay or Omission not Waiver.

No delay or omission of the OFA to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right or remedy given by this Article 5 or by law to OFA may be exercised from time to time, and as often as may be deemed expedient, by the OFA.

Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of even date herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the *Capital Investment Plan Act, 1993* (the "**Intercept Letter**"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("**Appropriated Funds**"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("**Intercept**").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

(e) The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or

inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail.

ARTICLE 6
REPRESENTATIONS AND WARRANTIES OF IESO

Section 6.1 Representations and Warranties of IESO

The IESO represents and warrants to the OFA that:

(a) the borrowing of money (including principal and accrued interest) by the IESO and the execution, delivery and performance of this Agreement are within the powers and capacities of the IESO and have been duly authorized by all necessary legal action and proper proceedings;

(b) the execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the compliance with the terms and conditions of this Agreement will not conflict with or result in a breach of any of the terms or provisions of the constituting documents or by-laws of the IESO, laws of Ontario, including laws of Canada applicable therein, applicable to the IESO or any contractual or other obligation binding on the IESO;

(c) this Agreement will, when executed and delivered, constitute the legal, valid and binding obligation of the IESO enforceable against it in accordance with its terms; and

(d) the monies advanced under this Agreement shall be used only by the IESO for the purposes set out in Section 2.2.

Section 6.2 Continuation of Representation and Warranties

The representations and warranties set out in Section 6.1 herein shall survive the execution and delivery of this Agreement, the making of each Advance by the OFA, notwithstanding any investigations or examinations which may be made by counsel for the OFA.

ARTICLE 7
GENERAL

Section 7.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy or other means of electronic communication addressed:

If to the IESO, to it at:

Independent Electricity System Operator
120 Adelaide Street West, Suite 1600
Toronto, ON M5H 1T1

Attention: Chief Financial Officer
Telephone: (416)969-6232
Facsimile: (905)403-6913

If to the OFA, to it at:

Ontario Financing Authority 1 Dundas Street West
Suite 1400 Toronto, Ontario M7A 1Y7

Attention: Executive Director & Chief Investment Officer – Capital Markets Division
Telephone: (416)325-8930
Facsimile: (416)860-8346

provided that any Borrowing Notice or Election Notice shall be addressed as indicated on Schedule 1 or Schedule 2 respectively.

Any communication hereunder shall be deemed to have been validly and effectively given if (a) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p.m. (Toronto time), otherwise on the next Business Day, (b) transmitted by facsimile or other means of electronic communication, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice give in accordance with this Section 7.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 7.1.

Section 7.2 Successors and Assigns.

This Agreement shall be binding on and enure to the benefit of the OFA and the IESO and their respective successors and permitted assigns, except that the IESO shall not, without the

prior written consent of the OFA assign, pledge or hypothecate any rights or obligations with respect to this Agreement.

Section 7.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of the Parties.

Section 7.4 Waiver.

(1) No waiver of any provisions of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) of this Agreement nor shall such waiver be binding unless executed in writing by the party to be bound by the waiver.

(2) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude another or further exercise of such right or the exercise of any other right.

Section 7.5 Further Assurances.

Each of the IESO and the OFA shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement

Section 7.6 Severability.

In case any provision in this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement shall not in any way be affected or impaired thereby.

Section 7.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 7.8 Entire Agreement.

This Agreement, including the schedules hereto and any other agreements expressly referred to herein, constitutes the whole agreement between the Parties with respect to the matters dealt with in it, and it supersedes any prior agreement, undertakings, discussions and the like respecting the matters dealt with in this Agreement and entered into by the Parties before the date the OFA signs this Agreement.

Section 7.9 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Agreement.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first written above.

ONTARIO FINANCING AUTHORITY

Per: _____

Name: Michael D. Manning
Title: Executive Director & Chief Investment Officer, Capital Markets Division

I have authority to bind the corporation.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; Treasurer

I have authority to bind the corporation.

SCHEDULE 1

FORM OF BORROWING NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The principal amount of the Proposed Advance is $_____;
(c) The Repayment Date of the Proposed Advance is _____. [Not earlier than 5 days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:

Authorized Signatory

SCHEDULE 2

FORM OF ELECTION NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is _____.

(b) The aggregate amount of the proposed Continued Advance is $_____, which is comprised of:
   i. principal amount (or portion thereof) of Advance which is to be continued $_____; and
   ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date $_____;

(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): $ _____

(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _____. [Insert date not earlier than 5 days and not later than 95 days after the current Repayment Date for the Advance.]

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: $_____
The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Name:

Authorized Signatory

SCHEDULE 3 – FORM OF GRID NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $2,000,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR (the "**IESO**"), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY** ("**OFA**") at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement (as defined below).

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the Revolving Credit Facility Agreement dated **[INSERT DATE]** as amended, supplemented or restated from time to time, between the Borrower and the OFA (the "Agreement"). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:
Authorized Signatory

Revolving Credit Facility Grid Note

Ontario Financing Authority
Line of Credit Grid Note

Entity : Independent Electricity System Operator
Loan Limit:

Project:
Schedule of loan transactions to:
Loan Advanced to:

New Loan and/or Rollover					Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days

AMENDING AGREEMENT NO. 10

This Amending Agreement No. 10 (this "**Amending Agreement**") is made as of the 21st day of November, 2017 (the "**Effective Date**")

BETWEEN:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, a statutory corporation without share capital existing under Part II of the *Electricity Act, 1998* ("**IESO**")

-and-

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* ("**OFA**")

(together, the "**Parties**")

WHEREAS the Ontario Power Authority ("**OPA**") and the OFA entered into a credit agreement dated January 1, 2005 (the "**Original Agreement**");

AND WHEREAS effective January 1, 2015, the OPA and the then existing Independent Electricity System Operator amalgamated and continued as a corporation without share capital under Part II of the *Electricity Act, 1998* with the name "Independent Electricity System Operator" (**"IESO"**), and the obligations of the OPA became obligations of the IESO;

AND WHEREAS pursuant to the amending agreements dated February 14, 2005, October 11, 2005 (titled, "Amending Agreement No. 3"), September 27, 2006 (titled, "Amending Agreement No. 4"), July 13, 2007 (titled, "Amending Agreement No. 5"), November 9, 2010 (titled, "Amending Agreement No. 6"), December 20, 2013 (titled, "Amending Agreement No. 7"), December 19, 2014 (titled, "Amending Agreement No. 8") and November 30, 2016 (titled, "Amending Agreement No. 9"), the OPA or IESO (as applicable) and the OFA amended the Original Agreement (as so amended, the "**Credit Agreement**", the terms defined therein being used herein as therein defined);

AND WHEREAS the Parties have now agreed to: (i) at the request of the IESO, decrease the total principal amount available under the Credit Agreement from $975,000,000 to a total principal amount of up to $475,000,000; (ii) amend the use of proceeds under the Credit Agreement; (iii) amend the Form of Election Notice and related provisions under the Credit Agreement; and (iv) make other amendments required as a consequence of the implementation of the OFHP (as defined below);

AND WHEREAS pursuant to Section 7.3 of the Credit Agreement, the Credit Agreement may only be amended or otherwise modified by written agreement executed by the Parties.

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby

acknowledged, and subject to the terms and conditions hereafter set out, the Parties agree that, as of the Effective Time (as defined below):

1. The definition of "Advances" in Section 1.1 of the Credit Agreement is deleted and replaced by the following:

   "**Advances**" means advances made by the OFA to the IESO under Article 3 and "Advance" means any one of such advances, and in the case of an election by the IESO under Section 3.3, includes a "Continued Advance", as defined in Section 3.3(1), as applicable."

2. The definition of "**Commitment**" in Section 1.1 of the Credit Agreement is amended by deleting "$975,000,000" and substituting "$475,000,000" therefor.

3. The definition of "**Permitted Liens**" is amended by deleting the word "and" at the end of subsection (i); replacing the "." at the end of subsection (j) and replacing it with "; and" ; and adding the following subsection (k):

   "(k) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

4. The following definitions are added to Section 1.1 of the Credit Agreement:

   "Clean Energy Adjustment" has the same meaning as that term is defined in the OFHP.

   "**Continued Advance"** has the meaning specified in Section 3.3(1).

   "**Current Repayment Date**" has the meaning specified in Section 3.3(2).

   "**New Repayment Date**" has the meaning specified in Section 3.3(2).

   "OFHP" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

5. Section 2.3 "Use of Proceeds" of the Credit Agreement is deleted in its entirety (with the exception of the title of the section, which exception also applies regarding the amendments made under sections 6, 7 and 8 hereof) and replaced by the following:

   "The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the *Electricity Act, 1998,* as such regulation may be amended or replaced from time to time, provided that Advances may be used only for liquidity purposes."

6. Section 3.2 "Procedures for Advances" of the Credit Agreement is deleted in its entirety and replaced by the following:

"(1) Subject to Section 3.3(5), each Advance shall be made subject to two Business Days' prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each notice of an Advance (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1, other than a Borrowing Notice that is included in an Election Notice as permitted by Section 3.3(3). Each Borrowing Notice shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance; (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall be no earlier than 28 days and not later than 95 days after the date of the requested Advance. Each Borrowing Notice shall also certify the use of proceeds of the Advance which shall in any case be in accordance with Section 2.3. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, the IESO shall execute and deliver to the OFA a grid promissory note in respect of Advances substantially in the form of Schedule 3 (the **"Grid Note"**). The IESO authorizes the OFA to record on the Grid Note (a) the date and amount of each Advance or Continued Advance; (b) the applicable rate of interest for each Advance or Continued Advance; (c) the Repayment Date of each Advance or Continued Advance; (d) the date and amount of each payment of interest and each payment of principal or portion thereof in respect of each Advance or Continued Advance; and (e) Advances Outstanding. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such Advances and repayments; provided that the failure of the OFA to record any amount, rate or date shall not affect the obligation of the IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement."

7. Section 3.3 "Elections Regarding Advances" of the Credit Agreement is deleted in its entirety and replaced by the following:

"(1) The IESO may elect to continue all or a portion of the principal amount of any Advance and any amount of interest on such Advance (together, the "**Continued Advance**") for a further period of at least 28 days and up to a maximum of 95 days beginning on the then current Repayment Date in accordance with Section 3.3(2).

(2) Each notice to continue an Advance for a further period (an "**Election Notice**") shall be provided by the IESO to the OFA at least two Business Days prior to the Repayment Date of the Advance (the "**Current Repayment Date**"), and in each case, not later than 10:00 a.m. (Toronto time). Each such Election Notice shall be given substantially in the form of Schedule 2 and shall be irrevocable and binding upon the IESO and shall specify: (a) the Current Repayment Date; (b) the new aggregate total amount of the proposed Continued Advance; (c) the amount of interest or principal, if any, to be paid or re-paid by the IESO with respect to such Advance on the Current Repayment Date; and (d) the new Repayment Date of the proposed Continued Advance, which shall be no earlier than 28 days and not later than 95 days after the Current Repayment Date (the "**New Repayment Date**"). If the IESO fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date.

(3) An Election Notice with respect to a proposed Continued Advance may include a Borrowing Notice for a further Advance proposed to be made on the Current Repayment

Date. The Repayment Date of such further Advance shall be the New Repayment Date of the Continued Advance that is specified in the Election Notice. Such Borrowing Notice shall be given substantially in the form of Schedule 2.

(4) The calculation of interest on a Continued Advance shall be determined in the same manner as an Advance under Section 3.4 and shall be recorded on the grid promissory note in respect of Advances in accordance with Section 3.2(2).

(5) Any portion of an Advance not continued for a further period in accordance with Section 3.3(2) shall be repayable on the applicable Repayment Date."

8. Section 5.2 "Acceleration of Maturity; Recission and Annulement" of the Credit Agreement is deleted in its entirety and replaced by the following:

"If an Event of Default occurs and is continuing, then and in every such case the OFA may at its option, in addition to any other remedy available to the OFA at law, by written notice to the IESO, take any or all of the following actions:

(a) suspend the right of the IESO to request any further Advance until the Event of Default has been cured to the OFA's satisfaction or, if the Event of Default is not cured within three (3) Business Days after the date on which written notice of such Event of Default shall have been given to the IESO by the OFA, declare all amounts owing hereunder including all interest accrued to be due and payable immediately, by a notice in writing to the IESO, and upon any such declaration all such amounts shall become immediately due and payable.

(b) invoke the Intercept pursuant to section 5.7 of this Agreement to require payment of any amount due and payable under this Agreement."

9. Section 5.7 "Intercept" is added to the Credit Agreement, stating as follows:

"Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of November 6th , 2017 herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the *Capital Investment Plan Act, 1993* (the "**Intercept Letter**"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("**Appropriated Funds**"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("**Intercept**").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail."

10. Section 7.9 "Entire Agreement' is added to the Credit Agreement, stating as follows:

"Section 7.9 Entire Agreement

This Agreement as amended from time to time and including the schedules hereto and any other agreements expressly referred to herein, constitutes the whole agreement between the Parties with respect to the matters dealt with in it, and it supersedes any prior agreement, undertakings, discussions and the like respecting the matters dealt with in this Agreement and entered into by the Parties before the date the OFA signs this Agreement."

11. Schedule 1 of the Credit Agreement, Form of Borrowing Notice, is deleted in its entirety and replaced by the Form of Borrowing Notice attached hereto as Schedule 1.

12. Schedule 2 of the Credit Agreement, Form of Election Notice, is deleted in its entirety and replaced by the Form of Election Notice attached hereto as Schedule 2.

13. Schedule 3 of the Credit Agreement, IESO Grid Note, is deleted in its entirety and replaced by the Form of Grid Note attached hereto as Schedule 3.

14. For the purposes of this Amending Agreement and its coming into effect:

a. "**Effective Time**" means the time on the Effective Date by which the Transfers of Funds (defined below) have been completed; or such other time as the Parties may subsequently agree to in writing as being the "Effective Time";

b. "**Transfers of Funds**" means those transfers of funds to be completed between the Parties on the Effective Date, being:

   i. the First Advance as defined under section 3.2(3) of the credit agreement between the Parties in relation to the IESO's role in the implementation of the OFHP dated November 6, 2017; and,

   ii. the completion of all Advances described in the Election Notice to be provided by the IESO to the OFA no later than November 17, 2017 (such terms having the meanings defined in the Credit Agreement) that are to be funded under the Credit Agreement on the Effective Date; and,

   iii. the repayment by the IESO of all Advances Outstanding (as defined in the Credit Agreement) exceeding $475 million; and,

   iv. the payment by the IESO to OFA of the interest then owing under the Credit Agreement.

15. The Parties shall endeavour to complete and exchange all usual documentation relating to the Transfers of Funds, and to any other related matters occurring on the Effective Date, prior to 5:00 p.m. on the Effective Date, and in any case no later than the next business day.

16. After the Effective Time, and prior to any further Advances under the Credit Agreement, the IESO shall execute and deliver to the OFA a new grid promissory note in the principal amount of up to $475,000,000 substantially in the form attached hereto as Schedule 3 (the **"Grid Note"**) and indicating a total principal amount of Advances Outstanding as of the Effective Time. Upon receipt of the new Grid Note delivered hereunder, the OFA will cancel and return the grid promissory note dated November 30, 2016 to the IESO.

17. This Amending Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Amending Agreement.

IN ALL OTHER RESPECTS, the Credit Agreement is confirmed by the Parties.

[*signature page follows*]

IN WITNESS WHEREOF the Parties hereto have executed and delivered this Amending Agreement on the dates set out below, which shall come into effect as of the Effective Time as defined herein.

ONTARIO FINANCING AUTHORITY

Per: _____ Date: November 6, 2017.

Name: Michael D. Manning
Title: Executive Director & Chief
Investment Officer
Capital Markets Division

I have authority to bind the corporation.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____ Date: November_____, 2017.

Name: Kimberly Marshall
Title: Vice President, Corporate Services;
Chief Financial Officer; Treasurer

I have authority to bind the corporation.

SCHEDULE 1 TO AMENDING AGREEMENT NO. 10

FORM OF BORROWING NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "**Agreement**", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "**Proposed Advance**"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The principal amount of the Proposed Advance is $_____;
(c) The Repayment Date of the Proposed Advance is _____. [Not earlier than 28 days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:

Authorized Signatory

SCHEDULE 2 TO AMENDING AGREEMENT NO. 10

FORM OF ELECTION NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is _____;

(b) The aggregate amount of the proposed Continued Advance is $_____, which is comprised of:

i. principal amount (or portion thereof) of Advance which is to be continued $_____; and
ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date $_____;

(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): $ _____

(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _____. [Insert date no earlier than 28 days and not later than 95 days after the Current Repayment Date for the Advance.]

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: $_____

The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:
Authorized Signatory

SCHEDULE 3 TO AMENDING AGREEMENT NO. 10

FORM OF GRID NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $475,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICTY SYSTEM OPERATOR (the **"IESO"**), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY ("OFA")** at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Credit Agreement (as defined below). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Credit Agreement.

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the credit agreement dated January 1, 2005 as amended, supplemented or restated from time to time, between the Borrower and the OFA (the **"Credit Agreement"**).

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Credit Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Name:
Authorized Signatory

Line of Credit Grid Note

Entity : Independent Electricity System Operator
Loan Limit: $475,000,000

Project:
Schedule of loan transactions to:
Loan Advanced to:

New Loan and/or Rollover					Actual Repayment					
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days

From:	Sarah Harris
To:	John Kim
Subject:	FW: Signatures for FHP and Amending Agreement No. 10
Date:	Monday, November 06, 2017 11:55:46 AM

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 10:48 AM
To: William Tan ; Anthony Martinello
Cc: Lisa Stein ; Sarah Harris
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hi Will – I have a signing meeting scheduled with our signatory at 2:30pm this afternoon – so I will send you counterpart signatures and a scanned version of the Intercept Letter by 3:00pm or possibly earlier.

Hardcopy of Intercept Letter to follow as you prefer – overnight or pickup? We also need to make arrangements re delivery of the $2Bn Grid Note.

Per s.16 of AA#10, the other Note for $475MM is to be delivered following the Effective Time in exchange for the return by OFA of the Nov 30 2016 Note for $975MM.

Victor

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 10:33 AM
To: Anthony Martinello
Cc: Lisa Stein; Victor Buza; Sarah Harris
Subject: Signatures for FHP and Amending Agreement No. 10

Good morning Anthony,

Just checking-in on approximately when we can expect the documents to be executed so I may prepare my signatory.

Thanks,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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From: William Tan
To: Lisa Stein
Cc: Sarah Harris
Subject: FW: Signatures for FHP and Amending Agreement No. 10
Date: Monday, November 06, 2017 11:50:44 AM

Hello Lisa,
It appears as though Victor will be forwarding only the scanned signature portion of the agreement and not the scanned signatures embedded in the agreement. Obviously it is implied they are signing the agreement. However, from a legal perspective should be ask for them to send a soft copy of the signatures embedded agreement in its entirety?
Thanks,
Will

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Cc: Lisa Stein; Victor Buza; Sarah Harris
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1 Dundas Street West, Suite 1400
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Sent: November 06, 2017 10:33 AM
To: Anthony Martinello
Cc: Lisa Stein; Victor Buza; Sarah Harris
Subject: Signatures for FHP and Amending Agreement No. 10
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From: Sarah Harris
To: William Tan
Subject: FW: Signatures for FHP and Amending Agreement No. 10
Date: Monday, November 06, 2017 10:58:25 AM

Hi Will,
Please let Mike know timing.
Thanks,
Sarah

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 10:48 AM
To: William Tan ; Anthony Martinello
Cc: Lisa Stein ; Sarah Harris
Subject: RE: Signatures for FHP and Amending Agreement No. 10

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Victor

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Sent: November 06, 2017 10:33 AM
To: Anthony Martinello
Cc: Lisa Stein; Victor Buza; Sarah Harris
Subject: Signatures for FHP and Amending Agreement No. 10

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Thanks,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
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Thanks,
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Sent: Monday, November 06, 2017 10:48 AM
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Cc: Lisa Stein ; Sarah Harris
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Victor

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 10:33 AM
To: Anthony Martinello
Cc: Lisa Stein; Victor Buza; Sarah Harris
Subject: Signatures for FHP and Amending Agreement No. 10

Good morning Anthony,
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Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
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From:	Sarah Harris
To:	Jean-Francois Beaupre
Subject:	FW: Signatures for FHP and Amending Agreement No. 10
Date:	Tuesday, November 07, 2017 10:03:56 AM
Attachments:	OFA_IESO Amending Agrmt#10 to Jan 1 2005 Credit Facility Nov 6 2017 - IESO signed.pdf Certified IESO Brd Resol"n June 14_17 re Credit Facilities and Incumb Cert - Nov 6 2017.pdf FHP IESO $2Billion Grid Note to OFA - signed by IESO Nov 6 2017.pdf Intercept Letter MOE_OFA_IESO Fully Executed - Nov 6 2017.pdf
Importance:	High

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 3:25 PM
To: William Tan
Cc: Lisa Stein ; Sarah Harris ; Anthony Martinello
Subject: RE: Signatures for FHP and Amending Agreement No. 10
Importance: High

Will,

Please find attached the following documents signed by IESO:

1. Amending Agreement #10 to the Jan. 1, 2005 Credit Agreement;
2. Certified IESO Board Resolution and Incumbency Certificate;
3. Scan of the $2 Billion Grid Note.
4. Intercept Letter Agreement.

I will send the new Revolving Credit Facility Agreement in relation to FHP under a separate email immediately following.

We have already overnighted the original grid note for $2 billion and an original Intercept Letter signed by all parties. Per your request, we will send original agreement signature pages for both agreements as well – can we send those tomorrow or do you need the overnighted too?

Let us know. We look forward to receiving your confirmation of closing.

Victor

Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079
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From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 3:09 PM
To: Victor Buza
Cc: Lisa Stein; Sarah Harris; Anthony Martinello
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hello Victor,

I clarified internally and we would want an original signature page for the FHP Agreement and Amending Agreement No. 10.

Thanks,

Will

From: William Tan
Sent: Monday, November 06, 2017 2:25 PM
To: 'Victor Buza' <Victor.Buza@ieso.ca>

Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hi Victor,

My apologies. Please scan the separated $2B and $475 MM Grid promissory notes. Forward the $2B promissory note but hold on to the $475MM Grid Promissory Note until November 21.

- Resolution of the Board of Directors
- Incumbency Certificate
- Intercept Letter
- $2 B Grid Promissory Note
- $475 MM Grid Promissory Note

Yes, please forward the documents to myself.

William Tan
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3

Thanks,
Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 2:12 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

I will scan and send all documents you listed in their entirety, not just signature pages. Can you confirm, are you saying you want a scan of the $475MM grid note?

Just so I get it right, should I courier the hardcopies of the Intercept Letter and Note to your attention and address, Will? Call me if it's quicker.

Victor
416-969-6079

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 1:57 PM
To: Victor Buza; Anthony Martinello
Cc: Lisa Stein; Sarah Harris
Subject: FW: Signatures for FHP and Amending Agreement No. 10

Hi Victor,

Thank you for the update. When you send the soft copy signatures, would it be possible to include the signatures within the agreements?

You were probably going to include the following signed soft copies anyway but out of caution I have listed them below:

- Resolution of the Board of Directors
- Incumbency Certificate
- Intercept Letter
- $2 B Grid Note
- $475 MM Grid Note

Hardcopy of the Intercept Letter and $2B Grid Note – overnight delivery is fine.

Per s. 16 AA #10 - Anthony and I discussed on Friday that $475MM Grid note would be signed today but held by IESO until November 21. After the borrowing notice and election notices are actioned, OFA will produce the grid notes to evidence payment and advancements. IESO will then send the new $475MM prom note to OFA. Once received OFA will send the $975MM cancelled prom note to IESO.
Thanks,
Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 10:48 AM
To: William Tan <William.Tan@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hi Will – I have a signing meeting scheduled with our signatory at 2:30pm this afternoon – so I will send you counterpart signatures and a scanned version of the Intercept Letter by 3:00pm or possibly earlier.
Hardcopy of Intercept Letter to follow as you prefer – overnight or pickup? We also need to make arrangements re delivery of the $2Bn Grid Note.
Per s.16 of AA#10, the other Note for $475MM is to be delivered following the Effective Time in exchange for the return by OFA of the Nov 30 2016 Note for $975MM.
Victor

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 10:33 AM
To: Anthony Martinello
Cc: Lisa Stein; Victor Buza; Sarah Harris
Subject: Signatures for FHP and Amending Agreement No. 10

Good morning Anthony,
Just checking-in on approximately when we can expect the documents to be executed so I may prepare my signatory.
Thanks,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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AMENDING AGREEMENT NO. 10

This Amending Agreement No. 10 (this "**Amending Agreement**") is made as of the 21st day of November, 2017 (the "**Effective Date**")

BETWEEN:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, a statutory corporation without share capital existing under Part II of the *Electricity Act, 1998* ("**IESO**")

-and-

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* ("**OFA**")

(together, the "**Parties**")

WHEREAS the Ontario Power Authority ("**OPA**") and the OFA entered into a credit agreement dated January 1, 2005 (the "**Original Agreement**");

AND WHEREAS effective January 1, 2015, the OPA and the then existing Independent Electricity System Operator amalgamated and continued as a corporation without share capital under Part II of the *Electricity Act, 1998* with the name "Independent Electricity System Operator" (**"IESO"),** and the obligations of the OPA became obligations of the IESO;

AND WHEREAS pursuant to the amending agreements dated February 14, 2005, October 11, 2005 (titled, "Amending Agreement No. 3"), September 27, 2006 (titled, "Amending Agreement No. 4"), July 13, 2007 (titled, "Amending Agreement No. 5"), November 9, 2010 (titled, "Amending Agreement No. 6"), December 20, 2013 (titled, "Amending Agreement No. 7"), December 19, 2014 (titled, "Amending Agreement No. 8") and November 30, 2016 (titled, "Amending Agreement No. 9"), the OPA or IESO (as applicable) and the OFA amended the Original Agreement (as so amended, the **"Credit Agreement",** the terms defined therein being used herein as therein defined);

AND WHEREAS the Parties have now agreed to: (i) at the request of the IESO, decrease the total principal amount available under the Credit Agreement from $975,000,000 to a total principal amount of up to $475,000,000; (ii) amend the use of proceeds under the Credit Agreement; (iii) amend the Form of Election Notice and related provisions under the Credit Agreement; and (iv) make other amendments required as a consequence of the implementation of the OFHP (as defined below);

AND WHEREAS pursuant to Section 7.3 of the Credit Agreement, the Credit Agreement may only be amended or otherwise modified by written agreement executed by the Parties.

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby

acknowledged, and subject to the terms and conditions hereafter set out, the Parties agree that, as of the Effective Time (as defined below):

1. The definition of "Advances" in Section 1.1 of the Credit Agreement is deleted and replaced by the following:

   "**Advances**" means advances made by the OFA to the IESO under Article 3 and "Advance" means any one of such advances, and in the case of an election by the IESO under Section 3.3, includes a "Continued Advance", as defined in Section 3.3(1), as applicable."

2. The definition of "**Commitment**" in Section 1.1 of the Credit Agreement is amended by deleting "$975,000,000" and substituting "$475,000,000" therefor.

3. The definition of "**Permitted Liens**" is amended by deleting the word "and" at the end of subsection (i); replacing the "." at the end of subsection (j) and replacing it with "; and" ; and adding the following subsection (k):

   "(k) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

4. The following definitions are added to Section 1.1 of the Credit Agreement:

   "Clean Energy Adjustment" has the same meaning as that term is defined in the OFHP.

   "Continued Advance" has the meaning specified in Section 3.3(1).

   "**Current Repayment Date**" has the meaning specified in Section 3.3(2).

   "**New Repayment Date**" has the meaning specified in Section 3.3(2).

   "OFHP" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

5. Section 2.3 "Use of Proceeds" of the Credit Agreement is deleted in its entirety (with the exception of the title of the section, which exception also applies regarding the amendments made under sections 6, 7 and 8 hereof) and replaced by the following:

   "The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the *Electricity Act, 1998,* as such regulation may be amended or replaced from time to time, provided that Advances may be used only for liquidity purposes."

6. Section 3.2 "Procedures for Advances" of the Credit Agreement is deleted in its entirety and replaced by the following:

"(1) Subject to Section 3.3(5), each Advance shall be made subject to two Business Days' prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each notice of an Advance (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1, other than a Borrowing Notice that is included in an Election Notice as permitted by Section 3.3(3). Each Borrowing Notice shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance; (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall be no earlier than 28 days and not later than 95 days after the date of the requested Advance. Each Borrowing Notice shall also certify the use of proceeds of the Advance which shall in any case be in accordance with Section 2.3. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, the IESO shall execute and deliver to the OFA a grid promissory note in respect of Advances substantially in the form of Schedule 3 (the **"Grid Note")**. The IESO authorizes the OFA to record on the Grid Note (a) the date and amount of each Advance or Continued Advance; (b) the applicable rate of interest for each Advance or Continued Advance; (c) the Repayment Date of each Advance or Continued Advance; (d) the date and amount of each payment of interest and each payment of principal or portion thereof in respect of each Advance or Continued Advance; and (e) Advances Outstanding. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such Advances and repayments; provided that the failure of the OFA to record any amount, rate or date shall not affect the obligation of the IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement."

7. Section 3.3 "Elections Regarding Advances" of the Credit Agreement is deleted in its entirety and replaced by the following:

"(1) The IESO may elect to continue all or a portion of the principal amount of any Advance and any amount of interest on such Advance (together, the "**Continued Advance**") for a further period of at least 28 days and up to a maximum of 95 days beginning on the then current Repayment Date in accordance with Section 3.3(2).

(2) Each notice to continue an Advance for a further period (an "**Election Notice**") shall be provided by the IESO to the OFA at least two Business Days prior to the Repayment Date of the Advance (the "**Current Repayment Date**"), and in each case, not later than 10:00 a.m. (Toronto time). Each such Election Notice shall be given substantially in the form of Schedule 2 and shall be irrevocable and binding upon the IESO and shall specify: (a) the Current Repayment Date; (b) the new aggregate total amount of the proposed Continued Advance; (c) the amount of interest or principal, if any, to be paid or re-paid by the IESO with respect to such Advance on the Current Repayment Date; and (d) the new Repayment Date of the proposed Continued Advance, which shall be no earlier than 28 days and not later than 95 days after the Current Repayment Date (the "**New Repayment Date**"). If the IESO fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date.

(3) An Election Notice with respect to a proposed Continued Advance may include a Borrowing Notice for a further Advance proposed to be made on the Current Repayment

Date. The Repayment Date of such further Advance shall be the New Repayment Date of the Continued Advance that is specified in the Election Notice. Such Borrowing Notice shall be given substantially in the form of Schedule 2.

(4) The calculation of interest on a Continued Advance shall be determined in the same manner as an Advance under Section 3.4 and shall be recorded on the grid promissory note in respect of Advances in accordance with Section 3.2(2).

(5) Any portion of an Advance not continued for a further period in accordance with Section 3.3(2) shall be repayable on the applicable Repayment Date."

8. Section 5.2 "Acceleration of Maturity; Recission and Annulement" of the Credit Agreement is deleted in its entirety and replaced by the following:

"If an Event of Default occurs and is continuing, then and in every such case the OFA may at its option, in addition to any other remedy available to the OFA at law, by written notice to the IESO, take any or all of the following actions:

(a) suspend the right of the IESO to request any further Advance until the Event of Default has been cured to the OFA's satisfaction or, if the Event of Default is not cured within three (3) Business Days after the date on which written notice of such Event of Default shall have been given to the IESO by the OFA, declare all amounts owing hereunder including all interest accrued to be due and payable immediately, by a notice in writing to the IESO, and upon any such declaration all such amounts shall become immediately due and payable.

(b) invoke the Intercept pursuant to section 5.7 of this Agreement to require payment of any amount due and payable under this Agreement."

9. Section 5.7 "Intercept" is added to the Credit Agreement, stating as follows:

"Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of November 6th , 2017 herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the *Capital Investment Plan Act, 1993* (the "**Intercept Letter**"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("**Appropriated Funds**"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("**Intercept**").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail."

10. Section 7.9 "Entire Agreement' is added to the Credit Agreement, stating as follows:

"Section 7.9 Entire Agreement

This Agreement as amended from time to time and including the schedules hereto and any other agreements expressly referred to herein, constitutes the whole agreement between the Parties with respect to the matters dealt with in it, and it supersedes any prior agreement, undertakings, discussions and the like respecting the matters dealt with in this Agreement and entered into by the Parties before the date the OFA signs this Agreement."

11. Schedule 1 of the Credit Agreement, Form of Borrowing Notice, is deleted in its entirety and replaced by the Form of Borrowing Notice attached hereto as Schedule 1.

12. Schedule 2 of the Credit Agreement, Form of Election Notice, is deleted in its entirety and replaced by the Form of Election Notice attached hereto as Schedule 2.

13. Schedule 3 of the Credit Agreement, IESO Grid Note, is deleted in its entirety and replaced by the Form of Grid Note attached hereto as Schedule 3.

14. For the purposes of this Amending Agreement and its coming into effect:

a. "**Effective Time**" means the time on the Effective Date by which the Transfers of Funds (defined below) have been completed; or such other time as the Parties may subsequently agree to in writing as being the "Effective Time";

b. "**Transfers of Funds**" means those transfers of funds to be completed between the Parties on the Effective Date, being:

   i. the First Advance as defined under section 3.2(3) of the credit agreement between the Parties in relation to the IESO's role in the implementation of the OFHP dated November 6, 2017; and,

   ii. the completion of all Advances described in the Election Notice to be provided by the IESO to the OFA no later than November 17, 2017 (such terms having the meanings defined in the Credit Agreement) that are to be funded under the Credit Agreement on the Effective Date; and,

   iii. the repayment by the IESO of all Advances Outstanding (as defined in the Credit Agreement) exceeding $475 million; and,

   iv. the payment by the IESO to OFA of the interest then owing under the Credit Agreement.

15. The Parties shall endeavour to complete and exchange all usual documentation relating to the Transfers of Funds, and to any other related matters occurring on the Effective Date, prior to 5:00 p.m. on the Effective Date, and in any case no later than the next business day.

16. After the Effective Time, and prior to any further Advances under the Credit Agreement, the IESO shall execute and deliver to the OFA a new grid promissory note in the principal amount of up to $475,000,000 substantially in the form attached hereto as Schedule 3 (the "**Grid Note**") and indicating a total principal amount of Advances Outstanding as of the Effective Time. Upon receipt of the new Grid Note delivered hereunder, the OFA will cancel and return the grid promissory note dated November 30, 2016 to the IESO.

17. This Amending Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Amending Agreement.

IN ALL OTHER RESPECTS, the Credit Agreement is confirmed by the Parties.

[*signature page follows*]

IN WITNESS WHEREOF the Parties hereto have executed and delivered this Amending Agreement on the dates set out below, which shall come into effect as of the Effective Time as defined herein.

ONTARIO FINANCING AUTHORITY

Per: _____ Date: November _____, 2017.
Name:
Title:

I have authority to bind the corporation.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: K Marshall Date: November 6th, 2017.
Name: Kimberly Marshall
Title: Vice President, Corporate Services;
Chief Financial Officer; Treasurer

I have authority to bind the corporation.

SCHEDULE 1 TO AMENDING AGREEMENT NO. 10

FORM OF BORROWING NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "**Agreement**", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "**Proposed Advance**"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The principal amount of the Proposed Advance is $_____;
(c) The Repayment Date of the Proposed Advance is _____. [Not earlier than 28 days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:

Authorized Signatory

SCHEDULE 2 TO AMENDING AGREEMENT NO. 10

FORM OF ELECTION NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is _____;

(b) The aggregate amount of the proposed Continued Advance is $_____, which is comprised of:

i. principal amount (or portion thereof) of Advance which is to be continued $_____; and
ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date $_____;

(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): $ _____

(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _____. [Insert date no earlier than 28 days and not later than 95 days after the Current Repayment Date for the Advance.]

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: $_____

The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:
Authorized Signatory

SCHEDULE 3 TO AMENDING AGREEMENT NO. 10

FORM OF GRID NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $475,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICTY SYSTEM OPERATOR (the **"IESO"**), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY ("OFA")** at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Credit Agreement (as defined below). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Credit Agreement.

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the credit agreement dated January 1, 2005 as amended, supplemented or restated from time to time, between the Borrower and the OFA (the **"Credit Agreement"**).

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Credit Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Name:
Authorized Signatory

Line of Credit Grid Note

Entity : Independent Electricity System Operator
Loan Limit: $475,000,000

Project:
Schedule of loan transactions to:
Loan Advanced to:

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days

" Resolution of the Board of Directors
Independent Electricity System Operator

June 14, 2017

In Respect of the establishment of a new credit facility and revision of existing credit facilities in relation to the Fair Hydro Plan

---

WHEREAS, as further described in the memorandum to the Audit Committee entitled "Fair Hydro Plan Credit Facility" dated June 13, 2017 (the "**Memorandum**"), the Corporation has determined that in order to support the IESO's role in the Fair Hydro Plan it requires greater credit liquidity;

AND WHEREAS the Corporation proposes to enter into a new credit facility with the Ontario Financing Authority or Ontario Electricity Financial Corporation to support the Corporation's role in the Fair Hydro Plan in an amount yet to be determined of between $1,800 million and $2,500 million (the "**New Facility**");

AND WHEREAS, due to the structure of the Fair Hydro Plan, once the New Facility is established, the Corporation's existing credit facility with the Ontario Financing Authority in the amount of $975 million (the "**OFA Facility**") will include unnecessary and duplicative credit liquidity such that the OFA Facility may be reduced to an amount yet to be determined between $400 million and $500 million;

AND WHEREAS ...[Recital redacted]...

NOW THEREFORE BE IT RESOLVED THAT:

1. The Board of Directors hereby authorizes and approves the establishment of the New Facility and the amendment of the OFA Facility ...**[Redacted]**... on such terms and conditions as are generally outlined in the Memorandum (collectively, all facilities being the "**Credit Facilities**").

2. The Chief Financial Officer or her delegate is hereby authorized for and on behalf of the Corporation to:

(a) finalize, execute and deliver

(i) all relevant agreements, instruments and other documents required for the establishment or amendment, as applicable, of the Credit Facilities, and

(ii) all ancillary documents, deeds and instruments determined to be necessary or desirable in connection therewith (the execution of any such document, deed or instrument being conclusive evidence of such determination),

and to perform the Corporation's obligations thereunder, and to obtain the benefits thereof;

(b) draw upon or continue to draw upon, as applicable, the Credit Facilities from time to time in accordance with their terms; and

(c) do any and all such further acts as may be determined to be necessary or desirable to give effect to the foregoing transactions including, for further certainty, amending any other agreements as may be required as a consequence of such transactions. "

I certify that the above is a true, redacted copy of a resolution approved by the Board of Directors of the Independent Electricity System Operator on June 14, 2017.

John Rattray

General Counsel, Secretary and Chief Reliability Compliance Officer
Independent Electricity System Operator
November 6th, 2017

INCUMBENCY CERTIFICATE

To: Ontario Financing Authority ("**OFA**")

I, the undersigned, Secretary to the Independent Electricity System Operator (the "**IESO**"), in my capacity as an officer of the IESO, and not in my personal capacity, do hereby certify that:

1. Kimberly Marshall has been duly appointed as Vice President, Corporate Services; Chief Financial Officer and Treasurer of the IESO and holds, as at the date hereof, such offices.

2. Pursuant to a resolution of the board of directors of IESO dated June 14, 2017, Kimberly Marshall has the authority to finalize, execute and deliver: (i) Amending Agreement No. 10 to the Credit Agreement between OFA and IESO (as successor by amalgamation to Ontario Power Authority) made as of January 1, 2005, as amended; and (ii) the Revolving Credit Facility Agreement between IESO and the Ontario Financing Authority made in relation to the Fair Hydro Plan.

3. The following is the genuine signature of the following individual:

Kimberly Marshall K Marshall

DATED this 6th day of November, 2017.

John Rattray
General Counsel, Secretary and Chief
Reliability Compliance Officer

I, the undersigned, do hereby certify for and on behalf of the IESO in my capacity as an officer of the IESO, and not in my personal capacity, that: (i) John Rattray has been duly appointed to the office of General Counsel, Secretary and Chief Reliability Compliance Officer and (ii) John Rattray holds, as at the date hereof, such office.

DATED this 6th day of November, 2017.

K Marshall

Kimberly Marshall
Vice President, Corporate Services; Chief
Financial Officer and Treasurer

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $2,000,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR (the "**IESO**"), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY** ("**OFA**") at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement (as defined below).

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the Revolving Credit Facility Agreement dated November 6, 2017 as amended, supplemented or restated from time to time, between the Borrower and the OFA (the "Agreement"). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: K Marshall

Name: Kimberly Marshall
Authorized Signatory

Ontario Financing Authority
1 Dundas Street West
Suite 1400
Toronto ON M7A 1Y7

Office ontarien de financement
1 rue Dundas ouest
Bureau 1400
Toronto ON M7A
1Y7

(416) 325-8000

Ontario

November 6, 2017

Mr. Steen Hume
Assistant Deputy Minister, Ministry of Energy
7th Flr, 77 Grenville St
Toronto, ON M7A 2C1

Ms. Kimberly Marshall
Vice-President, Corporate Services and Chief Financial Officer, IESO
120 Adelaide St W #1600
Toronto, ON M5H 1T1

Dear Mr. Steen Hume and Ms. Kimberly Marshall:

I am writing in relation to the Independent Electricity System Operator's ("IESO") request to the Ontario Financing Authority ("OFA") for a new revolving credit facility in an amount of up to CAD $2 billion (the "New Credit Facility") to support the IESO's role in the implementation of and participation under the *Ontario Fair Hydro Plan Act, 2017.* Under the OFA Lending Policy, the OFA requires an intercept provision in respect of loans made by the OFA to public bodies on an unsecured basis. In general, an intercept provision allows the Minister of Finance to deduct from money appropriated by the Legislature for payment to the public body amounts equal to any amounts the public body fails to pay the OFA under a loan agreement.

The IESO and the Ministry of Energy ("ENERGY") confirm and the OFA acknowledges that at this time there are no amounts appropriated by the Legislature for payment to the IESO by ENERGY and the intent of such intercept provision is that it would apply if and when amounts were to be appropriated for payment by ENERGY to the IESO in the future.

Prior to entering into a loan agreement with the IESO for the New Credit Facility (the "OFHP Credit Facility Agreement") on an unsecured basis, the OFA requires ENERGY and the IESO to agree to the terms and conditions set out below in relation to the above OFA Lending Policy intercept provision requirement.

These terms and conditions shall also apply to the IESO's existing $975 million credit facility, established in a credit agreement entered into between the OFA and the Ontario Power Authority dated January 1, 2005, as amended (the "Original Credit Facility Agreement").

... 2

- The OFA, the IESO, and ENERGY agree as follows in respect of any advances made by the OFA to the IESO pursuant to the OFHP Credit Facility Agreement or the Original Credit Facility Agreement (each a "Loan Agreement"; together, the "Loan Agreements"):

    - Pursuant to section 23 of the *Capital Investment Plan Act, 1993*, the IESO and ENERGY agree that, in the event that the Legislature appropriates any funds for payment by ENERGY to the IESO for any purpose ("Appropriated Funds"), the Minister of Finance would be entitled to deduct from such Appropriated Funds amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under a Loan Agreement (the "intercept provision"). Terms relating to the intercept provision shall also be separately included in the Loan Agreements.

    - If the intercept provision is exercised, the IESO agrees that any notice from the OFA to the Minister of Finance in relation to its failure to make a payment that is due under a Loan Agreement may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance.

    - Prior to recommending to the Minister of Finance that the intercept provision be exercised, the OFA will raise the issue with ENERGY and seek ENERGY's support in getting the IESO to pay the amounts owing to OFA within a reasonable cure period.

    - Upon receipt of notice from the OFA that the IESO has failed to make one or more payments owing to it in accordance with the provisions of a Loan Agreement, ENERGY will provide the OFA with all information requested by the OFA respecting amounts appropriated by the Legislature for payments to the IESO by ENERGY, including the intended purpose and expected timing of such payments to be made by ENERGY. Upon request, ENERGY will provide similar information to the Minister of Finance.

    - ENERGY acknowledges and agrees that, upon receipt of a direction from the Minister of Finance that an amount is to be deducted from money appropriated by the Legislature for payment by ENERGY to the IESO, ENERGY will take all necessary action required by it in order to effect such deduction and payment to the OFA in accordance with the Minister of Finance's direction.

    - For further certainty, the OFA and ENERGY acknowledge and agree that the intercept provision as provided for herein, and this letter agreement generally, shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than ENERGY or through Ontario Climate Change Solutions Deployment Corporation.

... 3

This letter agreement may be executed in counterparts. Therefore, if you are in agreement with the above terms and conditions in relation to the Loan Agreements, kindly sign this letter agreement below in triplicate and send back two copies to my attention.

Sincerely,

Ronald Kwan

Assistant Deputy Minister, Corporate and Electricity Finance Division, OFA

c. Gadi Mayman, Chief Executive Officer, OFA

The undersigned hereby agree to the terms and conditions as set out in this letter agreement and have executed this letter agreement as of the date first noted above.

Ministry of Energy

by:

name: Steen Hume

title: Assistant Deputy Minister, Ministry of Energy

Independent Electricity System Operator

by:

name: Kimberly Marshall

title: Vice-President, Corporate Services and Chief Financial Officer, IESO

From:	Sarah Harris
To:	Jean-Francois Beaupre
Subject:	FW: Signatures for FHP and Amending Agreement No. 10
Date:	Tuesday, November 07, 2017 10:03:56 AM
Attachments:	OFA_IESO Amending Agrmt#10 to Jan 1 2005 Credit Facility Nov 6 2017 - IESO signed.pdf Certified IESO Brd Resol"n June 14_17 re Credit Facilities and Incumb Cert - Nov 6 2017.pdf FHP IESO $2Billion Grid Note to OFA - signed by IESO Nov 6 2017.pdf Intercept Letter MOE_OFA_IESO Fully Executed - Nov 6 2017.pdf
Importance:	High

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 3:25 PM
To: William Tan
Cc: Lisa Stein ; Sarah Harris ; Anthony Martinello
Subject: RE: Signatures for FHP and Amending Agreement No. 10
Importance: High

Will,

Please find attached the following documents signed by IESO:

1. Amending Agreement #10 to the Jan. 1, 2005 Credit Agreement;
2. Certified IESO Board Resolution and Incumbency Certificate;
3. Scan of the $2 Billion Grid Note.
4. Intercept Letter Agreement.

I will send the new Revolving Credit Facility Agreement in relation to FHP under a separate email immediately following.

We have already overnighted the original grid note for $2 billion and an original Intercept Letter signed by all parties. Per your request, we will send original agreement signature pages for both agreements as well – can we send those tomorrow or do you need the overnighted too?

Let us know. We look forward to receiving your confirmation of closing.

Victor

Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079
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From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 3:09 PM
To: Victor Buza
Cc: Lisa Stein; Sarah Harris; Anthony Martinello
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hello Victor,

I clarified internally and we would want an original signature page for the FHP Agreement and Amending Agreement No. 10.

Thanks,

Will

From: William Tan
Sent: Monday, November 06, 2017 2:25 PM
To: 'Victor Buza' <Victor.Buza@ieso.ca>

Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hi Victor,

My apologies. Please scan the separated $2B and $475 MM Grid promissory notes. Forward the $2B promissory note but hold on to the $475MM Grid Promissory Note until November 21.

- Resolution of the Board of Directors
- Incumbency Certificate
- Intercept Letter
- $2 B Grid Promissory Note
- $475 MM Grid Promissory Note

Yes, please forward the documents to myself.

William Tan
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3

Thanks,
Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 2:12 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

I will scan and send all documents you listed in their entirety, not just signature pages. Can you confirm, are you saying you want a scan of the $475MM grid note?

Just so I get it right, should I courier the hardcopies of the Intercept Letter and Note to your attention and address, Will? Call me if it's quicker.

Victor
416-969-6079

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 1:57 PM
To: Victor Buza; Anthony Martinello
Cc: Lisa Stein; Sarah Harris
Subject: FW: Signatures for FHP and Amending Agreement No. 10

Hi Victor,

Thank you for the update. When you send the soft copy signatures, would it be possible to include the signatures within the agreements?

You were probably going to include the following signed soft copies anyway but out of caution I have listed them below:

- Resolution of the Board of Directors
- Incumbency Certificate
- Intercept Letter
- $2 B Grid Note
- $475 MM Grid Note

Hardcopy of the Intercept Letter and $2B Grid Note – overnight delivery is fine.

Per s. 16 AA #10 - Anthony and I discussed on Friday that $475MM Grid note would be signed today but held by IESO until November 21. After the borrowing notice and election notices are actioned, OFA will produce the grid notes to evidence payment and advancements. IESO will then send the new $475MM prom note to OFA. Once received OFA will send the $975MM cancelled prom note to IESO.
Thanks,
Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 10:48 AM
To: William Tan <William.Tan@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hi Will – I have a signing meeting scheduled with our signatory at 2:30pm this afternoon – so I will send you counterpart signatures and a scanned version of the Intercept Letter by 3:00pm or possibly earlier.
Hardcopy of Intercept Letter to follow as you prefer – overnight or pickup? We also need to make arrangements re delivery of the $2Bn Grid Note.
Per s.16 of AA#10, the other Note for $475MM is to be delivered following the Effective Time in exchange for the return by OFA of the Nov 30 2016 Note for $975MM.
Victor

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 10:33 AM
To: Anthony Martinello
Cc: Lisa Stein; Victor Buza; Sarah Harris
Subject: Signatures for FHP and Amending Agreement No. 10

Good morning Anthony,
Just checking-in on approximately when we can expect the documents to be executed so I may prepare my signatory.
Thanks,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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AMENDING AGREEMENT NO. 10

This Amending Agreement No. 10 (this "**Amending Agreement**") is made as of the 21st day of November, 2017 (the "**Effective Date**")

BETWEEN:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, a statutory corporation without share capital existing under Part II of the *Electricity Act, 1998* ("**IESO**")

-and-

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* ("**OFA**")

(together, the "**Parties**")

WHEREAS the Ontario Power Authority ("**OPA**") and the OFA entered into a credit agreement dated January 1, 2005 (the "**Original Agreement**");

AND WHEREAS effective January 1, 2015, the OPA and the then existing Independent Electricity System Operator amalgamated and continued as a corporation without share capital under Part II of the *Electricity Act, 1998* with the name "Independent Electricity System Operator" (**"IESO"),** and the obligations of the OPA became obligations of the IESO;

AND WHEREAS pursuant to the amending agreements dated February 14, 2005, October 11, 2005 (titled, "Amending Agreement No. 3"), September 27, 2006 (titled, "Amending Agreement No. 4"), July 13, 2007 (titled, "Amending Agreement No. 5"), November 9, 2010 (titled, "Amending Agreement No. 6"), December 20, 2013 (titled, "Amending Agreement No. 7"), December 19, 2014 (titled, "Amending Agreement No. 8") and November 30, 2016 (titled, "Amending Agreement No. 9"), the OPA or IESO (as applicable) and the OFA amended the Original Agreement (as so amended, the **"Credit Agreement",** the terms defined therein being used herein as therein defined);

AND WHEREAS the Parties have now agreed to: (i) at the request of the IESO, decrease the total principal amount available under the Credit Agreement from $975,000,000 to a total principal amount of up to $475,000,000; (ii) amend the use of proceeds under the Credit Agreement; (iii) amend the Form of Election Notice and related provisions under the Credit Agreement; and (iv) make other amendments required as a consequence of the implementation of the OFHP (as defined below);

AND WHEREAS pursuant to Section 7.3 of the Credit Agreement, the Credit Agreement may only be amended or otherwise modified by written agreement executed by the Parties.

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby

acknowledged, and subject to the terms and conditions hereafter set out, the Parties agree that, as of the Effective Time (as defined below):

1. The definition of "Advances" in Section 1.1 of the Credit Agreement is deleted and replaced by the following:

   "**Advances**" means advances made by the OFA to the IESO under Article 3 and "Advance" means any one of such advances, and in the case of an election by the IESO under Section 3.3, includes a "Continued Advance", as defined in Section 3.3(1), as applicable."

2. The definition of "**Commitment**" in Section 1.1 of the Credit Agreement is amended by deleting "$975,000,000" and substituting "$475,000,000" therefor.

3. The definition of "**Permitted Liens**" is amended by deleting the word "and" at the end of subsection (i); replacing the "." at the end of subsection (j) and replacing it with "; and" ; and adding the following subsection (k):

   "(k) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

4. The following definitions are added to Section 1.1 of the Credit Agreement:

   "Clean Energy Adjustment" has the same meaning as that term is defined in the OFHP.

   "Continued Advance" has the meaning specified in Section 3.3(1).

   "**Current Repayment Date**" has the meaning specified in Section 3.3(2).

   "**New Repayment Date**" has the meaning specified in Section 3.3(2).

   "OFHP" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

5. Section 2.3 "Use of Proceeds" of the Credit Agreement is deleted in its entirety (with the exception of the title of the section, which exception also applies regarding the amendments made under sections 6, 7 and 8 hereof) and replaced by the following:

   "The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the *Electricity Act, 1998,* as such regulation may be amended or replaced from time to time, provided that Advances may be used only for liquidity purposes."

6. Section 3.2 "Procedures for Advances" of the Credit Agreement is deleted in its entirety and replaced by the following:

"(1) Subject to Section 3.3(5), each Advance shall be made subject to two Business Days' prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each notice of an Advance (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1, other than a Borrowing Notice that is included in an Election Notice as permitted by Section 3.3(3). Each Borrowing Notice shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance; (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall be no earlier than 28 days and not later than 95 days after the date of the requested Advance. Each Borrowing Notice shall also certify the use of proceeds of the Advance which shall in any case be in accordance with Section 2.3. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, the IESO shall execute and deliver to the OFA a grid promissory note in respect of Advances substantially in the form of Schedule 3 (the **"Grid Note")**. The IESO authorizes the OFA to record on the Grid Note (a) the date and amount of each Advance or Continued Advance; (b) the applicable rate of interest for each Advance or Continued Advance; (c) the Repayment Date of each Advance or Continued Advance; (d) the date and amount of each payment of interest and each payment of principal or portion thereof in respect of each Advance or Continued Advance; and (e) Advances Outstanding. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such Advances and repayments; provided that the failure of the OFA to record any amount, rate or date shall not affect the obligation of the IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement."

7. Section 3.3 "Elections Regarding Advances" of the Credit Agreement is deleted in its entirety and replaced by the following:

"(1) The IESO may elect to continue all or a portion of the principal amount of any Advance and any amount of interest on such Advance (together, the "**Continued Advance**") for a further period of at least 28 days and up to a maximum of 95 days beginning on the then current Repayment Date in accordance with Section 3.3(2).

(2) Each notice to continue an Advance for a further period (an "**Election Notice**") shall be provided by the IESO to the OFA at least two Business Days prior to the Repayment Date of the Advance (the "**Current Repayment Date**"), and in each case, not later than 10:00 a.m. (Toronto time). Each such Election Notice shall be given substantially in the form of Schedule 2 and shall be irrevocable and binding upon the IESO and shall specify: (a) the Current Repayment Date; (b) the new aggregate total amount of the proposed Continued Advance; (c) the amount of interest or principal, if any, to be paid or re-paid by the IESO with respect to such Advance on the Current Repayment Date; and (d) the new Repayment Date of the proposed Continued Advance, which shall be no earlier than 28 days and not later than 95 days after the Current Repayment Date (the "**New Repayment Date**"). If the IESO fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date.

(3) An Election Notice with respect to a proposed Continued Advance may include a Borrowing Notice for a further Advance proposed to be made on the Current Repayment

Date. The Repayment Date of such further Advance shall be the New Repayment Date of the Continued Advance that is specified in the Election Notice. Such Borrowing Notice shall be given substantially in the form of Schedule 2.

(4) The calculation of interest on a Continued Advance shall be determined in the same manner as an Advance under Section 3.4 and shall be recorded on the grid promissory note in respect of Advances in accordance with Section 3.2(2).

(5) Any portion of an Advance not continued for a further period in accordance with Section 3.3(2) shall be repayable on the applicable Repayment Date."

8. Section 5.2 "Acceleration of Maturity; Recission and Annulement" of the Credit Agreement is deleted in its entirety and replaced by the following:

"If an Event of Default occurs and is continuing, then and in every such case the OFA may at its option, in addition to any other remedy available to the OFA at law, by written notice to the IESO, take any or all of the following actions:

(a) suspend the right of the IESO to request any further Advance until the Event of Default has been cured to the OFA's satisfaction or, if the Event of Default is not cured within three (3) Business Days after the date on which written notice of such Event of Default shall have been given to the IESO by the OFA, declare all amounts owing hereunder including all interest accrued to be due and payable immediately, by a notice in writing to the IESO, and upon any such declaration all such amounts shall become immediately due and payable.

(b) invoke the Intercept pursuant to section 5.7 of this Agreement to require payment of any amount due and payable under this Agreement."

9. Section 5.7 "Intercept" is added to the Credit Agreement, stating as follows:

"Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of November 6th , 2017 herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the *Capital Investment Plan Act, 1993* (the "**Intercept Letter**"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("**Appropriated Funds**"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("**Intercept**").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail."

10. Section 7.9 "Entire Agreement' is added to the Credit Agreement, stating as follows:

"Section 7.9 Entire Agreement

This Agreement as amended from time to time and including the schedules hereto and any other agreements expressly referred to herein, constitutes the whole agreement between the Parties with respect to the matters dealt with in it, and it supersedes any prior agreement, undertakings, discussions and the like respecting the matters dealt with in this Agreement and entered into by the Parties before the date the OFA signs this Agreement."

11. Schedule 1 of the Credit Agreement, Form of Borrowing Notice, is deleted in its entirety and replaced by the Form of Borrowing Notice attached hereto as Schedule 1.

12. Schedule 2 of the Credit Agreement, Form of Election Notice, is deleted in its entirety and replaced by the Form of Election Notice attached hereto as Schedule 2.

13. Schedule 3 of the Credit Agreement, IESO Grid Note, is deleted in its entirety and replaced by the Form of Grid Note attached hereto as Schedule 3.

14. For the purposes of this Amending Agreement and its coming into effect:

a. "**Effective Time**" means the time on the Effective Date by which the Transfers of Funds (defined below) have been completed; or such other time as the Parties may subsequently agree to in writing as being the "Effective Time";

b. "**Transfers of Funds**" means those transfers of funds to be completed between the Parties on the Effective Date, being:

   i. the First Advance as defined under section 3.2(3) of the credit agreement between the Parties in relation to the IESO's role in the implementation of the OFHP dated November 6, 2017; and,

   ii. the completion of all Advances described in the Election Notice to be provided by the IESO to the OFA no later than November 17, 2017 (such terms having the meanings defined in the Credit Agreement) that are to be funded under the Credit Agreement on the Effective Date; and,

   iii. the repayment by the IESO of all Advances Outstanding (as defined in the Credit Agreement) exceeding $475 million; and,

   iv. the payment by the IESO to OFA of the interest then owing under the Credit Agreement.

15. The Parties shall endeavour to complete and exchange all usual documentation relating to the Transfers of Funds, and to any other related matters occurring on the Effective Date, prior to 5:00 p.m. on the Effective Date, and in any case no later than the next business day.

16. After the Effective Time, and prior to any further Advances under the Credit Agreement, the IESO shall execute and deliver to the OFA a new grid promissory note in the principal amount of up to $475,000,000 substantially in the form attached hereto as Schedule 3 (the "**Grid Note**") and indicating a total principal amount of Advances Outstanding as of the Effective Time. Upon receipt of the new Grid Note delivered hereunder, the OFA will cancel and return the grid promissory note dated November 30, 2016 to the IESO.

17. This Amending Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Amending Agreement.

IN ALL OTHER RESPECTS, the Credit Agreement is confirmed by the Parties.

[*signature page follows*]

IN WITNESS WHEREOF the Parties hereto have executed and delivered this Amending Agreement on the dates set out below, which shall come into effect as of the Effective Time as defined herein.

ONTARIO FINANCING AUTHORITY

Per: _____ Date: November _____, 2017.
Name:
Title:

I have authority to bind the corporation.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: K Marshall Date: November 6th, 2017.
Name: Kimberly Marshall
Title: Vice President, Corporate Services;
Chief Financial Officer; Treasurer

I have authority to bind the corporation.

SCHEDULE 1 TO AMENDING AGREEMENT NO. 10

FORM OF BORROWING NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "**Agreement**", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "**Proposed Advance**"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The principal amount of the Proposed Advance is $_____;
(c) The Repayment Date of the Proposed Advance is _____. [Not earlier than 28 days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:

Authorized Signatory

SCHEDULE 2 TO AMENDING AGREEMENT NO. 10

FORM OF ELECTION NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is _____;

(b) The aggregate amount of the proposed Continued Advance is $_____, which is comprised of:

i. principal amount (or portion thereof) of Advance which is to be continued $_____; and
ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date $_____;

(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): $ _____

(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _____. [Insert date no earlier than 28 days and not later than 95 days after the Current Repayment Date for the Advance.]

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: $_____

The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:
Authorized Signatory

SCHEDULE 3 TO AMENDING AGREEMENT NO. 10

FORM OF GRID NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $475,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICTY SYSTEM OPERATOR (the **"IESO"**), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY ("OFA")** at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Credit Agreement (as defined below). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Credit Agreement.

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the credit agreement dated January 1, 2005 as amended, supplemented or restated from time to time, between the Borrower and the OFA (the **"Credit Agreement"**).

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Credit Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Name:
Authorized Signatory

Line of Credit Grid Note

Entity : Independent Electricity System Operator
Loan Limit: $475,000,000

Project:
Schedule of loan transactions to:
Loan Advanced to:

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days

" Resolution of the Board of Directors
Independent Electricity System Operator

June 14, 2017

In Respect of the establishment of a new credit facility and revision of existing credit facilities in relation to the Fair Hydro Plan

---

WHEREAS, as further described in the memorandum to the Audit Committee entitled "Fair Hydro Plan Credit Facility" dated June 13, 2017 (the "**Memorandum**"), the Corporation has determined that in order to support the IESO's role in the Fair Hydro Plan it requires greater credit liquidity;

AND WHEREAS the Corporation proposes to enter into a new credit facility with the Ontario Financing Authority or Ontario Electricity Financial Corporation to support the Corporation's role in the Fair Hydro Plan in an amount yet to be determined of between $1,800 million and $2,500 million (the "**New Facility**");

AND WHEREAS, due to the structure of the Fair Hydro Plan, once the New Facility is established, the Corporation's existing credit facility with the Ontario Financing Authority in the amount of $975 million (the "**OFA Facility**") will include unnecessary and duplicative credit liquidity such that the OFA Facility may be reduced to an amount yet to be determined between $400 million and $500 million;

AND WHEREAS ...[Recital redacted]...

NOW THEREFORE BE IT RESOLVED THAT:

1. The Board of Directors hereby authorizes and approves the establishment of the New Facility and the amendment of the OFA Facility ...**[Redacted]**... on such terms and conditions as are generally outlined in the Memorandum (collectively, all facilities being the "**Credit Facilities**").

2. The Chief Financial Officer or her delegate is hereby authorized for and on behalf of the Corporation to:

(a) finalize, execute and deliver

(i) all relevant agreements, instruments and other documents required for the establishment or amendment, as applicable, of the Credit Facilities, and

(ii) all ancillary documents, deeds and instruments determined to be necessary or desirable in connection therewith (the execution of any such document, deed or instrument being conclusive evidence of such determination),

and to perform the Corporation's obligations thereunder, and to obtain the benefits thereof;

(b) draw upon or continue to draw upon, as applicable, the Credit Facilities from time to time in accordance with their terms; and

(c) do any and all such further acts as may be determined to be necessary or desirable to give effect to the foregoing transactions including, for further certainty, amending any other agreements as may be required as a consequence of such transactions. "

I certify that the above is a true, redacted copy of a resolution approved by the Board of Directors of the Independent Electricity System Operator on June 14, 2017.

John Rattray

General Counsel, Secretary and Chief Reliability Compliance Officer
Independent Electricity System Operator
November 6th, 2017

INCUMBENCY CERTIFICATE

To: Ontario Financing Authority ("**OFA**")

I, the undersigned, Secretary to the Independent Electricity System Operator (the "**IESO**"), in my capacity as an officer of the IESO, and not in my personal capacity, do hereby certify that:

1. Kimberly Marshall has been duly appointed as Vice President, Corporate Services; Chief Financial Officer and Treasurer of the IESO and holds, as at the date hereof, such offices.

2. Pursuant to a resolution of the board of directors of IESO dated June 14, 2017, Kimberly Marshall has the authority to finalize, execute and deliver: (i) Amending Agreement No. 10 to the Credit Agreement between OFA and IESO (as successor by amalgamation to Ontario Power Authority) made as of January 1, 2005, as amended; and (ii) the Revolving Credit Facility Agreement between IESO and the Ontario Financing Authority made in relation to the Fair Hydro Plan.

3. The following is the genuine signature of the following individual:

Kimberly Marshall K Marshall

DATED this 6th day of November, 2017.

John Rattray
General Counsel, Secretary and Chief
Reliability Compliance Officer

I, the undersigned, do hereby certify for and on behalf of the IESO in my capacity as an officer of the IESO, and not in my personal capacity, that: (i) John Rattray has been duly appointed to the office of General Counsel, Secretary and Chief Reliability Compliance Officer and (ii) John Rattray holds, as at the date hereof, such office.

DATED this 6th day of November, 2017.

K Marshall

Kimberly Marshall
Vice President, Corporate Services; Chief
Financial Officer and Treasurer

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $2,000,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR (the "**IESO**"), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY** ("**OFA**") at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement (as defined below).

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the Revolving Credit Facility Agreement dated November 6, 2017 as amended, supplemented or restated from time to time, between the Borrower and the OFA (the "Agreement"). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: K Marshall

Name: Kimberly Marshall
Authorized Signatory

Ontario Financing Authority
1 Dundas Street West
Suite 1400
Toronto ON M7A 1Y7

Office ontarien de financement
1 rue Dundas ouest
Bureau 1400
Toronto ON M7A
1Y7

(416) 325-8000

Ontario

November 6, 2017

Mr. Steen Hume
Assistant Deputy Minister, Ministry of Energy
7th Flr, 77 Grenville St
Toronto, ON M7A 2C1

Ms. Kimberly Marshall
Vice-President, Corporate Services and Chief Financial Officer, IESO
120 Adelaide St W #1600
Toronto, ON M5H 1T1

Dear Mr. Steen Hume and Ms. Kimberly Marshall:

I am writing in relation to the Independent Electricity System Operator's ("IESO") request to the Ontario Financing Authority ("OFA") for a new revolving credit facility in an amount of up to CAD $2 billion (the "New Credit Facility") to support the IESO's role in the implementation of and participation under the *Ontario Fair Hydro Plan Act, 2017.* Under the OFA Lending Policy, the OFA requires an intercept provision in respect of loans made by the OFA to public bodies on an unsecured basis. In general, an intercept provision allows the Minister of Finance to deduct from money appropriated by the Legislature for payment to the public body amounts equal to any amounts the public body fails to pay the OFA under a loan agreement.

The IESO and the Ministry of Energy ("ENERGY") confirm and the OFA acknowledges that at this time there are no amounts appropriated by the Legislature for payment to the IESO by ENERGY and the intent of such intercept provision is that it would apply if and when amounts were to be appropriated for payment by ENERGY to the IESO in the future.

Prior to entering into a loan agreement with the IESO for the New Credit Facility (the "OFHP Credit Facility Agreement") on an unsecured basis, the OFA requires ENERGY and the IESO to agree to the terms and conditions set out below in relation to the above OFA Lending Policy intercept provision requirement.

These terms and conditions shall also apply to the IESO's existing $975 million credit facility, established in a credit agreement entered into between the OFA and the Ontario Power Authority dated January 1, 2005, as amended (the "Original Credit Facility Agreement").

... 2

- The OFA, the IESO, and ENERGY agree as follows in respect of any advances made by the OFA to the IESO pursuant to the OFHP Credit Facility Agreement or the Original Credit Facility Agreement (each a "Loan Agreement"; together, the "Loan Agreements"):

    - Pursuant to section 23 of the *Capital Investment Plan Act, 1993*, the IESO and ENERGY agree that, in the event that the Legislature appropriates any funds for payment by ENERGY to the IESO for any purpose ("Appropriated Funds"), the Minister of Finance would be entitled to deduct from such Appropriated Funds amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under a Loan Agreement (the "intercept provision"). Terms relating to the intercept provision shall also be separately included in the Loan Agreements.

    - If the intercept provision is exercised, the IESO agrees that any notice from the OFA to the Minister of Finance in relation to its failure to make a payment that is due under a Loan Agreement may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance.

    - Prior to recommending to the Minister of Finance that the intercept provision be exercised, the OFA will raise the issue with ENERGY and seek ENERGY's support in getting the IESO to pay the amounts owing to OFA within a reasonable cure period.

    - Upon receipt of notice from the OFA that the IESO has failed to make one or more payments owing to it in accordance with the provisions of a Loan Agreement, ENERGY will provide the OFA with all information requested by the OFA respecting amounts appropriated by the Legislature for payments to the IESO by ENERGY, including the intended purpose and expected timing of such payments to be made by ENERGY. Upon request, ENERGY will provide similar information to the Minister of Finance.

    - ENERGY acknowledges and agrees that, upon receipt of a direction from the Minister of Finance that an amount is to be deducted from money appropriated by the Legislature for payment by ENERGY to the IESO, ENERGY will take all necessary action required by it in order to effect such deduction and payment to the OFA in accordance with the Minister of Finance's direction.

    - For further certainty, the OFA and ENERGY acknowledge and agree that the intercept provision as provided for herein, and this letter agreement generally, shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than ENERGY or through Ontario Climate Change Solutions Deployment Corporation.

... 3

This letter agreement may be executed in counterparts. Therefore, if you are in agreement with the above terms and conditions in relation to the Loan Agreements, kindly sign this letter agreement below in triplicate and send back two copies to my attention.

Sincerely,

Ronald Kwan

Assistant Deputy Minister, Corporate and Electricity Finance Division, OFA

c. Gadi Mayman, Chief Executive Officer, OFA

The undersigned hereby agree to the terms and conditions as set out in this letter agreement and have executed this letter agreement as of the date first noted above.

Ministry of Energy

by:

name: Steen Hume

title: Assistant Deputy Minister, Ministry of Energy

Independent Electricity System Operator

by:

name: Kimberly Marshall

title: Vice-President, Corporate Services and Chief Financial Officer, IESO

From: Sarah Harris
To: Opal Kandelas
Subject: FW: Signatures for FHP and Amending Agreement No. 10
Date: Monday, November 06, 2017 4:16:07 PM

All done.
Amen.

From: William Tan
Sent: Monday, November 06, 2017 4:14 PM
To: 'Victor Buza'
Cc: Lisa Stein ; Sarah Harris ; Anthony Martinello ; John Kim
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hello Victor,
Agreed.

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 4:12 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>; John Kim <John.Kim@ofina.on.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Thanks Will – so it appears that, other than housekeeping activities over the next day or two, we are now closed on these two agreements. Agreed ?
Victor

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 4:07 PM
To: Victor Buza
Cc: Lisa Stein; Sarah Harris; Anthony Martinello; John Kim
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hello Victor,
Please find the attached signed FHP Credit Facility Agreement and Amending Agreement #10 to the Jan. 1, 2005 Credit Agreement. Original signature pages will reach you tomorrow or the day after.
Thanks,
Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 3:25 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10
Importance: High

Will,
Please find attached the following documents signed by IESO:

1. Amending Agreement #10 to the Jan. 1, 2005 Credit Agreement;
2. Certified IESO Board Resolution and Incumbency Certificate;
3. Scan of the $2 Billion Grid Note.
4. Intercept Letter Agreement.

I will send the new Revolving Credit Facility Agreement in relation to FHP under a separate email immediately following.
We have already overnighted the original grid note for $2 billion and an original Intercept Letter signed by all parties. Per your request, we will send original agreement signature pages for both agreements as well – can we send those tomorrow or do you need the overnighted too?
Let us know. We look forward to receiving your confirmation of closing.
Victor

Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079
This email message and any files transmitted with it are intended only for the named recipient(s) above and may contain information that is privileged, confidential and/or exempt from disclosure under applicable law. If you are not the intended recipient(s), any dissemination, distribution, or copying of this email message or any files transmitted with it is strictly prohibited. If you have received this message in error, or are not the named recipient(s), please notify the sender immediately and delete this email message.

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 3:09 PM
To: Victor Buza
Cc: Lisa Stein; Sarah Harris; Anthony Martinello
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hello Victor,
I clarified internally and we would want an original signature page for the FHP Agreement and Amending Agreement No. 10.
Thanks,
Will

From: William Tan
Sent: Monday, November 06, 2017 2:25 PM
To: 'Victor Buza' <Victor.Buza@ieso.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hi Victor,
My apologies. Please scan the separated $2B and $475 MM Grid promissory notes. Forward the $2B promissory note but hold on to the $475MM Grid Promissory Note until November 21.

- Resolution of the Board of Directors
- Incumbency Certificate
- Intercept Letter
- $2 B Grid Promissory Note
- $475 MM Grid Promissory Note

Yes, please forward the documents to myself.

William Tan
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3

Thanks,
Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 2:12 PM

To: William Tan <William.Tan@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

I will scan and send all documents you listed in their entirety, not just signature pages. Can you confirm, are you saying you want a scan of the $475MM grid note?

Just so I get it right, should I courier the hardcopies of the Intercept Letter and Note to your attention and address, Will? Call me if it's quicker.

Victor

416-969-6079

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 1:57 PM
To: Victor Buza; Anthony Martinello
Cc: Lisa Stein; Sarah Harris
Subject: FW: Signatures for FHP and Amending Agreement No. 10

Hi Victor,

Thank you for the update. When you send the soft copy signatures, would it be possible to include the signatures within the agreements?

You were probably going to include the following signed soft copies anyway but out of caution I have listed them below:

- Resolution of the Board of Directors
- Incumbency Certificate
- Intercept Letter
- $2 B Grid Note
- $475 MM Grid Note

Hardcopy of the Intercept Letter and $2B Grid Note – overnight delivery is fine.

Per s. 16 AA #10 - Anthony and I discussed on Friday that $475MM Grid note would be signed today but held by IESO until November 21. After the borrowing notice and election notices are actioned, OFA will produce the grid notes to evidence payment and advancements. IESO will then send the new $475MM prom note to OFA. Once received OFA will send the $975MM cancelled prom note to IESO.

Thanks,

Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 10:48 AM
To: William Tan <William.Tan@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hi Will – I have a signing meeting scheduled with our signatory at 2:30pm this afternoon – so I will send you counterpart signatures and a scanned version of the Intercept Letter by 3:00pm or possibly earlier.

Hardcopy of Intercept Letter to follow as you prefer – overnight or pickup? We also need to make arrangements re delivery of the $2Bn Grid Note.

Per s.16 of AA#10, the other Note for $475MM is to be delivered following the Effective Time in exchange for the return by OFA of the Nov 30 2016 Note for $975MM.

Victor

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 10:33 AM
To: Anthony Martinello
Cc: Lisa Stein; Victor Buza; Sarah Harris
Subject: Signatures for FHP and Amending Agreement No. 10

Good morning Anthony,

Just checking-in on approximately when we can expect the documents to be executed so I may prepare my signatory.

Thanks,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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From: Sarah Harris
To: Opal Kandelas
Subject: FW: Signatures for FHP and Amending Agreement No. 10
Date: Monday, November 06, 2017 4:16:07 PM

All done.
Amen.

From: William Tan
Sent: Monday, November 06, 2017 4:14 PM
To: 'Victor Buza'
Cc: Lisa Stein ; Sarah Harris ; Anthony Martinello ; John Kim
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hello Victor,
Agreed.

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 4:12 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>; John Kim <John.Kim@ofina.on.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Thanks Will – so it appears that, other than housekeeping activities over the next day or two, we are now closed on these two agreements. Agreed ?
Victor

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 4:07 PM
To: Victor Buza
Cc: Lisa Stein; Sarah Harris; Anthony Martinello; John Kim
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hello Victor,
Please find the attached signed FHP Credit Facility Agreement and Amending Agreement #10 to the Jan. 1, 2005 Credit Agreement. Original signature pages will reach you tomorrow or the day after.
Thanks,
Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 3:25 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10
Importance: High

Will,
Please find attached the following documents signed by IESO:

1. Amending Agreement #10 to the Jan. 1, 2005 Credit Agreement;
2. Certified IESO Board Resolution and Incumbency Certificate;
3. Scan of the $2 Billion Grid Note.
4. Intercept Letter Agreement.

I will send the new Revolving Credit Facility Agreement in relation to FHP under a separate email immediately following.
We have already overnighted the original grid note for $2 billion and an original Intercept Letter signed by all parties. Per your request, we will send original agreement signature pages for both agreements as well – can we send those tomorrow or do you need the overnighted too?
Let us know. We look forward to receiving your confirmation of closing.
Victor

Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079
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From: William Tan [mailto:William.Tan@ofina.on.ca]
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To: Victor Buza
Cc: Lisa Stein; Sarah Harris; Anthony Martinello
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hello Victor,
I clarified internally and we would want an original signature page for the FHP Agreement and Amending Agreement No. 10.
Thanks,
Will

From: William Tan
Sent: Monday, November 06, 2017 2:25 PM
To: 'Victor Buza' <Victor.Buza@ieso.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hi Victor,
My apologies. Please scan the separated $2B and $475 MM Grid promissory notes. Forward the $2B promissory note but hold on to the $475MM Grid Promissory Note until November 21.

- Resolution of the Board of Directors
- Incumbency Certificate
- Intercept Letter
- $2 B Grid Promissory Note
- $475 MM Grid Promissory Note

Yes, please forward the documents to myself.

William Tan
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3

Thanks,
Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 2:12 PM

To: William Tan <William.Tan@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

I will scan and send all documents you listed in their entirety, not just signature pages. Can you confirm, are you saying you want a scan of the $475MM grid note?

Just so I get it right, should I courier the hardcopies of the Intercept Letter and Note to your attention and address, Will? Call me if it's quicker.

Victor

416-969-6079

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 1:57 PM
To: Victor Buza; Anthony Martinello
Cc: Lisa Stein; Sarah Harris
Subject: FW: Signatures for FHP and Amending Agreement No. 10

Hi Victor,

Thank you for the update. When you send the soft copy signatures, would it be possible to include the signatures within the agreements?

You were probably going to include the following signed soft copies anyway but out of caution I have listed them below:

- Resolution of the Board of Directors
- Incumbency Certificate
- Intercept Letter
- $2 B Grid Note
- $475 MM Grid Note

Hardcopy of the Intercept Letter and $2B Grid Note – overnight delivery is fine.

Per s. 16 AA #10 - Anthony and I discussed on Friday that $475MM Grid note would be signed today but held by IESO until November 21. After the borrowing notice and election notices are actioned, OFA will produce the grid notes to evidence payment and advancements. IESO will then send the new $475MM prom note to OFA. Once received OFA will send the $975MM cancelled prom note to IESO.

Thanks,

Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 10:48 AM
To: William Tan <William.Tan@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

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Hardcopy of Intercept Letter to follow as you prefer – overnight or pickup? We also need to make arrangements re delivery of the $2Bn Grid Note.

Per s.16 of AA#10, the other Note for $475MM is to be delivered following the Effective Time in exchange for the return by OFA of the Nov 30 2016 Note for $975MM.

Victor

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 10:33 AM
To: Anthony Martinello
Cc: Lisa Stein; Victor Buza; Sarah Harris
Subject: Signatures for FHP and Amending Agreement No. 10

Good morning Anthony,

Just checking-in on approximately when we can expect the documents to be executed so I may prepare my signatory.

Thanks,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
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From:	William Tan
To:	"Victor Buza"; Anthony Martinello
Cc:	Lisa Stein; Sarah Harris
Subject:	FW: Signatures for FHP and Amending Agreement No. 10
Date:	Monday, November 06, 2017 1:56:56 PM

Hi Victor,

Thank you for the update. When you send the soft copy signatures, would it be possible to include the signatures within the agreements?

You were probably going to include the following signed soft copies anyway but out of caution I have listed them below:

- Resolution of the Board of Directors
- Incumbency Certificate
- Intercept Letter
- $2 B Grid Note
- $475 MM Grid Note

Hardcopy of the Intercept Letter and $2B Grid Note – overnight delivery is fine.

Per s. 16 AA #10 - Anthony and I discussed on Friday that $475MM Grid note would be signed today but held by IESO until November 21. After the borrowing notice and election notices are actioned, OFA will produce the grid notes to evidence payment and advancements. IESO will then send the new $475MM prom note to OFA. Once received OFA will send the $975MM cancelled prom note to IESO.

Thanks,

Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 10:48 AM
To: William Tan ; Anthony Martinello
Cc: Lisa Stein ; Sarah Harris
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hi Will – I have a signing meeting scheduled with our signatory at 2:30pm this afternoon – so I will send you counterpart signatures and a scanned version of the Intercept Letter by 3:00pm or possibly earlier.

Hardcopy of Intercept Letter to follow as you prefer – overnight or pickup? We also need to make arrangements re delivery of the $2Bn Grid Note.

Per s.16 of AA#10, the other Note for $475MM is to be delivered following the Effective Time in exchange for the return by OFA of the Nov 30 2016 Note for $975MM.

Victor

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 10:33 AM
To: Anthony Martinello
Cc: Lisa Stein; Victor Buza; Sarah Harris
Subject: Signatures for FHP and Amending Agreement No. 10

Good morning Anthony,

Just checking-in on approximately when we can expect the documents to be executed so I may prepare my signatory.

Thanks,

Will Tan| *Documentation & Analysis Specialist*

Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
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Thanks,

Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 10:48 AM
To: William Tan ; Anthony Martinello
Cc: Lisa Stein ; Sarah Harris
Subject: RE: Signatures for FHP and Amending Agreement No. 10

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Victor

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Sent: November 06, 2017 10:33 AM
To: Anthony Martinello
Cc: Lisa Stein; Victor Buza; Sarah Harris
Subject: Signatures for FHP and Amending Agreement No. 10

Good morning Anthony,

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Capital Markets Division | Ontario Financing Authority
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From: Sarah Harris
To: William Tan
Cc: John Kim
Subject: FW: Signatures for FHP and Amending Agreement No. 10
Date: Monday, November 06, 2017 1:23:13 PM

Hi Will,
Please ensure that you include John in the distribution of the scanned versions of the executed intercept letter and agreements.
Thanks,
Sarah

From: John Kim
Sent: Monday, November 06, 2017 12:01 PM
To: Sarah Harris
Subject: RE: Signatures for FHP and Amending Agreement No. 10
Thanks Sarah. No rush on the delivery method on my side but I'm more interested in the scanned copy sooner rather than later.
John

From: Sarah Harris
Sent: Monday, November 06, 2017 11:56 AM
To: John Kim <John.Kim@ofina.on.ca>
Subject: FW: Signatures for FHP and Amending Agreement No. 10

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 10:48 AM
To: William Tan <William.Tan@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
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Sent: November 06, 2017 10:33 AM
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Cc: Lisa Stein; Victor Buza; Sarah Harris
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Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400

Toronto, Ontario M5G 1Z3, CANADA
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From:	Sarah Harris
To:	Jean-Francois Beaupre
Subject:	FW: Signatures for FHP and Amending Agreement No. 10
Date:	Tuesday, November 07, 2017 10:04:15 AM
Attachments:	FHP Credit Agreement OFA IESO - Nov 6, 2017 - OFA Signed.pdf OFA IESO Amending Agreement No. to Jan 1, 2005 Credit Facility Nov 6,2017 - OFA signed.pdf

---

From: William Tan
Sent: Monday, November 06, 2017 4:07 PM
To: 'Victor Buza'
Cc: Lisa Stein ; Sarah Harris ; Anthony Martinello ; John Kim
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hello Victor,

Please find the attached signed FHP Credit Facility Agreement and Amending Agreement #10 to the Jan. 1, 2005 Credit Agreement. Original signature pages will reach you tomorrow or the day after.

Thanks,

Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 3:25 PM
To: William Tan <William.Tan@ofina.on.ca>
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Importance: High

Will,

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1. Amending Agreement #10 to the Jan. 1, 2005 Credit Agreement;
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3. Scan of the $2 Billion Grid Note.
4. Intercept Letter Agreement.

I will send the new Revolving Credit Facility Agreement in relation to FHP under a separate email immediately following.

We have already overnighted the original grid note for $2 billion and an original Intercept Letter signed by all parties. Per your request, we will send original agreement signature pages for both agreements as well – can we send those tomorrow or do you need the overnighted too?

Let us know. We look forward to receiving your confirmation of closing.

Victor

Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079
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- Intercept Letter
- $2 B Grid Promissory Note
- $475 MM Grid Promissory Note

Yes, please forward the documents to myself.

William Tan
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3

Thanks,

Will

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Just so I get it right, should I courier the hardcopies of the Intercept Letter and Note to your attention and address, Will? Call me if it's quicker.

Victor

416-969-6079

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Victor

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 10:33 AM
To: Anthony Martinello
Cc: Lisa Stein; Victor Buza; Sarah Harris
Subject: Signatures for FHP and Amending Agreement No. 10
Good morning Anthony,
Just checking-in on approximately when we can expect the documents to be executed so I may prepare my signatory.
Thanks,
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INDEPENDENT ELECTRICITY SYSTEM OPERATOR

as Borrower

and

ONTARIO FINANCING AUTHORITY

as Lender

REVOLVING CREDIT FACILITY AGREEMENT

Date: November 6, 2017

REVOLVING CREDIT FACILITY AGREEMENT

THIS AGREEMENT is made as of the 6 day of November 2017,

BETWEEN:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, a statutory corporation without share capital existing under Part II of the *Electricity Act, 1998* (the "**IESO**")
(as Borrower)

AND

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* (the "**OFA**" and together with the IESO, the "**Parties**")
(as Lender)

RECITALS:

WHEREAS the IESO has requested a revolving credit facility for up to a maximum principal amount of $2 billion from the OFA for the purpose of supporting the IESO's role in the implementation and administration of the *Ontario Fair Hydro Plan Act, 2017*.

THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the Parties agree as follows:

ARTICLE 1

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"**Advances**" means advances made by the OFA to the IESO under Article 3 and "Advance" means any one of such advances, and in the case of an election by the IESO under Section 3.3, includes a "Continued Advance", as defined in Section 3.3(1), as applicable.

"Advances Outstanding" means, at any time, an amount equal to the aggregate principal amount of all Advances outstanding at such time.

"Agreement", "herein", "hereby", "hereor', "hereunder" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression "Article" or "Section" followed by a number means the specified Article or Section of this Agreement.

"Borrowing Notice" has the meaning specified in Section 3.2(1).

"Business Day" means any day that is not a day on which banks are generally authorized or required by law or executive order to be closed in the City of Toronto.

"Clean Energy Adjustment" has the same meaning as that term is defined in the OFHP.

"Commitment" means, at any time, an amount equal to $2 billion.

"Consolidated Assets" means, at any time, the book value of the assets of the IESO and the Subsidiaries, determined as of such time on a consolidated basis in accordance with GAAP.

"Continued Advance" has the meaning specified in Section 3.3(1).

"Credit Facility" means the revolving credit facility to be made available to the IESO by the OFA under this Agreement for the purposes specified in Section 2.2.

"Current Repayment Date" has the meaning specified in Section 3.3(2).

"Default" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"Dollars" or **"$"** means lawful currency of Canada.

"Election Notice" has the meaning specified in Section 3.3(2).

"Event of Default" has the meaning specified in Section 5.1.

"First Advance" has the meaning specified in Section 3.2(3).

"GAAP" means accounting policies and standards as established by the Chartered Professional Accountants of Canada, at the relevant time and applied on a consistent basis.

"Grid Note" has the meaning specified in Section 3.2(2).

"Indebtedness" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) every obligation of such Person for borrowed money;

(b) every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments;

(c) every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) every capital lease obligation of such Person;

(f) the Swap Termination Value of each Swap Contract of such Person; and

(g) every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"Lien" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"Material Subsidiary" means, at any time, a Subsidiary which has consolidated assets with a book value of more than $25 million determined in accordance with GAAP.

"**New Repayment Date**" has the meaning specified in Section 3.3(2).

"**OFHP**" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

"Permitted Liens" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) any obligations or duties, affecting the property of the IESO to any municipality or governmental, statutory or public authority, with respect to any franchise, grant, license

or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by the IESO or such Material Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by the IESO or such Material Subsidiary;

(d) any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) the right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) any undetermined or inchoate Liens and charges incidental to the current operations of the IESO or a Material Subsidiary that have not at the time been filed against the IESO or such Material Subsidiary; provided, however, that if any such Lien or charge shall have been filed, the IESO or such Material Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) any Lien the validity of which is being contested at the time by the IESO or a Material Subsidiary in good faith and the enforcement of which has been stayed;

(h) any easements, rights-of-way and servitudes that in the opinion of the IESO will not in the aggregate materially and adversely impair the use or value of the land for the purpose for which it is held or occupied by the IESO or a Material Subsidiary;

(i) any Liens and privileges arising out of judgments or awards with respect to which the IESO or a Material Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall have secured a stay of execution pending such appeal or proceedings for review;

(j) any other Liens of a nature similar to the foregoing which do not in the opinion of the IESO, acting reasonably, materially impair the use of the property subject thereto or the operation of the business of the IESO or any Material Subsidiary or the value of such property for the purpose of any such business; and

(k) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other

lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

"Person" means any individual, corporation, partnership joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"Purchase Money Mortgage" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or part of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"Repayment Date" means, in respect of the repayment of Advances, the repayment date contained in the most recent Borrowing Notice or Election Notice.

"Stated Maturity" when used with respect to any Indebtedness or any installment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such installment of interest is due and payable.

"Subsidiary" means:

(a) a corporation more than 50% of the voting power or the outstanding Voting Shares of which is owned, directly or indirectly, by the IESO or by one or more other Subsidiaries or by the IESO and one or more other Subsidiaries; or

(b) any Person (other than a corporation) in which the IESO, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

"Swap Contract" means any agreement whether or not in writing, relating to any transaction or derivative transaction including a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction currency swap, cross-currency rate swap, swaption, currency option or other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.

"Swap Termination Value" means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap contracts:

(a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and

(b) for any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.

"Voting Shares" of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings.

The division of this Agreement into Articles and Sections and the insertion of headings are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and vice versa and words importing gender may include any gender. In this Agreement, (a) the words "including" and "includes" mean "including (or includes) without limitation", and (b) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" each mean "to but excluding".

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with GAAP.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the next succeeding Business Day.

ARTICLE 2
REVOLVING CREDIT FACILITY

Section 2.1 Availability.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO. The OFA shall make each Advance in Dollars.

Section 2.2 Use of Proceeds.

The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the *Electricity Act, 1998*, as such regulation may be amended or replaced from time to time, subject to the condition that proceeds of Advances may be used only for IESO's financing needs and requirements of any kind arising in connection with the IESO's role with respect to and obligations under the OFHP.

Section 2.3 Credit Facility Limit.

The Advances Outstanding shall not at any time exceed the Commitment. The Credit Facility shall revolve and no payment under the Credit Facility shall reduce the Commitment.

Section 2.4 Mandatory Repayment.

Subject to Sections 2.5 and 5.2, the IESO shall repay each Advance together with the interest accrued thereon on the applicable Repayment Date, and, in any event, shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder on September 30, 2022.

Section 2.5 Prepayments.

The IESO is not entitled to prepay any part of the Advances Outstanding or the interest accrued thereon without the prior written consent of the OFA.

Section 2.6 Payments under this Agreement.

(1) The OFA shall make Advances to the IESO under this Agreement to or to the order of the IESO by wire transfer of immediately available funds in accordance with wire transfer instructions given by the IESO to the OFA from time to time, or in such other manner as the IESO may specify to the OFA from time to time.

(2) The IESO shall make any payment required hereunder to be made by it to the OFA, to or to the order of the OFA, by wire transfer of immediately available funds in accordance with wire transfer instruction given by the OFA to the IESO from time to time, or in such other manner as the OFA may specify to the IESO from time to time. The IESO shall make each such payment in Canadian Dollars.

Section 2.7 Computations of Interest.

(1) All computations of interest shall be made by the OFA taking into account the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest is payable on the basis of a year of 365 days or 366 days, as the case may be.

(2) For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Agreement for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

Section 2.8 Limit on Rate of Interest.

(1) Notwithstanding any provision contained in this Agreement, the IESO shall not be obliged to make any payments of interest or other amounts payable to the OFA hereunder in excess of the amount or rate which would be prohibited by applicable law or would result in the receipt by the OFA of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada)).

(2) In the event that any such payments are limited or prohibited as provided in Section 2.8(1), the OFA shall have no further obligation to make any Advances available hereunder and the Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, shall become immediately due and payable.

Section 2.9 Application of Payments.

All payments made by the IESO under this Agreement shall be applied firstly to the payment of interest payable to the OFA on late payments of principal or interest hereunder, secondly, to the payment of accrued and unpaid interest payable to the OFA hereunder and thirdly, to the payment of the outstanding principal amount of any Advances payable to the OFA.

ARTICLE 3
ADVANCES

Section 3.1 Advances.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO under the Credit Facility from time to time on any Business Day prior to September 23, 2022.

Section 3.2 Procedure for Advances.

(1) Subject to Section 3.3(5), each Advance shall be made subject to two Business Days' prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each notice of an Advance (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1, other than a Borrowing Notice that is included in an Election Notice as permitted by Section 3.3(3). Each Borrowing Notice shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance; (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall not be earlier than 5 days and not later than 95 days after the date of the requested Advance. Each Borrowing Notice shall also certify the use of proceeds of the Advance which shall in any case be in accordance with Section 2.2. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, the IESO shall execute and deliver to the OFA a grid promissory note in respect of Advances substantially in the form of Schedule 3 (the "**Grid Note**"). The IESO authorizes the OFA to record on the Grid Note (a) the date and amount of each Advance or Continued Advance; (b) the applicable rate of interest for each Advance or Continued Advance; (c) the Repayment Date of each Advance or Continued Advance; (d) the date and amount of each payment of interest and each payment of principal or portion thereof in respect of each Advance or Continued Advance; and (e) Advances Outstanding. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such Advances and repayments; provided that the failure of the OFA to record any amount, rate or date shall not affect the obligation of the IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement.

(3) Respecting the first Advance to be made under this Agreement (the "**First Advance**"), a specified portion thereof (the "**Repayment Amount**") shall be used to repay a portion of the IESO's outstanding indebtedness to the OFA under the credit agreement between the Parties dated January 1, 2005, as amended (the "**Existing Credit Facility**"). The amount of the Repayment Amount shall be detailed in the Borrowing Notice issued in respect of the First Advance. Concurrently with the First Advance, OFA shall provide to IESO an updated grid in respect of the grid note issued under the Existing Credit Facility evidencing the repayment of the Repayment Amount thereunder.

Section 3.3 Elections Regarding Advances.

(1) The IESO may elect to continue all or a portion of the principal amount of any Advance and any amount of interest on such Advance (together, the "**Continued Advance**") for a further period of at least 5 days and up to a maximum of 95 days beginning on the then current Repayment Date in accordance with Section 3.3(2).

(2) Each notice to continue an Advance for a further period (an "**Election Notice**") shall be provided by the IESO to the OFA at least two Business Days prior to the Repayment Date of the Advance (the "**Current Repayment Date**"), and in each case, not later than

10:00 a.m. (Toronto time). Each such Election Notice shall be given substantially in the form of Schedule 2 and shall be irrevocable and binding upon the IESO and shall specify: (a) the Current Repayment Date; (b) the new aggregate total amount of the proposed Continued Advance; (c) the amount of interest or principal, if any, to be paid or re-paid by the IESO with respect to such Advance on the Current Repayment Date; and (d) the new Repayment Date of the proposed Continued Advance, which shall be no earlier than 5 days and not later than 95 days after the current Repayment Date (the "**New Repayment Date**"). If the IESO fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date.

(3) An Election Notice with respect to a proposed Continued Advance may include a Borrowing Notice for a further Advance proposed to be made on the Current Repayment Date. The Repayment Date of such further Advance shall be the New Repayment Date of the Continued Advance that is specified in the Election Notice. Such Borrowing Notice shall be given substantially in the form of Schedule 2.

(4) The calculation of interest on a Continued Advance shall be determined in the same manner as an Advance under Section 3.4 and shall be recorded on the Grid Note in accordance with Section 3.2(2).

(5) Any portion of an Advance not continued for a further period in accordance with Section 3.3(2) shall be repayable on the applicable Repayment Date.

(6) The Credit Facility shall at all times rank *pari passu* with all other unsubordinated and unsecured Indebtedness of the IESO, subject to the existence of any Liens that secure Indebtedness, as permitted by subections 4.6 (a) through (e) hereof.

(7) All amounts owing in respect of the Advances shall be paid without exercising any right of set off or counterclaim by the IESO.

Section 3.4 Interest on Advances.

(1) The IESO shall pay interest on the unpaid principal amount of each Advance in accordance with this Section 3.4 from and including the date of such Advance until the principal amount of such Advance is repaid in full.

(2) Interest shall accrue on the principal amount of each Advance from and including the date of the Advance to but excluding the Repayment Date of such Advance, at an annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum, before as well as after the date such principal amount or interest thereon becomes due hereunder and both before and after Default and shall be payable on the Repayment Date for such Advance. Any amount of interest arising hereunder which is not paid when due shall bear interest at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment. The amount of interest payable on an Advance will be calculated by the

OFA by dividing the interest rate applicable to the Advance by 365 or 366, as the case may be, and multiplying the result by the principal amount of the Advance and further multiplying the result by the number of days in the period from the date of the Advance to the Repayment Date of the Advance.

(3) If the IESO elects to continue an Advance in accordance with Section 3.3(2), the OFA shall determine the interest rate applicable after the original Repayment Date of the Advance and endorse the said rate on the grid forming part of the Grid Note in respect of Advances held by it.

Section 3.5 Conditions Precedent

The obligation of the OFA to make the Advances to the IESO pursuant to Section 2.1 is subject to the following conditions being satisfied to the OFA's satisfaction at the time of making each Advance:

(a) that the representations and warranties of the IESO contained in this Agreement are true and correct as at the date of making the Advance;

(b) that no Event of Default has occurred and is continuing;

(c) that there shall, in the reasonable opinion of the OFA, have been no material adverse change in the financial condition of the IESO or a Material Subsidiary; and

(d) that the OFA has received such other documentation which it has reasonably requested to ensure that the IESO is in compliance with the terms and conditions of this Agreement, including certified true copies of any necessary resolutions, a written legal opinion from counsel to the IESO confirming that the borrowing is within the legal powers of the IESO and that the Agreement is a direct, unsecured obligation of the IESO enforceable against the IESO in form satisfactory to the OFA.

ARTICLE 4
COVENANTS OF THE IESO

Section 4.1 Repayment of Advances.

The IESO will duly and punctually pay all amounts owing under this Agreement in accordance with the terms and subject to the conditions of this Agreement.

Section 4.2 IESO will Maintain its Corporate Existence.

The IESO will at all times maintain its corporate existence.

Section 4.3 Maintenance of Properties.

The IESO will cause all property owned by the IESO or any Material Subsidiary to be maintained and kept in good condition, repair and working order, all as in the judgment of the IESO or any Material Subsidiary may be necessary for the proper operation of such property, except as and to the extent that the IESO or any Material Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 4.3 shall prevent the IESO or any Material Subsidiary from discontinuing the maintenance of any such property or decommissioning any such property if such discontinuance or decommissioning is, in the judgment of the IESO or any such Material Subsidiary, desirable in the conduct of its business or the business of any such Material Subsidiary, or has been directly or indirectly requested or required by the Province of Ontario.

Section 4.4 Insurance.

The IESO will cause all property owned by the IESO or any Material Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the mature and to the extent that such property is usually insured by companies operating similar businesses.

Section 4.5 Conduct of Business.

The IESO will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in accordance with good business practice.

Section 4.6 Negative Pledge.

The IESO will not, and will not permit any Material Subsidiary to, create, incur or assume any Lien, charging the interest of the IESO or any Material Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, all amounts owing under this Agreement are secured equally and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) the creation, incurrence or assumption of any Purchase Money Mortgage;

(b) the grant of any Lien in the normal course of business to any banks or financial institutions for present or future Indebtedness of the IESO or any Material Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) any extension, renewal or replacement of any of the Liens referred to in Sections 4.6(a), (b) or (c), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased; and

(e) any Lien charging the interest of the IESO or any Material Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 4.6(a), (b) or (c), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 4.6(e) which is outstanding at such time does not exceed 10% of Consolidated Assets at such time.

Section 4.7 Payment of OFA Expenses

In addition to any liability of the IESO to the OFA under any other provision of this Agreement, the IESO will, on demand, reimburse and indemnify OFA for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OFA in connection with the Agreement (including those services incurred in the preservation of rights under or enforcement of this Agreement at any time during the continuance of a Default or Event of Default and for any reasonable loss or expense incurred by OFA as a result of any failure by the IESO to fulfill any of its obligations under this Agreement). All such costs, charges and expenses shall bear interest at the Province of Ontario's cost of funds plus 0.25 percent per annum (as determined by the OFA) calculated and payable monthly not in advance from in each case from the date on which the OFA incurs the cost, charge or expense until the date on which the IESO reimbursement the OFA therefor. The OFA agrees, acting reasonably, to invoice the IESO for any such costs, charges and expense as they are incurred, together with interest at the aforesaid rate (with interest on overdue interest).

Section 4.8 Reporting.

The IESO will promptly provide to the OFA any reports or supporting documents that the OFA may request from time to time.

Section 4.9 Late Repayment of Advance.

In the event that the IESO fails to repay the principal amount of any Advance and all interest accrued thereon when due, the IESO shall pay interest on the unpaid amount of such Advance at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment.

ARTICLE 5
EVENTS OF DEFAULT AND REMEDIES

Section 5.1 Event of Default.

Wherever used in this Agreement, the term "Event of Default" means any of the following:

(a) the IESO's failure to pay any interest upon any Advance when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) failure to pay the principal amount of any Advance on the applicable Repayment Date or the Advances Outstanding, all interest accrued thereon and all other amounts owing under this Agreement on September 30, 2022;

(c) failure on the part of the IESO to observe or perform its obligations set forth in Section 4.1;

(d) failure on the part of the IESO to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 20 days after the date on which written notice of such failure shall have been given to the IESO by the OFA;

(e) any representation or warranty made by the IESO in this Agreement or in any certificate or other document at any time delivered hereunder to the OFA was incorrect or misleading in any material respect;

(f) one or more breaches by the IESO of its covenants under one or more evidences of Indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $5 million, which breaches:

(i) constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist, or

(ii) have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived or rescinded);

(g) the IESO or any Material Subsidiary:

(i) becomes unable to meet its obligations as they generally become due or has ceased paying its current obligations in the ordinary course of business as they generally become due;

(ii) admits in writing its inability to pay its debts generally or makes a general assignment for the benefit its creditors or files a proposal or other scheme

of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) institutes or has instituted against it any proceeding seeking:

(A) to adjudicate it as bankrupt or insolvent,

(B) liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors, or

(C) the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets,

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismissed or unstayed for a period of 30 days, or any remedy sought in any such proceeding (including the entry of order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

(iv) takes any corporate action to authorize any of the actions in Sections 5.1 (g)(i) to (iii); or

(h) if there shall be rendered against the IESO or any Material Subsidiary a final judgment or judgments for the payment of money in an aggregate amount in excess of $5 million by a court or courts of competent jurisdiction, and the IESO or any Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 5.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case the OFA may at its option, in addition to any other remedy available to the OFA at law, by written notice to the IESO, take any or all of the following actions:

(a) suspend the right of the IESO to request any further Advance until the Event of Default has been cured to the OFA's satisfaction or, if the Event of Default is not

cured within three (3) Business Days after the date on which written notice of such Event of Default shall have been given to the IESO by the OFA, declare all amounts owing hereunder including all interest accrued to be due and payable immediately, by a notice in writing to the IESO, and upon any such declaration all such amounts shall become immediately due and payable.

(b) invoke the Intercept pursuant to section 5.7 of this Agreement to require payment of any amount due and payable under this Agreement.

Section 5.3 Suits for Enforcement by the OFA.

If an Event of Default occurs and is continuing, the OFA may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in the OFA by this Agreement or by law.

Section 5.4 OFA May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of the IESO under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property of the IESO, or if any other judicial proceedings relative to the IESO, its creditors or its property are pending, the OFA shall be entitled and empowered, by intention in such proceeding or otherwise:

(a) to file and prove a claim for all amounts owing under this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of the OFA (including any claim for fees and disbursements of the OFA, its agents and counsel) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claim.

Section 5.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to the OFA is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.6 Delay or Omission not Waiver.

No delay or omission of the OFA to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right or remedy given by this Article 5 or by law to OFA may be exercised from time to time, and as often as may be deemed expedient, by the OFA.

Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of even date herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the *Capital Investment Plan Act, 1993* (the "**Intercept Letter**"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("**Appropriated Funds**"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("**Intercept**").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

(e) The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or

inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail.

ARTICLE 6
REPRESENTATIONS AND WARRANTIES OF IESO

Section 6.1 Representations and Warranties of IESO

The IESO represents and warrants to the OFA that:

(a) the borrowing of money (including principal and accrued interest) by the IESO and the execution, delivery and performance of this Agreement are within the powers and capacities of the IESO and have been duly authorized by all necessary legal action and proper proceedings;

(b) the execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the compliance with the terms and conditions of this Agreement will not conflict with or result in a breach of any of the terms or provisions of the constituting documents or by-laws of the IESO, laws of Ontario, including laws of Canada applicable therein, applicable to the IESO or any contractual or other obligation binding on the IESO;

(c) this Agreement will, when executed and delivered, constitute the legal, valid and binding obligation of the IESO enforceable against it in accordance with its terms; and

(d) the monies advanced under this Agreement shall be used only by the IESO for the purposes set out in Section 2.2.

Section 6.2 Continuation of Representation and Warranties

The representations and warranties set out in Section 6.1 herein shall survive the execution and delivery of this Agreement, the making of each Advance by the OFA, notwithstanding any investigations or examinations which may be made by counsel for the OFA.

ARTICLE 7
GENERAL

Section 7.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy or other means of electronic communication addressed:

If to the IESO, to it at:

Independent Electricity System Operator
120 Adelaide Street West, Suite 1600
Toronto, ON M5H 1T1

Attention: Chief Financial Officer
Telephone: (416)969-6232
Facsimile: (905)403-6913

If to the OFA, to it at:

Ontario Financing Authority 1 Dundas Street West
Suite 1400 Toronto, Ontario M7A 1Y7

Attention: Executive Director & Chief Investment Officer – Capital Markets Division
Telephone: (416)325-8930
Facsimile: (416)860-8346

provided that any Borrowing Notice or Election Notice shall be addressed as indicated on Schedule 1 or Schedule 2 respectively.

Any communication hereunder shall be deemed to have been validly and effectively given if (a) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p.m. (Toronto time), otherwise on the next Business Day, (b) transmitted by facsimile or other means of electronic communication, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice give in accordance with this Section 7.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 7.1.

Section 7.2 Successors and Assigns.

This Agreement shall be binding on and enure to the benefit of the OFA and the IESO and their respective successors and permitted assigns, except that the IESO shall not, without the

prior written consent of the OFA assign, pledge or hypothecate any rights or obligations with respect to this Agreement.

Section 7.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of the Parties.

Section 7.4 Waiver.

(1) No waiver of any provisions of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) of this Agreement nor shall such waiver be binding unless executed in writing by the party to be bound by the waiver.

(2) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude another or further exercise of such right or the exercise of any other right.

Section 7.5 Further Assurances.

Each of the IESO and the OFA shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement

Section 7.6 Severability.

In case any provision in this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement shall not in any way be affected or impaired thereby.

Section 7.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 7.8 Entire Agreement.

This Agreement, including the schedules hereto and any other agreements expressly referred to herein, constitutes the whole agreement between the Parties with respect to the matters dealt with in it, and it supersedes any prior agreement, undertakings, discussions and the like respecting the matters dealt with in this Agreement and entered into by the Parties before the date the OFA signs this Agreement.

Section 7.9 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Agreement.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first written above.

ONTARIO FINANCING AUTHORITY

Per: _____

Name: Michael D. Manning
Title: Executive Director & Chief Investment Officer, Capital Markets Division

I have authority to bind the corporation.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; Treasurer

I have authority to bind the corporation.

SCHEDULE 1

FORM OF BORROWING NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The principal amount of the Proposed Advance is $_____;
(c) The Repayment Date of the Proposed Advance is _____. [Not earlier than 5 days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:

Authorized Signatory

SCHEDULE 2

FORM OF ELECTION NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is _____.

(b) The aggregate amount of the proposed Continued Advance is $_____, which is comprised of:
   i. principal amount (or portion thereof) of Advance which is to be continued $_____; and
   ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date $_____;

(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): $ _____

(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _____. [Insert date not earlier than 5 days and not later than 95 days after the current Repayment Date for the Advance.]

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: $_____
The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Name:

Authorized Signatory

SCHEDULE 3 – FORM OF GRID NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $2,000,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR (the "**IESO**"), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY** ("**OFA**") at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement (as defined below).

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the Revolving Credit Facility Agreement dated **[INSERT DATE]** as amended, supplemented or restated from time to time, between the Borrower and the OFA (the "Agreement"). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:
Authorized Signatory

Revolving Credit Facility Grid Note

Ontario Financing Authority
Line of Credit Grid Note

Entity : Independent Electricity System Operator
Loan Limit:

Project:
Schedule of loan transactions to:
Loan Advanced to:

New Loan and/or Rollover					Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days

AMENDING AGREEMENT NO. 10

This Amending Agreement No. 10 (this "**Amending Agreement**") is made as of the 21st day of November, 2017 (the "**Effective Date**")

BETWEEN:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, a statutory corporation without share capital existing under Part II of the *Electricity Act, 1998* ("**IESO**")

-and-

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* ("**OFA**")

(together, the "**Parties**")

WHEREAS the Ontario Power Authority ("**OPA**") and the OFA entered into a credit agreement dated January 1, 2005 (the "**Original Agreement**");

AND WHEREAS effective January 1, 2015, the OPA and the then existing Independent Electricity System Operator amalgamated and continued as a corporation without share capital under Part II of the *Electricity Act, 1998* with the name "Independent Electricity System Operator" (**"IESO"**), and the obligations of the OPA became obligations of the IESO;

AND WHEREAS pursuant to the amending agreements dated February 14, 2005, October 11, 2005 (titled, "Amending Agreement No. 3"), September 27, 2006 (titled, "Amending Agreement No. 4"), July 13, 2007 (titled, "Amending Agreement No. 5"), November 9, 2010 (titled, "Amending Agreement No. 6"), December 20, 2013 (titled, "Amending Agreement No. 7"), December 19, 2014 (titled, "Amending Agreement No. 8") and November 30, 2016 (titled, "Amending Agreement No. 9"), the OPA or IESO (as applicable) and the OFA amended the Original Agreement (as so amended, the "**Credit Agreement**", the terms defined therein being used herein as therein defined);

AND WHEREAS the Parties have now agreed to: (i) at the request of the IESO, decrease the total principal amount available under the Credit Agreement from $975,000,000 to a total principal amount of up to $475,000,000; (ii) amend the use of proceeds under the Credit Agreement; (iii) amend the Form of Election Notice and related provisions under the Credit Agreement; and (iv) make other amendments required as a consequence of the implementation of the OFHP (as defined below);

AND WHEREAS pursuant to Section 7.3 of the Credit Agreement, the Credit Agreement may only be amended or otherwise modified by written agreement executed by the Parties.

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby

acknowledged, and subject to the terms and conditions hereafter set out, the Parties agree that, as of the Effective Time (as defined below):

1. The definition of "Advances" in Section 1.1 of the Credit Agreement is deleted and replaced by the following:

   "**Advances**" means advances made by the OFA to the IESO under Article 3 and "Advance" means any one of such advances, and in the case of an election by the IESO under Section 3.3, includes a "Continued Advance", as defined in Section 3.3(1), as applicable."

2. The definition of "**Commitment**" in Section 1.1 of the Credit Agreement is amended by deleting "$975,000,000" and substituting "$475,000,000" therefor.

3. The definition of "**Permitted Liens**" is amended by deleting the word "and" at the end of subsection (i); replacing the "." at the end of subsection (j) and replacing it with "; and" ; and adding the following subsection (k):

   "(k) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

4. The following definitions are added to Section 1.1 of the Credit Agreement:

   "Clean Energy Adjustment" has the same meaning as that term is defined in the OFHP.

   "**Continued Advance"** has the meaning specified in Section 3.3(1).

   "**Current Repayment Date**" has the meaning specified in Section 3.3(2).

   "**New Repayment Date**" has the meaning specified in Section 3.3(2).

   "OFHP" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

5. Section 2.3 "Use of Proceeds" of the Credit Agreement is deleted in its entirety (with the exception of the title of the section, which exception also applies regarding the amendments made under sections 6, 7 and 8 hereof) and replaced by the following:

   "The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the *Electricity Act, 1998,* as such regulation may be amended or replaced from time to time, provided that Advances may be used only for liquidity purposes."

6. Section 3.2 "Procedures for Advances" of the Credit Agreement is deleted in its entirety and replaced by the following:

"(1) Subject to Section 3.3(5), each Advance shall be made subject to two Business Days' prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each notice of an Advance (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1, other than a Borrowing Notice that is included in an Election Notice as permitted by Section 3.3(3). Each Borrowing Notice shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance; (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall be no earlier than 28 days and not later than 95 days after the date of the requested Advance. Each Borrowing Notice shall also certify the use of proceeds of the Advance which shall in any case be in accordance with Section 2.3. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, the IESO shall execute and deliver to the OFA a grid promissory note in respect of Advances substantially in the form of Schedule 3 (the **"Grid Note"**). The IESO authorizes the OFA to record on the Grid Note (a) the date and amount of each Advance or Continued Advance; (b) the applicable rate of interest for each Advance or Continued Advance; (c) the Repayment Date of each Advance or Continued Advance; (d) the date and amount of each payment of interest and each payment of principal or portion thereof in respect of each Advance or Continued Advance; and (e) Advances Outstanding. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such Advances and repayments; provided that the failure of the OFA to record any amount, rate or date shall not affect the obligation of the IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement."

7. Section 3.3 "Elections Regarding Advances" of the Credit Agreement is deleted in its entirety and replaced by the following:

"(1) The IESO may elect to continue all or a portion of the principal amount of any Advance and any amount of interest on such Advance (together, the "**Continued Advance**") for a further period of at least 28 days and up to a maximum of 95 days beginning on the then current Repayment Date in accordance with Section 3.3(2).

(2) Each notice to continue an Advance for a further period (an "**Election Notice**") shall be provided by the IESO to the OFA at least two Business Days prior to the Repayment Date of the Advance (the "**Current Repayment Date**"), and in each case, not later than 10:00 a.m. (Toronto time). Each such Election Notice shall be given substantially in the form of Schedule 2 and shall be irrevocable and binding upon the IESO and shall specify: (a) the Current Repayment Date; (b) the new aggregate total amount of the proposed Continued Advance; (c) the amount of interest or principal, if any, to be paid or re-paid by the IESO with respect to such Advance on the Current Repayment Date; and (d) the new Repayment Date of the proposed Continued Advance, which shall be no earlier than 28 days and not later than 95 days after the Current Repayment Date (the "**New Repayment Date**"). If the IESO fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date.

(3) An Election Notice with respect to a proposed Continued Advance may include a Borrowing Notice for a further Advance proposed to be made on the Current Repayment

Date. The Repayment Date of such further Advance shall be the New Repayment Date of the Continued Advance that is specified in the Election Notice. Such Borrowing Notice shall be given substantially in the form of Schedule 2.

(4) The calculation of interest on a Continued Advance shall be determined in the same manner as an Advance under Section 3.4 and shall be recorded on the grid promissory note in respect of Advances in accordance with Section 3.2(2).

(5) Any portion of an Advance not continued for a further period in accordance with Section 3.3(2) shall be repayable on the applicable Repayment Date."

8. Section 5.2 "Acceleration of Maturity; Recission and Annulement" of the Credit Agreement is deleted in its entirety and replaced by the following:

"If an Event of Default occurs and is continuing, then and in every such case the OFA may at its option, in addition to any other remedy available to the OFA at law, by written notice to the IESO, take any or all of the following actions:

(a) suspend the right of the IESO to request any further Advance until the Event of Default has been cured to the OFA's satisfaction or, if the Event of Default is not cured within three (3) Business Days after the date on which written notice of such Event of Default shall have been given to the IESO by the OFA, declare all amounts owing hereunder including all interest accrued to be due and payable immediately, by a notice in writing to the IESO, and upon any such declaration all such amounts shall become immediately due and payable.

(b) invoke the Intercept pursuant to section 5.7 of this Agreement to require payment of any amount due and payable under this Agreement."

9. Section 5.7 "Intercept" is added to the Credit Agreement, stating as follows:

"Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of November 6th , 2017 herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the *Capital Investment Plan Act, 1993* (the "**Intercept Letter**"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("**Appropriated Funds**"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("**Intercept**").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail."

10. Section 7.9 "Entire Agreement' is added to the Credit Agreement, stating as follows:

"Section 7.9 Entire Agreement

This Agreement as amended from time to time and including the schedules hereto and any other agreements expressly referred to herein, constitutes the whole agreement between the Parties with respect to the matters dealt with in it, and it supersedes any prior agreement, undertakings, discussions and the like respecting the matters dealt with in this Agreement and entered into by the Parties before the date the OFA signs this Agreement."

11. Schedule 1 of the Credit Agreement, Form of Borrowing Notice, is deleted in its entirety and replaced by the Form of Borrowing Notice attached hereto as Schedule 1.

12. Schedule 2 of the Credit Agreement, Form of Election Notice, is deleted in its entirety and replaced by the Form of Election Notice attached hereto as Schedule 2.

13. Schedule 3 of the Credit Agreement, IESO Grid Note, is deleted in its entirety and replaced by the Form of Grid Note attached hereto as Schedule 3.

14. For the purposes of this Amending Agreement and its coming into effect:

a. "**Effective Time**" means the time on the Effective Date by which the Transfers of Funds (defined below) have been completed; or such other time as the Parties may subsequently agree to in writing as being the "Effective Time";

b. "**Transfers of Funds**" means those transfers of funds to be completed between the Parties on the Effective Date, being:

   i. the First Advance as defined under section 3.2(3) of the credit agreement between the Parties in relation to the IESO's role in the implementation of the OFHP dated November 6, 2017; and,

   ii. the completion of all Advances described in the Election Notice to be provided by the IESO to the OFA no later than November 17, 2017 (such terms having the meanings defined in the Credit Agreement) that are to be funded under the Credit Agreement on the Effective Date; and,

   iii. the repayment by the IESO of all Advances Outstanding (as defined in the Credit Agreement) exceeding $475 million; and,

   iv. the payment by the IESO to OFA of the interest then owing under the Credit Agreement.

15. The Parties shall endeavour to complete and exchange all usual documentation relating to the Transfers of Funds, and to any other related matters occurring on the Effective Date, prior to 5:00 p.m. on the Effective Date, and in any case no later than the next business day.

16. After the Effective Time, and prior to any further Advances under the Credit Agreement, the IESO shall execute and deliver to the OFA a new grid promissory note in the principal amount of up to $475,000,000 substantially in the form attached hereto as Schedule 3 (the **"Grid Note"**) and indicating a total principal amount of Advances Outstanding as of the Effective Time. Upon receipt of the new Grid Note delivered hereunder, the OFA will cancel and return the grid promissory note dated November 30, 2016 to the IESO.

17. This Amending Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Amending Agreement.

IN ALL OTHER RESPECTS, the Credit Agreement is confirmed by the Parties.

[*signature page follows*]

IN WITNESS WHEREOF the Parties hereto have executed and delivered this Amending Agreement on the dates set out below, which shall come into effect as of the Effective Time as defined herein.

ONTARIO FINANCING AUTHORITY

Per: _____ Date: November 6, 2017.

Name: Michael D. Manning
Title: Executive Director & Chief
Investment Officer
Capital Markets Division

I have authority to bind the corporation.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____ Date: November_____, 2017.

Name: Kimberly Marshall
Title: Vice President, Corporate Services;
Chief Financial Officer; Treasurer

I have authority to bind the corporation.

SCHEDULE 1 TO AMENDING AGREEMENT NO. 10

FORM OF BORROWING NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "**Agreement**", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "**Proposed Advance**"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The principal amount of the Proposed Advance is $_____;
(c) The Repayment Date of the Proposed Advance is _____. [Not earlier than 28 days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:

Authorized Signatory

SCHEDULE 2 TO AMENDING AGREEMENT NO. 10

FORM OF ELECTION NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is _____;

(b) The aggregate amount of the proposed Continued Advance is $_____, which is comprised of:

i. principal amount (or portion thereof) of Advance which is to be continued $_____; and
ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date $_____;

(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): $ _____

(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _____. [Insert date no earlier than 28 days and not later than 95 days after the Current Repayment Date for the Advance.]

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: $_____

The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:
Authorized Signatory

SCHEDULE 3 TO AMENDING AGREEMENT NO. 10

FORM OF GRID NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $475,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICTY SYSTEM OPERATOR (the **"IESO"**), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY ("OFA")** at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Credit Agreement (as defined below). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Credit Agreement.

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the credit agreement dated January 1, 2005 as amended, supplemented or restated from time to time, between the Borrower and the OFA (the **"Credit Agreement"**).

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Credit Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Name:
Authorized Signatory

Line of Credit Grid Note

Entity : Independent Electricity System Operator
Loan Limit: $475,000,000

Project:
Schedule of loan transactions to:
Loan Advanced to:

New Loan and/or Rollover					Actual Repayment					
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days

From:	Andrea Dalgarno
To:	Sarah Harris
Subject:	FW: Status Update
Date:	Tuesday, March 13, 2018 10:04:49 AM

FYI- bold is changes

From: Andrea Dalgarno
Sent: Tuesday, March 06, 2018 8:22 AM
To: Sarah Harris
Subject: FW: Status Update

Sarah,

Please see bold for changes.

1) Commission Deal Basis Fix **– deployed (can't tell if good until have crossover trade)**
2) Pending- Fix for Extended issue that ran amuck at program level- **IT to fix at data level**
3) **NEW defect going in for 1 cent difference on redemption amount on DMTN183 maturity**
4) OIC- submitted awaiting CO note (if it ever comes)
5) OCGC- executed- awaiting clean up documentation such as Corporation Representative cert and Board cert re decision to execute
6) Prepared Commission letters, fax covers
7) OFA Loans:
    a. Awaiting response from CF regarding Auto Sector notes and OIC's
    b. CF updated and I sorted out 475M IESO LOC- CF uploaded (CF to refine to track at OIC level as opposed to sum of OIC level)
    c. Quest for Prom Notes for potential forgiving of OCC loan. Found 2.16 B which is now in Documentation Vault. 656M is still MIA
8) Prepared disclosure notices in anticipation of Budget
9) Procedure update when **example showing level of detail** desired is provided
10) FAA amendment to simplify- brainstorming and research continues

Horizon:

1) Tbill program increase

Normal routine:

1) Verifying OILC drawdowns
2) BA administration- pretty quiet right now given no transactions- checking program amounts
3) Commissions spreadsheet update- quiet right now as no transactions
4) O/S Debt Summary update- quiet right now as no transactions

Other completed items:

- **Assisted with analysis and reconciliation related to tbill/prom note positions needed for OEFC remission**
- **Waiver of 30 year limit for OPG Advance form OEFC March 22, 2018**

Andrea

From:	Andrea Dalgarno
To:	Sarah Harris
Subject:	FW: Status Update
Date:	Tuesday, March 20, 2018 8:24:58 AM

FYI- bold is changes

From: Andrea Dalgarno
Sent: Tuesday, March 06, 2018 8:22 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: Status Update

Sarah,

Please see bold for changes.

1) Pending- Fix for Extended issue that ran amuck at program level- **IT wants to fix at data level- risk at 2045 end –to discuss alternatives with IT**
2) **Pending** - defect 1 cent difference on redemption amount on DMTN183 maturity
3) OIC**- cabinet note reviewed- awaiting approval of OIC**
4) OCGC- executed- awaiting clean up documentation such as Corporation Representative cert and Board cert re decision to execute**- Corp rep out off until June. Board cert with their legal to address still**
5) Prepared Commission letters, fax covers- **pending year end and CDS fee information to complete calculations and process-**
6) **OFA Loans:**
    a. Awaiting response from CF regarding Auto Sector notes and OIC's**- will follow up**
    b. Quest for Prom Notes for potential forgiving of OCC loan. Found 2.16 B which is now in Documentation Vault. 656M is still MIA- **we will need to discuss how to address missing and fix both for date**
7) Prepared disclosure notices in anticipation of Budget
8) Procedure update when **example showing level of detail** desired is provided
9) FAA amendment to simplify- brainstorming and research continues

Horizon:

1) Tbill program increase

Normal routine:

1) Verifying OILC drawdowns
2) BA administration- pretty quiet right now given no transactions- checking program amounts
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Other completed items:

- **Assisted with analysis and reconciliation related to tbill/prom note positions needed for OEFC remission**
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- OFA Loans CF updated and I sorted out 475M IESO LOC- CF uploaded (CF to refine to track at OIC level as opposed to sum of OIC level)
- Commission Deal Basis Fix **– deployed (can't tell if good until have crossover trade)**

Andrea

From: Lisa Stein
To: William Tan; Sarah Harris
Subject: FW: Updated Incumbency Certificate
Date: Monday, September 17, 2018 1:53:46 PM

I'm okay with leaving the language unchanged as per Victor's e-mail.

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, September 17, 2018 12:25 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: RE: Updated Incumbency Certificate

Thanks Will. I can confirm that the term "Credit Facilities" in the resolution refers to all of the credit facilities referenced in the resolution, including both OFA facilities.

Regarding the suggested adder ("as may be amended from time to time"), I would propose to leave the language as is. Firstly, for the sake of consistency. The reference in the Certificate to the 2005 agreement "as amended" is a reference to the fact that the 2005 agreement had already been amended numerous times – and was being amended one more time – at the time the Certificate was executed. On the other hand, the FHP loan had not been amended as of execution (this being the original loan), and it has yet to be amended as of today.

Second, if the FHP facility is amended in the future, this would likely be accompanied by a new Certificate in any case, at which time the wording can be amended to reflect the then applicable circumstances.

So for the above reasons, I propose to leave the language unchanged. Hopefully this makes sense.

Thanks,
Victor

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: September 17, 2018 11:09 AM
To: Victor Buza
Cc: Olga Whiteley; Anthony Martinello; Sarah Harris; Lisa Stein
Subject: FW: Updated Incumbency Certificate

CAUTION: This email originated from outside of the organization. Exercise caution when clicking on links or opening attachments even if you recognize the sender.

Hello Victor,

The Board Resolution in relation to the OFA credit facilities is redacted, as such the reference to "Credit Facilities" therein may not be general. In any event, it is appropriate that the COI refers to the two specific OFA agreements. The only comment is the reference to the 2017 FHP agreement

could also state “as may be amended from time to time”.

Also, there is no need for a new certificate in relation to the OEFC financings at this time.

Thanks,

Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Tuesday, September 11, 2018 4:22 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Updated Incumbency Certificate

Hi Will – I will have to defer to your group on the details relating to differences in documentation for the different financings. We have been using the forms of incumbency certificates OEFC/OFA gave to us for each of the financings (as this is a lender requirement).

The first two items on your list are the OEFC financings which were last renewed on May 1, 2017. These used a slightly different form of Incumbency Certificate than the one that I forwarded re the last two financings (i.e. the OFA financings). The certificate for the OEFC financings addressed the identity and authority of the authorized signatory only as of the date of execution of the May 2017 amending agreements. Separately, we also provided a certified Board resolution authorizing IESO’s CFO to draw funds under the OEFC financings.

The form of certificate I forwarded for your review yesterday is the one OFA required in the past in connection with the two OFA financings only.

Victor

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: September 11, 2018 1:28 PM
To: Victor Buza
Cc: Olga Whiteley; Anthony Martinello; Sarah Harris
Subject: FW: Updated Incumbency Certificate

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Hello Victor,

May I provide final comments tomorrow? Lisa Stein is away until tomorrow. However, if this matter is urgent, I can call upon another contact.

In the interim, to my knowledge IESO has four agreements with OFA. The Incumbency Certificate only mentions two agreements. Unless of course you intended to provide signing authority to these two specific agreements only.

$120M Note, April 1, 1999
$160M Revolving Credit Facility, April 23, 2010
$2B Revolving Credit Facility, Nov 6, 2017
$475M Credit Agreement, Jan 1, 2005

Thanks,

Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Tuesday, September 11, 2018 10:12 AM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: Updated Incumbency Certificate

Hi Will. In Olga's absence this week, I wanted to get the ball rolling on updating IESO's Incumbency Certificate re the OFA financings.

At the August meeting of our Board, Barb Anderson's position as VP and CFO was changed so that it is no longer "Interim". The change was made retroactive to July 9.

I have prepared a draft updated certificate based on the current certificate (see attached) and just wanted to confirm its form is acceptable to OFA prior to arranging for it to be executed.

Thanks,
Victor

Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079

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From: William Tan
To: "Victor Buza"
Cc: "Olga Whiteley"; "Anthony Martinello"; Sarah Harris
Subject: FW: Updated Incumbency Certificate
Date: Tuesday, September 11, 2018 1:27:59 PM

Hello Victor,
May I provide final comments tomorrow? Lisa Stein is away until tomorrow. However, if this matter is urgent, I can call upon another contact.
In the interim, to my knowledge IESO has four agreements with OFA. The Incumbency Certificate only mentions two agreements. Unless of course you intended to provide signing authority to these two specific agreements only.
$120M Note, April 1, 1999
$160M Revolving Credit Facility, April 23, 2010
$2B Revolving Credit Facility, Nov 6, 2017
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From: William Tan
To: Lisa Stein
Cc: Sarah Harris
Subject: FW: Updated Incumbency Certificate
Date: Monday, September 17, 2018 11:37:06 AM

Hello Lisa,
Upon further reflection, I can see now that the additional information was only for my understanding.
Thanks,
Will

From: Lisa Stein
Sent: Monday, September 17, 2018 11:20 AM
To: William Tan
Cc: Sarah Harris
Subject: RE: Updated Incumbency Certificate
Hi Will,
FYI - the first two sentences contained my analysis and were not intended for the IESO.
Lisa

From: William Tan
Sent: Monday, September 17, 2018 11:09 AM
To: 'Victor Buza' <Victor.Buza@ieso.ca>
Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: FW: Updated Incumbency Certificate
Hello Victor,
The Board Resolution in relation to the OFA credit facilities is redacted, as such the reference to "Credit Facilities" therein may not be general. In any event, it is appropriate that the COI refers to the two specific OFA agreements. The only comment is the reference to the 2017 FHP agreement could also state "as may be amended from time to time".
Also, there is no need for a new certificate in relation to the OEFC financings at this time.
Thanks,
Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Tuesday, September 11, 2018 4:22 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Updated Incumbency Certificate
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Victor

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Sent: September 11, 2018 1:28 PM
To: Victor Buza
Cc: Olga Whiteley; Anthony Martinello; Sarah Harris
Subject: FW: Updated Incumbency Certificate

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$2B Revolving Credit Facility, Nov 6, 2017
$475M Credit Agreement, Jan 1, 2005
Thanks,
Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Tuesday, September 11, 2018 10:12 AM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: Updated Incumbency Certificate
Hi Will. In Olga's absence this week, I wanted to get the ball rolling on updating IESO's Incumbency Certificate re the OFA financings.
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Thanks,
Victor

Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079
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From: William Tan
To: Lisa Stein
Cc: Sarah Harris
Subject: FW: Updated Incumbency Certificate
Date: Monday, September 17, 2018 11:37:06 AM

Hello Lisa,

Upon further reflection, I can see now that the additional information was only for my understanding.

Thanks,

Will

From: Lisa Stein
Sent: Monday, September 17, 2018 11:20 AM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Updated Incumbency Certificate

Hi Will,

FYI - the first two sentences contained my analysis and were not intended for the IESO.

Lisa

From: William Tan
Sent: Monday, September 17, 2018 11:09 AM
To: 'Victor Buza' <Victor.Buza@ieso.ca>
Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: FW: Updated Incumbency Certificate

Hello Victor,

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Also, there is no need for a new certificate in relation to the OEFC financings at this time.

Thanks,

Will

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To: William Tan <William.Tan@ofina.on.ca>
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Victor

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: September 11, 2018 1:28 PM
To: Victor Buza
Cc: Olga Whiteley; Anthony Martinello; Sarah Harris
Subject: FW: Updated Incumbency Certificate

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From: William Tan
To: "Victor Buza"
Cc: Olga Whiteley; Anthony Martinello; Sarah Harris; Lisa Stein
Subject: FW: Updated Incumbency Certificate
Date: Monday, September 17, 2018 11:09:11 AM

Hello Victor,
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From: William Tan
To: Sarah Harris
Subject: FW: Updated Incumbency Certificate
Date: Friday, September 14, 2018 10:51:30 AM

Fyi update.

From: William Tan
Sent: Friday, September 14, 2018 10:21 AM
To: Lisa Stein
Subject: RE: Updated Incumbency Certificate

Hi Lisa,

My only comment is the IESO has four credit facilities with us and only two of them were noted on the COI. According to the Board Resolution, the CFO has general signing authority, so it may not be necessary to note the two specific credit facilities. Other than that, I have no other concerns.

Thanks,

Will

From: Lisa Stein
Sent: Friday, September 14, 2018 10:17 AM
To: William Tan <William.Tan@ofina.on.ca>
Subject: RE: Updated Incumbency Certificate

Hi Will,

Do you have specific concerns with the COI for the OFA financings? It appears that they have used the same form as in the past.

Lisa

From: William Tan
Sent: Thursday, September 13, 2018 3:17 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: FW: Updated Incumbency Certificate

Hi Lisa,

Just checking-in if you have a chance to look at the COI?

Thanks,

Will

From: Lisa Stein
Sent: Wednesday, September 12, 2018 4:04 PM
To: William Tan <William.Tan@ofina.on.ca>
Subject: RE: Updated Incumbency Certificate

Hi Will,

Sorry I haven't had a chance to look at this today due to high priority Board items. I'll try to look at this either later afternoon or tomorrow.

Thank you,

Lisa

From: William Tan
Sent: Wednesday, September 12, 2018 3:16 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: FW: Updated Incumbency Certificate

Hi Lisa,
You are probably busy, this being your first day back from vacation. Do you think you are going to get a chance to look at this today? I just want to give Victor an update.
Thanks,
Will

From: William Tan
Sent: Wednesday, September 12, 2018 8:53 AM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Sarah Neville <Sarah.Neville@ofina.on.ca>
Subject: FW: Updated Incumbency Certificate
Hello Lisa,
Would you be able to assist with this?
My comments are below. Victor indicated that his draft COI is consistent in format to the COI provided on November 6, 2017 and reviewed by us.
Attached is the draft Incumbency Certificate provided by Victor. I have included a copy of the Board Resolution from June 14, 2017 (that authorizes the CFO) and COI from November 6, 2017 of the same format as the draft.
Thanks,
Will

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Sent: Tuesday, September 11, 2018 4:22 PM
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Victor

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Sent: September 11, 2018 1:28 PM
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Cc: Olga Whiteley; Anthony Martinello; Sarah Harris
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From:	William Tan
To:	Sarah Harris
Subject:	FW: Updated Incumbency Certificate
Date:	Wednesday, September 12, 2018 3:16:16 PM

Fyi, Lisa is away from her desk.

From: William Tan
Sent: Wednesday, September 12, 2018 3:16 PM
To: Lisa Stein
Subject: FW: Updated Incumbency Certificate

Hi Lisa,

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To:	Lisa Stein
Cc:	Sarah Harris; Sarah Neville
Subject:	FW: Updated Incumbency Certificate
Date:	Wednesday, September 12, 2018 8:52:57 AM
Attachments:	Incumbency Certificate - re OFA FHP and 2005 Facilities - revised Sept 2....doc Certified IESO Brd Resol"n June 14_17 re Credit Facilities and Incumb Ce....pdf

Hello Lisa,

Would you be able to assist with this?
My comments are below. Victor indicated that his draft COI is consistent in format to the COI provided on November 6, 2017 and reviewed by us.
Attached is the draft Incumbency Certificate provided by Victor. I have included a copy of the Board Resolution from June 14, 2017 (that authorizes the CFO) and COI from November 6, 2017 of the same format as the draft.

Thanks,

Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Tuesday, September 11, 2018 4:22 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Updated Incumbency Certificate

Hi Will – I will have to defer to your group on the details relating to differences in documentation for the different financings. We have been using the forms of incumbency certificates OEFC/OFA gave to us for each of the financings (as this is a lender requirement).

The first two items on your list are the OEFC financings which were last renewed on May 1, 2017. These used a slightly different form of Incumbency Certificate than the one that I forwarded re the last two financings (i.e. the OFA financings). The certificate for the OEFC financings addressed the identity and authority of the authorized signatory only as of the date of execution of the May 2017 amending agreements. Separately, we also provided a certified Board resolution authorizing IESO's CFO to draw funds under the OEFC financings.

The form of certificate I forwarded for your review yesterday is the one OFA required in the past in connection with the two OFA financings only.

Victor

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: September 11, 2018 1:28 PM

To: Victor Buza
Cc: Olga Whiteley; Anthony Martinello; Sarah Harris
Subject: FW: Updated Incumbency Certificate

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Hello Victor,

May I provide final comments tomorrow? Lisa Stein is away until tomorrow. However, if this matter is urgent, I can call upon another contact.

In the interim, to my knowledge IESO has four agreements with OFA. The Incumbency Certificate only mentions two agreements. Unless of course you intended to provide signing authority to these two specific agreements only.

$120M Note, April 1, 1999
$160M Revolving Credit Facility, April 23, 2010
$2B Revolving Credit Facility, Nov 6, 2017
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I have prepared a draft updated certificate based on the current certificate (see attached) and just wanted to confirm its form is acceptable to OFA prior to arranging for it to be executed.

Thanks,
Victor

Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079

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INCUMBENCY CERTIFICATE

To: Ontario Financing Authority ("**OFA**")

I, the undersigned, Secretary to the Independent Electricity System Operator (the "**IESO**"), in my capacity as an officer of the IESO, and not in my personal capacity, do hereby certify that:

1. Barbara Anderson has been duly appointed as Chief Financial Officer and Vice-President, Corporate Services of the IESO, and, as of July 9, 2018, holds such offices.

2. Pursuant to a resolution of the board of directors of IESO dated June 14, 2017, the Chief Financial Officer has the authority from time to time to draw upon (i) the Credit Agreement between OFA and IESO (as successor by amalgamation to Ontario Power Authority) made as of January 1, 2005, as amended, and (ii) the Revolving Credit Facility Agreement between IESO and the Ontario Financing Authority made as of the 6th day of November, 2017 in relation to the Fair Hydro Plan.

3. The following is the genuine signature of the following individual:

Barbara Anderson _____

DATED this ____ day of _____, 2018.

_____

Michael Lyle
Vice-President – Legal Resources and
Corporate Governance,
Secretary and General Counsel

" Resolution of the Board of Directors
Independent Electricity System Operator

June 14, 2017

In Respect of the establishment of a new credit facility and revision of existing credit facilities in relation to the Fair Hydro Plan

---

WHEREAS, as further described in the memorandum to the Audit Committee entitled "Fair Hydro Plan Credit Facility" dated June 13, 2017 (the "**Memorandum**"), the Corporation has determined that in order to support the IESO's role in the Fair Hydro Plan it requires greater credit liquidity;

AND WHEREAS the Corporation proposes to enter into a new credit facility with the Ontario Financing Authority or Ontario Electricity Financial Corporation to support the Corporation's role in the Fair Hydro Plan in an amount yet to be determined of between $1,800 million and $2,500 million (the "**New Facility**");

AND WHEREAS, due to the structure of the Fair Hydro Plan, once the New Facility is established, the Corporation's existing credit facility with the Ontario Financing Authority in the amount of $975 million (the "**OFA Facility**") will include unnecessary and duplicative credit liquidity such that the OFA Facility may be reduced to an amount yet to be determined between $400 million and $500 million;

AND WHEREAS ...[Recital redacted]...

NOW THEREFORE BE IT RESOLVED THAT:

1. The Board of Directors hereby authorizes and approves the establishment of the New Facility and the amendment of the OFA Facility ...**[Redacted]**... on such terms and conditions as are generally outlined in the Memorandum (collectively, all facilities being the "**Credit Facilities**").

2. The Chief Financial Officer or her delegate is hereby authorized for and on behalf of the Corporation to:

(a) finalize, execute and deliver

(i) all relevant agreements, instruments and other documents required for the establishment or amendment, as applicable, of the Credit Facilities, and

(ii) all ancillary documents, deeds and instruments determined to be necessary or desirable in connection therewith (the execution of any such document, deed or instrument being conclusive evidence of such determination),

and to perform the Corporation's obligations thereunder, and to obtain the benefits thereof;

(b) draw upon or continue to draw upon, as applicable, the Credit Facilities from time to time in accordance with their terms; and

(c) do any and all such further acts as may be determined to be necessary or desirable to give effect to the foregoing transactions including, for further certainty, amending any other agreements as may be required as a consequence of such transactions. "

I certify that the above is a true, redacted copy of a resolution approved by the Board of Directors of the Independent Electricity System Operator on June 14, 2017.

John Rattray

General Counsel, Secretary and Chief Reliability Compliance Officer
Independent Electricity System Operator
November 6th, 2017

INCUMBENCY CERTIFICATE

To: Ontario Financing Authority ("**OFA**")

I, the undersigned, Secretary to the Independent Electricity System Operator (the "**IESO**"), in my capacity as an officer of the IESO, and not in my personal capacity, do hereby certify that:

1. Kimberly Marshall has been duly appointed as Vice President, Corporate Services; Chief Financial Officer and Treasurer of the IESO and holds, as at the date hereof, such offices.

2. Pursuant to a resolution of the board of directors of IESO dated June 14, 2017, Kimberly Marshall has the authority to finalize, execute and deliver: (i) Amending Agreement No. 10 to the Credit Agreement between OFA and IESO (as successor by amalgamation to Ontario Power Authority) made as of January 1, 2005, as amended; and (ii) the Revolving Credit Facility Agreement between IESO and the Ontario Financing Authority made in relation to the Fair Hydro Plan.

3. The following is the genuine signature of the following individual:

Kimberly Marshall K Marshall

DATED this 6th day of November, 2017.

John Rattray
General Counsel, Secretary and Chief
Reliability Compliance Officer

I, the undersigned, do hereby certify for and on behalf of the IESO in my capacity as an officer of the IESO, and not in my personal capacity, that: (i) John Rattray has been duly appointed to the office of General Counsel, Secretary and Chief Reliability Compliance Officer and (ii) John Rattray holds, as at the date hereof, such office.

DATED this 6th day of November, 2017.

K Marshall

Kimberly Marshall
Vice President, Corporate Services; Chief
Financial Officer and Treasurer

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Victor Buza | Senior Counsel
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Independent Electricity System Operator

June 14, 2017

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and to perform the Corporation's obligations thereunder, and to obtain the benefits thereof;

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General Counsel, Secretary and Chief Reliability Compliance Officer
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K Marshall

Kimberly Marshall
Vice President, Corporate Services; Chief
Financial Officer and Treasurer

From:	Lisa Stein
To:	William Tan; Sarah Harris
Subject:	FW: Updated Incumbency Certificate
Date:	Monday, September 17, 2018 1:53:46 PM

I'm okay with leaving the language unchanged as per Victor's e-mail.

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, September 17, 2018 12:25 PM
To: William Tan
Cc: Olga Whiteley ; Anthony Martinello ; Sarah Harris ; Lisa Stein
Subject: RE: Updated Incumbency Certificate

Thanks Will. I can confirm that the term "Credit Facilities" in the resolution refers to all of the credit facilities referenced in the resolution, including both OFA facilities.

Regarding the suggested adder ("as may be amended from time to time"), I would propose to leave the language as is. Firstly, for the sake of consistency. The reference in the Certificate to the 2005 agreement "as amended" is a reference to the fact that the 2005 agreement had already been amended numerous times – and was being amended one more time – at the time the Certificate was executed. On the other hand, the FHP loan had not been amended as of execution (this being the original loan), and it has yet to be amended as of today.

Second, if the FHP facility is amended in the future, this would likely be accompanied by a new Certificate in any case, at which time the wording can be amended to reflect the then applicable circumstances.

So for the above reasons, I propose to leave the language unchanged. Hopefully this makes sense.

Thanks,

Victor

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: September 17, 2018 11:09 AM
To: Victor Buza
Cc: Olga Whiteley; Anthony Martinello; Sarah Harris; Lisa Stein
Subject: FW: Updated Incumbency Certificate

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Hello Victor,

The Board Resolution in relation to the OFA credit facilities is redacted, as such the reference to "Credit Facilities" therein may not be general. In any event, it is appropriate that the COI refers to the two specific OFA agreements. The only comment is the reference to the 2017 FHP agreement could also state "as may be amended from time to time".

Also, there is no need for a new certificate in relation to the OEFC financings at this time.

Thanks,

Will

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From: William Tan
To: Sarah Harris
Subject: FW: Weekly Status Update
Date: Tuesday, November 28, 2017 8:16:38 AM

Good morning Sarah,

1. Review FHP for redaction.
2. Hi volume in OILC activity.
3. Update OILC procedure.
4. Review ISDA Agreements for each counterparty to determine the acceptable form of delivery for trade confirmations for f/x, rolls and futures and whether they are to be governed by ISDA.
5. OLMS report/OILC Loan confirmation improvement – Awaiting reply from Craig to hear about feasibility. Craig drops by every 3rd day indicating that he hasn't had time to review my emails yet. 2nd week of no movement.
6. Procedure improvement review – Awaiting Ryan to provide revised sample procedure to the department.
7. Update T-bill procedure manual – pending test of new procedures before I document them.
8. Bond exchange procedures – drafts submitted.

From: Sarah Harris
Sent: Monday, November 27, 2017 1:59 PM
To: Andrea Dalgarno ; Dean Hwang ; Jean-Francois Beaupre ; Karin Sze ; Ryan Blackbyrne ; Sab Horvath ; William Tan
Subject: Weekly Status Update

Hello,
A slight change this week…would you please provide me with an update to the status of your files by tomorrow at 9 a.m.
Thanks,
Sarah

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From:	Sarah Harris
To:	Lisa Stein
Subject:	FW: conference call re FHP Agreement
Date:	Friday, November 10, 2017 4:09:54 PM

From: William Tan
Sent: Tuesday, August 08, 2017 3:32 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>; Tobias P. Whitfield (MOF) <Tobias.Whitfield@ontario.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: conference call re FHP Agreement

Hi Toby and Lisa,

Do you mind sharing with me the issues that are outstanding? (So I may take advantage of the time before the afternoon call. I want to avoid any new items that would push this back another day). Possibly one of these issues can be addressed immediately since Mike and Ken have already weigh-in?

To paraphrase Bruno, he is fine with Permitted Lien's in (k) but wanted Legal's opinion.

From: William Tan
Sent: Tuesday, August 08, 2017 3:18 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Bruno Amara <Bruno.Amara@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>; Tobias P. Whitfield (MOF) <Tobias.Whitfield@ontario.ca>
Subject: RE: conference call re FHP Agreement

Hello,

Is everyone available at 2pm tomorrow?

Thanks,

Will

From: Lisa Stein
Sent: Tuesday, August 08, 2017 11:06 AM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Bruno Amara <Bruno.Amara@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>; Tobias P. Whitfield (MOF) <Tobias.Whitfield@ontario.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Subject: conference call re FHP Agreement

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Subject:	FW: conference call re FHP Agreement
Date:	Friday, November 10, 2017 11:46:45 AM

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From: William Tan
To: Sarah Harris
Subject: FW: draft: OFHP email to OFA stakeholders
Date: Tuesday, November 14, 2017 11:39:12 PM
Attachments: Dear al1.version 4.docx

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Thanks,

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We can discuss after my meeting with Opal.
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Thanks, Will.
Please see my further comments.
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Hi Will,

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Hello Sarah,

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Dear all,

Below is the structure for the OFA IESO's existing Credit Facility for $475 million and new $2B OFHP Credit Facility as follows:

	OFA:IESO Facility	New FHP facility
Current credit facilities	$975 million	$ -
Reduction due to FHP	($500 million)	$ -
Increase due to FHP	$ -	$2,000 million
Totals Credit Facilities	$475 million	$2,000 million

The FHP Credit Facility has the following key provisions:

- Revolving Credit Facility;
- 5 year term which expires September 30, 2022;
- Draws – to be based on minimum of 5 days to a maximum of 95 days;
- Flexibility to roll-over the entire/portion of the principle or interest;
- Option to create additional subcategories strictly for OFHP purposes by identifying the subcategory on the Borrowing Notice form (advancement form).

Key dates (*approximate numbers):

- November 6, 2017

i. $2 billion OFHP Credit Facility Agreement signed;
ii. Existing Credit Facility changes effective November 21;

- November 17, 2017

i. to receive OFHP Borrowing Notice from IESO to advance $825 million* + $225 million* (new advancement) for November 21, advancement (approximate numbers);
ii. to receive existing Credit Facility Election Notice from IESO to extend $10 million* + $2 million* (new advancement) for November 21, advancement;

- November 21, 2017, anticipated end of day balances

i. OFHP Credit Facility outstanding balance $1.05 billion*
ii. Existing credit Facility $12 million*.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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strictly prohibited. If you are not the intended recipient or have received this message in error, please notify us immediately by reply e-mail and permanently delete this message including any attachments, without reading it or making a copy. Thank you

Dear all,

We have executed the following credit facilities.

1) $2B OFA-IESO Credit Facility in relation to the Ontario Fair Hydro Plan (FHP).

The FHP Credit Facility has the following key provisions:

- Revolving Credit Facility with a maximum limit at any time of C$2 billion;
- Term: 5 year term which expires September 30, 2022, with last draw possible on September 22, 2022;
- Draws: ~~—~~to be based on minimum of 5 days to a maximum of 95 days;
- IESO may~~Flexibility to~~ roll-over the entire/portion of the principal and interest;
- Notice Period: For an advance or a rollover, IESO is required to provide~~give~~ ~~T~~two business day prior notice given not later than 10:00 a.m.;~~[What is notice period for draws and rollover?]~~?
- Business day convention: Following;
- Use of Proceeds~~Funds~~:~~ Proceeds of Advances may be used only for IESO's financing needs and requirements of any kind arising in connection with the IESO's role with respect to and obligations under the OFHP;~~ IESO will use funds in the implementation and administration of the Fair Hydro Plan Act, 2017. The revolving credit facility is for the purposes of providing short to medium term financing related to the OFHP; and[The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the Electricity Act, 1998.\\What is Use of Proceeds?]OptionIESO may specify to create additional subcategories strictly for OFHP purposes by identifying the subcategory on the Borrowing Notice form (advancement form).~~
-
- Interest Rate on Advances: Annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum. ~~[What is default interest rate?]~~
-

2) Amending Agreement to reduce limit on Existing IESO-OFA $975M Revolving Credit Facility to $475M (with an Effective Date of November 21, end of day).

The existing Credit Facility has the following key provisions ~~are confirmed~~:

- ~~Revolving Credit Facility with a maximum limit at any time of $475M;~~
- Revolving Credit Facility with a maximum limit at any time of $475M;
- Term: ~~year term which~~Aagreement expires December 30, 2019, with last draw possible on November 30, 2019;
- Draws: to be based on minimum of 28 days to a maximum of 95 days;
- IESO may ~~Flexibility to~~ roll-over the entire/portion of the principal and interest;

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Commented [WT1]: I found the trade ticket confirming this and confirmed it with Carlos.

SH: You only needed to look to the agreement. Which section is it covered in?

Commented [WT2R1]: Okay, Section 1.5 Non-Business Day. "….actions shall be taken the next succeeding Business day"

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Commented [SH3]: You have to be able to make it meaningful for recipients, in a language they can understand. Include enough information in clear language, that doesn't require them to look up a regulation.

Commented [SH4]: You need to provide more context like – Interest Rate on Advances. Also specify if this is the rate for overdue payments

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Commented [SH5]: General Note: Mirror the structure, content and phrasing of the sections below to those above, making adjustments where it makes sense.

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Commented [SH6]: 3 year term is not helpful, since there are only two years left

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- Notice Period : For an advance or a rollover, IESO is required to provide two business day prior notice given not later than 10:00 a.m.;
- Business day convention: Following;
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NEXT DRAW FROM IESO

~~3) [Fill in all the key similar details as is provided for the FHP Facility]~~

November 17, 2017 -Three Notices to be received from IESO:

1) **Existing IESO-OFA $975M Revolving Credit Facility for RRRP Program**: IESO will send ~~-~~Election Notice instructions to rollover $10,649,081.37 + estimated new advance $2 million (IESO accrued interest of $11,670.23~~X~~ for Oct 20 to Nov 21 period to OFA).
2) **Existing IESO-OFA $975M Revolving Credit Facility for RPP Program:** IESO to send Election Notice to NOT rollover $825,639,102.00 (IESO will~~WILL~~ pay accrued interest of $904,809.97~~X~~ for 20 to Nov 21 period to- OFA).
3) **$2B OFA-IESO FHP Credit Facility:** IESO to send new borrowing notice under for first advance of approximately $1.05B.

NOTE: In the Borrowing Notice for the $2B OFA-IESO FHP Credit Facility, IESO will specify that instead of repaying (by funds transfer) the maturing $825,639,102.00 under the Existing IESO-OFA Revolving $975M Credit Facility, it will instead use the $825,639,102.00 to fund a portion of the 'new' $1.05B advance under the $2B OFA-IESO FHP Credit Facility. As a result, for the Advance under $2B OFA-IESO FHP Credit F~~f~~acility, the OFA will only transferring net amount of approximately $225 million (that is the difference between $1.05B and $825,639,102.00)

November 21, 2017 – The following transfers are to occur:

1) OFA to transfer to IESO total funds for the following
- **(i)** Existing IESO-OFA $975M Revolving Credit Facility for RRRP Program: amount of new advance of approximately $2 million
- **(ii)** **$**2B OFA-IESO FHP Credit Facility: amount of new advance of approximately $225 million

2) IESO to transfer to OFA total funds for the following
- Existing IESO-OFA $975M Revolving Credit Facility for RRRP Program: accrued interest totalling $916,480.20~~X~~ for (being $11,607.23~~Y~~ for RRRP and $904,809.97~~Z~~ for

~~instructions for first advance under the FHP Credit Facility;~~

November 21, 2017, anticipated end of day balances

- effective end of day; and
- Approximately $1.05 billion~~*~~ advanced under the FHP Credit Facility.

Commented [WT7]: I found the trade ticket for this and confirmed it with Carlos. SH: You only needed to look to the agreement. Which section is it covered in?

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~~Cash netting of $825,639,102 is observed in **Section 3.2(3) Procedure for Advances of the $2B**~~

Best regards,

Commented [SH10]: Again, you need to explain more clearly on the November 17th Notice above for the FHP facility about the First Advance. My wording in the comment box above is colloquial, and you need to "Explain' it. Please come me to discuss.

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Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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- IESO may~~Flexibility to~~ roll-over the entire/portion of the principal and interest;
- Notice Period: For an advance or a rollover, IESO is required to provide~~give~~ ~~T~~two business day prior notice given not later than 10:00 a.m.;~~[What is notice period for draws and rollover?]~~?
- Business day convention: Following;
- Use of Proceeds~~Funds~~:~~ Proceeds of Advances may be used only for IESO's financing needs and requirements of any kind arising in connection with the IESO's role with respect to and obligations under the OFHP;~~ IESO will use funds in the implementation and administration of the Fair Hydro Plan Act, 2017. The revolving credit facility is for the purposes of providing short to medium term financing related to the OFHP; and[The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the Electricity Act, 1998.\\What is Use of Proceeds?]OptionIESO may specify to create additional subcategories strictly for OFHP purposes by identifying the subcategory on the Borrowing Notice form (advancement form).~~
-
- Interest Rate on Advances: Annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum. ~~[What is default interest rate?]~~
-

2) Amending Agreement to reduce limit on Existing IESO-OFA $975M Revolving Credit Facility to $475M (with an Effective Date of November 21, end of day).

The existing Credit Facility has the following key provisions ~~are confirmed~~:

- ~~Revolving Credit Facility with a maximum limit at any time of $475M;~~
- Revolving Credit Facility with a maximum limit at any time of $475M;
- Term: ~~year term which~~Aagreement expires December 30, 2019, with last draw possible on November 30, 2019;
- Draws: to be based on minimum of 28 days to a maximum of 95 days;
- IESO may ~~Flexibility to~~ roll-over the entire/portion of the principal and interest;

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Commented [WT1]: I found the trade ticket confirming this and confirmed it with Carlos.

SH: You only needed to look to the agreement. Which section is it covered in?

Commented [WT2R1]: Okay, Section 1.5 Non-Business Day. "….actions shall be taken the next succeeding Business day"

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Commented [SH3]: You have to be able to make it meaningful for recipients, in a language they can understand. Include enough information in clear language, that doesn't require them to look up a regulation.

Commented [SH4]: You need to provide more context like – Interest Rate on Advances. Also specify if this is the rate for overdue payments

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Commented [SH5]: General Note: Mirror the structure, content and phrasing of the sections below to those above, making adjustments where it makes sense.

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Commented [SH6]: 3 year term is not helpful, since there are only two years left

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- Notice Period : For an advance or a rollover, IESO is required to provide two business day prior notice given not later than 10:00 a.m.;
- Business day convention: Following;
- Use of Proceeds: IESO shall use the proceeds of Advances for liquidity purposes;
- Interest Rate on Advances: Annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum.

NEXT DRAW FROM IESO

~~3) [Fill in all the key similar details as is provided for the FHP Facility]~~

November 17, 2017 -Three Notices to be received from IESO:

1) **Existing IESO-OFA $975M Revolving Credit Facility for RRRP Program**: IESO will send ~~-~~Election Notice instructions to rollover $10,649,081.37 + estimated new advance $2 million (IESO accrued interest of $11,670.23~~X~~ for Oct 20 to Nov 21 period to OFA).
2) **Existing IESO-OFA $975M Revolving Credit Facility for RPP Program:** IESO to send Election Notice to NOT rollover $825,639,102.00 (IESO will~~WILL~~ pay accrued interest of $904,809.97~~X~~ for 20 to Nov 21 period to- OFA).
3) **$2B OFA-IESO FHP Credit Facility:** IESO to send new borrowing notice under for first advance of approximately $1.05B.

NOTE: In the Borrowing Notice for the $2B OFA-IESO FHP Credit Facility, IESO will specify that instead of repaying (by funds transfer) the maturing $825,639,102.00 under the Existing IESO-OFA Revolving $975M Credit Facility, it will instead use the $825,639,102.00 to fund a portion of the 'new' $1.05B advance under the $2B OFA-IESO FHP Credit Facility. As a result, for the Advance under $2B OFA-IESO FHP Credit F~~f~~acility, the OFA will only transferring net amount of approximately $225 million (that is the difference between $1.05B and $825,639,102.00)

November 21, 2017 – The following transfers are to occur:

1) OFA to transfer to IESO total funds for the following
- **(i)** Existing IESO-OFA $975M Revolving Credit Facility for RRRP Program: amount of new advance of approximately $2 million
- **(ii)** **$**2B OFA-IESO FHP Credit Facility: amount of new advance of approximately $225 million

2) IESO to transfer to OFA total funds for the following
- Existing IESO-OFA $975M Revolving Credit Facility for RRRP Program: accrued interest totalling $916,480.20~~X~~ for (being $11,607.23~~Y~~ for RRRP and $904,809.97~~Z~~ for

~~instructions for first advance under the FHP Credit Facility;~~

November 21, 2017, anticipated end of day balances

- effective end of day; and
- Approximately $1.05 billion~~*~~ advanced under the FHP Credit Facility.

Commented [WT7]: I found the trade ticket for this and confirmed it with Carlos. SH: You only needed to look to the agreement. Which section is it covered in?

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~~Cash netting of $825,639,102 is observed in **Section 3.2(3) Procedure for Advances of the $2B**~~

Best regards,

Commented [SH10]: Again, you need to explain more clearly on the November 17th Notice above for the FHP facility about the First Advance. My wording in the comment box above is colloquial, and you need to "Explain' it. Please come me to discuss.

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From: Ryan Blackbyrne
To: Sarah Harris
Subject: FW: status update
Date: Tuesday, September 25, 2018 10:11:05 AM

Hi Sarah,

- Opal signed-off on the Loan Act OIC briefing note with minor comments yesterday afternoon. The note has now been passed along to Tara.
- The due diligence call went well this morning. Opal has asked me to find out how to get a recording of the call which I am in the process of doing
- Patrick has provided me with a draft copy of the Loan Act OIC's
- I spoke with Linda this morning regarding OPG borrowing. She reiterated that she does not expect OPG to do any more borrowing in 2018 but this could change at any time. It sounds like further borrowing requirements going forward after the existing facility expires on December 31, 2018 are fairly uncertain at this time. However, the expectation is that OPG will request a further $700M in borrowing over 3 years (2019,2020,2021) which could take the form of a new facility or an extension of the existing facility. Linda and Ron are in continuous contact with OPG and will keep us updated of developments. Linda requested I update her on the remaining borrowing authority numbers and the remaining borrowing available under the existing facility that expires on December 31, 2018. I emailed these figures to her this morning (and cc'd you).
- I am currently completing the minutes from the IBOR meeting last week (Mike requested I record the the minutes in Elizabeth's absence) I will post them to the IBOR portal when complete.

Thanks,
Ryan

From: Ryan Blackbyrne
Sent: Tuesday, September 18, 2018 9:15 AM
To: Sarah Harris
Subject: status update

Hi Sarah,

- Linda is meeting with OPG this week to discuss their plans looking forward. She did not expect any further OPG borrowing under the existing facility in 2018. She said she expects OPG to request a new 3-year $700M credit facility that would become active when the existing credit-facility expires December 31, 2018. I will follow up with her after her meeting with OPG
- Waiting to hear back from Patrick on draft LRC approval form and DM/CO memos. He is also in process of preparing draft OIC
- Working with Andrea on briefing notes requested by Tara McGrath related to Loan Act and Refinancing Act OIC's
- Working on training manual materials

Thanks,
Ryan

From: Ryan Blackbyrne
To: Sarah Harris
Subject: FW: status update
Date: Tuesday, October 16, 2018 8:56:49 AM

Hi Sarah,

- G80 on pace to settle tomorrow
- Responded to Malle regarding legal entity change of BofAMLS. Waiting for her response.
- No further update provided by Linda since our conversations/emails that you were cc'd on - September 25th.
- Working with Maryam on response to HSBC regarding new terms of business to reflect MiFIDII
- Working with JF and Dean on completing briefing note regarding fallback language (IBOR and related rates)
- Training Manual materials work in progress

Thanks,
Ryan

From: Ryan Blackbyrne
Sent: Tuesday, October 09, 2018 9:27 AM
To: Sarah Harris
Subject: RE: status update

Hi Sarah,

- Tara let us know on Friday that Gadi will not be signing the Loan Act Package materials until after the briefing meeting he has this morning
- No further update provided by Linda since our conversations/emails that you were cc'd on - September 25th.
- Working with Maryam on response to HSBC regarding new terms of business to reflect MiFIDII
- Working with Malle on some of the proposed changes to the briefing note for rebranding Green Bonds
- Working with JF on briefing note regarding fallback language (IBOR and related rates)
- Training Manual materials work in progress

Thanks,
Ryan

From: Ryan Blackbyrne
Sent: Tuesday, September 25, 2018 10:11 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: status update

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- Working on training manual materials

Thanks,
Ryan

From: Opal Kandelas
To: Ryan Blackbyrne
Cc: Sarah Harris; Jean-Francois Beaupre
Subject: Final OEFC-IESO briefing note
Date: Thursday, November 30, 2017 9:45:05 AM
Attachments: IESO-OEFC Note_v8.docx

Please see attached. The relevant parties in CEFD, CMB and CEO's office have been briefed and are fine with moving forward with the IESO requested amendments to the OEFC credit facility and loan agreement.

Thanks,

Opal

OEFC -- IESO CREDIT FACILITY AGREEMENT & THE PERMITTED LIENS

The Independent Electricity System Operator ("IESO") has requested that OEFC amend the existing credit facility agreements between OEFC and IESO (for $160M and $120M) to address the additional obligations IESO is taking on under Ontario's Fair Hydro Plan. IESO has indicated that OEFC credit facilities will not be used for Ontario Fair Hydro Plan (FHP) purposes.

- On November 28, 2017, IESO staff wrote to staff that without the terms of the OEFC facilities being amended, it would need to ask for an interim waiver from the OEFC to avoid being in default.

CONTEXT

- Under the FHP, the IESO and Ontario Power Generation (OPG) are interacting to refinance a portion of the Global Adjustment over a longer period of time.

- IESO and OPG are in a discussion to grant a security/priority interest on IESO's assets to OPG Trust for the period of the first 4 years of the GA deferral.

- The IESO sought and received its Board's approval on Nov 22, 2017 to enter into a security agreement with OPG Trust. The security agreement is currently in draft form. Without amending the existing OEFC $160M and $120M credit facility agreements (the "OEFC Agreements"), IESO could potentially be considered to be in default of the terms of the various agreements. IESO staff wrote:

  > *"…it likely is best to add to the definition of "Permitted Liens" in the two OEFC facilities to address a) IESO granting security to the OPG Trust during the first 4 years of fair hydro program and b) the possibility that the Clean Energy Adjustment funds collected by IESO might be considered to be subject to a lien. The IESO does not want to be inadvertently in default."*

- The IESO provided a draft Security Agreement, dated November 7th, 2017, between them and the OPG Trust to OFA. According to the draft Security Agreement, in the unlikely event that the IESO runs into financial difficulty, the IESO would give OPG Trust a priority in the IESO's assets, including all accounts of the IESO and all cash and proceeds from LDCs, that would put OPG Trust ahead of unsecured creditors, including the OFA and the OEFC.
  - The security agreement is not limited to the Clean Energy Adjustment funds collected by the IESO only.

- In order to address this issue, the IESO has requested to amend the definition of the "permitted liens" in both existing OEFC Agreements to include any liens related to the FHP. Specifically, adding a clause in the existing OEFC Agreements that any lien related to OFHP will not be viewed as negative pledge by OEFC, so those liens can be used to secure the performance of IESO's obligations to OPG under the FHP. This would allow IESO to grant security to the OPG Trust during the first 4 years of implementing the GA deferral and also avoid breaching the terms of the existing agreements with OEFC.

- To support IESO's role in the implementation and participation under the Ontario Fair Hydro Plan Act, 2017 ("OFHP Act"), in July 2017 the IESO had requested that the OFA make similar changes to the credit facility agreements with OFA in October.
  - On November 6, 2017, the OFA amended the $475M facility to amend the definition of "permitted liens" and also included same for the new $2B credit facility agreement between OFA and the IESO , as requested by the IESO.

CONSIDERATIONS

- With the proposed new security agreement between OPG Trust and the IESO, OPG Trust would have a priority claim against the IESO's assets, the OEFC could find itself unable to collect payments due from the IESO. The likelihood of this scenario could be assessed as low.
  - The extent of this risk is subject to uncertainty at this time, given that the regulations that govern the payments related to the Fair Allocation Amount in each period, and how that relates to the obligations to the Financing Entity, are still under development.

- IESO is an agency of the government consolidated line-by-line in the Province's accounts.

- The OFA agreed to IESO's requested changes to the OFA credit facilities.

- OFA'S Capital Markets Operations staff have commented that the legislation governing OEFC, the *Electricity Act, 1998*, may provide differing context from the OFA's objects and mandate under the *Capital Investment Plan Act, 1993* and any changes to the OEFC agreements should take this into account.

- According to the Minister's Directives associated with the OEFC Agreements, the loan and the credit facilities are "subject to such other terms as OEFC deems appropriate." Therefore, an amendment for permitted liens can be done under the existing directives, and new or revised directives from the Minister of Finance are not deemed necessary. This would be consistent with the approach when the pre-existing OFA-IESO credit facility agreement was amended for permited liens on November 6, 2017.

RECOMMENDATIONS

- In order to support IESO's request in relation to its obligation with respect to FHP, OFA staff are of the view that the exisiting OEFC Agreements can be amended to include liens related to FHP under the definition of the "permitted liens".

BACKGROUND

- In order to support IESO's role with the implementation of the OFHP Act, OFA staff made similar changes to the definition of 'permitted liens" in existing OFA-IESO credit facility agreements on November 6, 2017.

- Currently, under the existing credit facility agreements between OEFC and the IESO, the definition of "permitted liens" does not include any lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

Electricity Finance Branch, Corporate and Electricity Finance Division
Capital Markets Operations, Capital Markets Division
Ontario Financing Authority
November 28, 2017

From: Opal Kandelas
To: Ryan Blackbyrne
Cc: Sarah Harris; Jean-Francois Beaupre
Subject: Final OEFC-IESO briefing note
Date: Thursday, November 30, 2017 9:45:05 AM
Attachments: IESO-OEFC Note_v8.docx

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- Under the FHP, the IESO and Ontario Power Generation (OPG) are interacting to refinance a portion of the Global Adjustment over a longer period of time.

- IESO and OPG are in a discussion to grant a security/priority interest on IESO's assets to OPG Trust for the period of the first 4 years of the GA deferral.

- The IESO sought and received its Board's approval on Nov 22, 2017 to enter into a security agreement with OPG Trust. The security agreement is currently in draft form. Without amending the existing OEFC $160M and $120M credit facility agreements (the "OEFC Agreements"), IESO could potentially be considered to be in default of the terms of the various agreements. IESO staff wrote:

  > *"…it likely is best to add to the definition of "Permitted Liens" in the two OEFC facilities to address a) IESO granting security to the OPG Trust during the first 4 years of fair hydro program and b) the possibility that the Clean Energy Adjustment funds collected by IESO might be considered to be subject to a lien. The IESO does not want to be inadvertently in default."*

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- In order to address this issue, the IESO has requested to amend the definition of the "permitted liens" in both existing OEFC Agreements to include any liens related to the FHP. Specifically, adding a clause in the existing OEFC Agreements that any lien related to OFHP will not be viewed as negative pledge by OEFC, so those liens can be used to secure the performance of IESO's obligations to OPG under the FHP. This would allow IESO to grant security to the OPG Trust during the first 4 years of implementing the GA deferral and also avoid breaching the terms of the existing agreements with OEFC.

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- The OFA agreed to IESO's requested changes to the OFA credit facilities.

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RECOMMENDATIONS

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Electricity Finance Branch, Corporate and Electricity Finance Division
Capital Markets Operations, Capital Markets Division
Ontario Financing Authority
November 28, 2017

From:	Sarah Harris
To:	William Tan
Subject:	For final review
Date:	Friday, January 26, 2018 2:56:15 PM
Attachments:	Performance Development Plan William Tan Econ 4 2016-17.v6.doc

---

Hi Will,
As discussed…
Thanks,
Sarah Harris
Manager, Operations
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M7A 1Y7
416-325-8193
sarah.harris@ofina.on.ca

Ontario

Ministry of Finance
Ministry of Revenue

Performance Development Plan and Learning Plan

Section A - PDP/LP Information (confidential when completed)

Employee

Last Name	First Name	WIN #
Tan	Willie Chun Jung	448307

Job Title	Classification
Documentation & Analyst Specialist	Economist 4

☒ OPSEU & OPSEU Excluded ☐ AMAPCEO

Division/Branch/Region

Capital Markets Division, Ontario Financing Authority

Supervisor

Last Name	First Name	Job Title
Harris	Sarah	Manager, Operations

Performance Plan Review Period: From	To
August 4, 2016	August 4, 2017

Performance Plan (Section B) established	☒ Yes	☐ Final Review	Date of review
Learning Plan (Section C) established	☒ Yes	# Learning Days Taken	1
# Learning Objectives established	5	# Learning Objectives Completed	4
Career Plan (Section E) established	☐ Yes ☐ No		

Confirmation of Performance Plan

I have discussed the contents of this performance plan with my immediate supervisor. I understand the expectations set out in my performance plan and the basis upon which my performance will be reviewed in the upcoming performance plan review period.

Employee's Signature	Date

Supervisor's Signature	Date

Section B - Performance Development

Key Performance Requirements & Commitments	Performance Outcomes & Measures	Results Achieved (Complete at the end of the review period.)
Identify the work/job related tasks, activities, functions and/or projects to be completed during the performance review	Indicate how you will carry out and measure performance commitments.	Record accomplishments and the impact of result on the unit/branch or ministry.
Provide documentation and analysis to support the Province of Ontario's borrowing/financing programs.	Document and understand procedures and all aspects involved in bond issuance programs, DMTN, EMTN and any other additional programs that the Province may undertake. Prepare and document bond issues. Support and assist with the documentation of EMTN, ADI, Global and USMTN issues, by setting bring-down calls, drafting closing certificates, preparing schedules of expenses, and providing comments on Prospectuses, Underwriting Agreements and other related documents Negotiate with legal counsel, investment banks, fiscal agents, etc., that detailed terms and conditions of all necessary agreements for complex financing structures and instruments. Ensure that the terms and conditions reflect the operational requirements of the participants in the transactions. Administer Documentation's invoice tracking and payment process for the Province's borrowing programs	Led several DMTN bond issues. I am working independently and improving upon my accuracy. I was provided with some additional background information on the differences between bring-down calls and due diligence calls resulting in vast improvement in this area. I have, in turn, passed this on to two new colleagues on their first bring-down calls and due diligence calls. Administered the invoice tracking and payment process. Followed up with vendors when payment is disputed.

Provide support to the documentation and analysis coordinator on T-bill activations and redemptions.	Administer T-bill activations and redemptions. Ensure that procedures are followed, completed and if necessary, updated, in a timely manner.	Administered T-bill activations and redemptions according to the procedures and in a timely manner. Updated T-bill procedures to reduce the number of T-bill Notifications to save on CDS costs.
Monitor and participate in the Province's, OEFC's and OFA's financing to other public bodies, ministries, etc..	Negotiate and amend various financing agreements with third party ministries and public bodies including OILC, OPG etc. Administer day to day loans and advances to third parties, including OILC	OILC Loans Administered OILC Long-Term Loans program by documenting 120 loans. Processed a rare OILC FRN Loan which involved researching and comparing the differences between FRN and conventional loans documents. This allowed me to provide guidance to our client to ensure a smooth loan execution process. I have developed/maintained a good relationship with OILC team as the lead contact by answering their questions regarding borrowing authority, loan agreement, providing support to help maintain their deadlines, managing workflow, reviewing documents for errors etc. FHP Agreement Assigned as the lead in the drafting of the Fair Hydro Plan (FHP) Credit Facility Agreement, amendment for an existing credit facility and Historical Summary. This was a learning opportunity, where I was exposed to Microsoft Word document editing, the credit facility negotiation process, project management stages and related tasks. Under the guidance of my manager, I conducted research into processes and provisions after consulting with legal counsel before incorporating them into the agreements. Examples: Settlements (Grid Note process) - Learned the payment flows for advances as they related to Borrowing and Election Notices and how it was tracked on the Grid Note, provided me with a deeper understanding of the process to further assist me in the editing of the FHP Agreement. Providing Status Update – I learned the value of providing status updates to other departments to inform them of events that would impact them. This was also an

		opportunity for areas to ask questions and make preparations. This assisted other areas by mapping out the order of events and forced me to have a greater understanding and appreciation Documentation's role in the "bigger picture". Shared timelines with stakeholders (IESO, OFA legal etc.) to help move create urgency and help move the project along. Interest only payments on FHP debt led to changes to the Borrowing Notice and Election Notice. This provided with me some exposure to legal language describing outlining financial instrument guidelines. Identified potential risk related to IESO's request to change the "Use of Proceeds" and managed it by consulting with internal and external counsel to assist in the redrafting the section which required multiple follow-up meetings and draft versions. Also identified conflicting language related to liens and reverse pledge and Permitted Liens (k). Continued exposure to the combination of reading and comprehending financial language provides me with more experience to identify gaps in risk and language. Participated in rewording the Borrowing Notice and Election Notice. Obtained Capital Markets commitment to include an interest only in both credit facilities.
Ad hoc assignments and projects.	Work on any assignments, projects, and tasks as determined by Manager.	Prepared credit facility amendment agreement history/summary. I was exposed to the original IESO credit facility agreement and how all the amendments impact the final agreement. This exercise was helpful because I was previously only familiar with restated agreements. Created the Agreement due date tracking sheet. I became familiar with the different outstanding agreements, credit facilities and how to navigate the folders. Participated in the RNS announcement/NSM submission

		project. This provided me with an opportunity to collaborate with another colleague and become familiar with research and mapping out specific steps to add to a procedure. Began work on the OLMS Report/OILC Loan Confirmation Improvement. This project involves coordinating with technology on process improvement. Created BSC email distribution list to efficiently track and manage the Required and Optional meeting attendees. This will save administration time and effort in tracking. Assisted in facilitating a bond extension and exchange. This particular transaction had additional complexities compared to traditional bond exchanges. I gained experience in bond optionality, documentation process, the steps involved and how to plan for it. Following the procedure is only part of the process. Understanding every aspect of the task, planning and making preparations have provided me with valuable experience. Subsequently, updated bond extension and exchange procedures. This allowed me to reflect on a process that was dynamic and complicated (during a process with a number of unexpected events) I was able to re learn the lessons at a more comfortable pace. Drafted a note on Challenges in issuing equity linked bonds. Summary of Investment Management Agreement Spreadsheet. This exercise allowed me to become familiar with the different types of investment management agreements and government agencies we work with. Assisted in the OEFC agreement/partial payment and issuance of new promissory note. The note required legal interpretation of the promissory notes instructions. OEFC Board Resolution was required to approve amendments to the promissory note loan agreement and promissory

		note itself. Replied to bond queries from external parties. This task is a good opportunity for me to learn about different bonds the OFA has issued and the various features.

Section C - Learning Plan (Mandatory)

	Learning Objectives	Required For ☒ Current Position	Required For ☒ Future	Learning Methods	# Days Planned*	Expected Cost	Results Achieved Yes	Results Achieved No	Results Achieved # Days*
1	Procurement: Preparing Procurement Documents	X		(e-learning)	2.5 hours		X		online
2	Risk Management	X		(e-learning)	No class available			X	online
3	Excel intermediate or advance	X		In class	1 day	$340.98	X		1
4	Time management.	X		In class	2 hrs	$199	X		2 hrs
5	Improve knowledge of finance, the OFA and the Ontario Government as it relates to the position	x		On the job training and courses			X		

Employee's Comments

I look forward to additional opportunities for my development in all forms. I welcome job related tasks, job shadow, skill development exercises, courses and seminars.
Learned the level of detail requried.
Responsibilities of different departments.
Perfomance expectations.
Project plan steps.
Check lists.
Personalities.
Status updates with required action from statekholders.
Plan next day check list.
Goal posts established.
Ask how far to need to take something.
Responsibilities and boundaries
Crafting emails and writing skills.
Understanding Amending Agreements.
Valuable experience no previous frame of reference. Resonable ask and expectations.

Supervisor's Comments

Will shall continue to be exposed to and trained on increasingly complex functions of his position. Will shall be given opportunities and support to further refine his analytical skills, expand his knowledge base and enhance his attention to detail in order to carry out the full functions of the position of Documentation & Analysis Specialist

Consider the following Methods of Learning

*Complete # Days columns for classroom and on-line courses only.

- ☐ On-the-job training
- ☐ Job shadowing
- ☐ Special Projects
- ☐ Classroom courses
- ☐ Computer-based learning
- ☐ Temporary Assignment
- ☐ Committee
- ☐ Coaching/mentoring
- ☐ Discussion Group
- ☐ Community of Practice
- ☐ Self Study
- ☐ Videos

Section D - Overall Assessment & Comments for Performance Plan Review Period

Date of Meeting ...

OPSEU & OPSEU Excluded	AMAPCEO
☐ Met performance commitments	☐ Above satisfactory
☐ Did not meet performance commitments	☐ Satisfactory
	☐ Below satisfactory/Needs improvement

Supervisor's Comments

Demonstrated Strengths

View attached comments

Areas for Improvement

Employee's Comments

I will do my upmost to study and prepare for these my tasks in the coming year. On occasion I have dedicated my personal-time for additional work related study. I am commited to meeting and exceeding my performance commitments. I am appreciative to my manager for supporting my development. I look forward to additional challenges as my skills progress. I welcome any opportunities to help my department and team achieve its goals whenever possible.

Supervisor's Signature	Date

Employee's Signature	Date

Employee's signature indicates employee has read and discussed supervisor's concluding comments/appraisal. It is not necessarily an indication of agreement.

Evaluator's Manager's Signature	Date

Section E - Career Plan (Optional)

Employee to Complete

1. What are your general career goals?

Currently, I am only focused on my current role and how I can achieve the best possible results.

2. What education and/or experience do you require to meet your career goals?
   (Be sure to discuss educational requirements as part of your learning plan - Section C of this form.)

I intend to explore additional internal courses. In time, I will explore external courses and industry conferences to stay abreast of current events.

3. What might you do to move your career goals forward?

Currently, I am only focused on my current role and how I can achieve the best possible results.

4. Action Plan (To be developed jointly by the employee and supervisor.)

Currently, I am only focused on my current role and how I can achieve the best possible results.

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To: Sarah Harris
Subject: Fwd: BN - Lending Directive for Loan to OCRC.docx
Date: Tuesday, March 27, 2018 3:50:42 PM

Hi,

Call me in morning when free regarding our role . Do they do the two letters or us ? Who is signing off at OFA on package?

Andrea

Sent from my iPhone

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> **Date:** March 27, 2018 at 3:46:12 PM EDT
> **To:** Opal Kandelas <Opal.Kandelas@ofina.on.ca>, Sarah Harris <Sarah.Harris@ofina.on.ca>, "Malle Hanslep (MOF)" <Malle.Hanslep@ontario.ca>
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I think that the only thing that could be done is to see whether there is any possibility of walking this OIC in at this point if it is that critical. However, at the same time, I know that there have been numerous elements regarding this potential loan including possibly having MOHLTC provide an indemnity to the OFA regarding the repayment by the hospital. Not sure that we could in anyway provide a binding commitment that the

money will be available in 2019 since there would be many other elements such as a Minister's directive, the negotiation of the loan agreement and due diligence that would make it conditional. However, it seems that the amendment to the OIC is a necessary precondition.
Also just thinking general about this project, is it anticipated that any other approvals or signing of agreements, etc. would be proposed during the writ period?
Thanks,
Malle

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Sent: March 27, 2018 12:21 PM
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Cc: Parish, Garth (OFA); Dalgarno, Andrea (OFA); Kandelas, Opal (OFA)
Subject: FW: BN - Lending Directive for Loan to OCRC.docx

Hello Malle,
I am writing to you to inquire about the timing for an approval for an OIC in relation to a loan that the OFA may be making to St. Michael's, as detailed below.
In short, the OFA has the available room under its existing lending OICs (i.e. the OICs where the OFA borrows from Her Majesty, and then in turn makes loans to public bodies), but the expiry dates of the existing OICs are shorter than the proposed maturity. The OICs expire in 2041 and the loan would mature in late 2054. In order for the St. Micheal's loan to occur, there has to be a binding assurance to HOOPP by April 30th that funds will be available to be advance in the summer of 2019. In order for us to provide this, we would need to get approval for an amending OIC to extend the expiry dates of the existing OICs to 2055.
Given that the last LRC scheduled is for April 16th, and the deadlines for providing materials has passed (March 20th), it doesn't seem possible to get approval for an amending OIC prior to April 30th. Do you know of any options that might make this possible?
Thanks,
Sarah

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Subject: RE: BN - Lending Directive for Loan to OCRC.docx

Hi Andrea,
We are in discussions with St. Michael's Hospital to provide them with a $100M loan that would be amortized over 35 years. This is with regard to pension assets that they are transferring to HOOPP that need to be topped up by $100M.
A wrinkle is that they need to provide a binding assurance to HOOPP by April 30 that they have the funds although the effective date of the loan and the transfer of funds won't take place until July/August of 2019. This means that the loan wouldn't be paid off until late 2054.

We understand that the latest dated OIC is 844/2008 which ends June 1, 2041, so in order to make this loan we would need an OIC out to say, 2055 – although we may wish to make it later. A smaller request from Grand River hospital would be similar. Both loans would fit within the existing authorized amounts but not the repayment date. Please advise the best way to proceed towards the required OIC amendment re timing. Thanks. I will call to follow up.
Thanks,
Garth

From: Andrea Dalgarno
Sent: December-06-17 2:10 PM
To: Garth Parish <Garth.Parish@ofina.on.ca>
Cc: Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Daki Proudfoot <Daki.Proudfoot@ofina.on.ca>; Mara Bakic <Mara.Bakic@ofina.on.ca>; Bonnie Lemcke <Bonnie.Lemcke@ofina.on.ca>
Subject: RE: BN - Lending Directive for Loan to OCRC.docx
Hi,
I have a place holder for when we do the next joint update to add the new 2 billion OIC 1279/2017 and the associated 2 billion line of credit (IESO-OFA credit facility FHP related). Also note the IESO 975m one will be removed while the IESO 475M will remain- it will be one line representing 475M.
Regards,
Andrea

From: Garth Parish
Sent: Wednesday, December 06, 2017 1:52 PM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>
Cc: Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Daki Proudfoot <Daki.Proudfoot@ofina.on.ca>; Mara Bakic <Mara.Bakic@ofina.on.ca>; Bonnie Lemcke <Bonnie.Lemcke@ofina.on.ca>
Subject: RE: BN - Lending Directive for Loan to OCRC.docx
Hi Andrea,
That's great. Thank you very much.
We may have some updates/comments to follow.
Thanks,
Garth

From: Andrea Dalgarno
Sent: December-06-17 12:30 PM
To: Garth Parish <Garth.Parish@ofina.on.ca>
Cc: Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Daki Proudfoot <Daki.Proudfoot@ofina.on.ca>
Subject: RE: BN - Lending Directive for Loan to OCRC.docx
Hi Garth,
I have been asked to respond to your query. Attached is the most current listing we have available of the OFA loans under the two OIC's. This listing was finalized in conjunction with Daki in Corporate Finance.
Based on this July 11, 2017 listing, the remaining authority under the two OIC's are as follows:

1) OIC 675/97 (the currently active one) has remaining authority of $721,594,955.57 as of July 11, 2017

2) OIC 767/99 has authority in the amount of $656,000,000.00 as of July 11, 2017

So it seems, we should be able to draw on OIC 675/97 for the additional loans you reference given it was noted in the BN you attached that the 2017-2018 OFA Borrowing and On-lending Plan was set at $486 million and apparently $250 million of that was postponed to 2018-2019.
Let me know should you have any further question or concerns.
Regards,
Andrea

From: Garth Parish
Sent: Tuesday, December 05, 2017 3:37 PM
To: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Cc: Bonnie Zhang <Bonnie.Zhang@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: BN - Lending Directive for Loan to OCRC.docx

Hi Jean-Francois,
You will see in the highlighted section below that Lisa is asking that we confirm that 2 OFA loans we are working on:

- $150 million to the Ontario Cannabis Retail Corporation
- $100 million to St Michael's hospital

are covered by the "existing on-lending OIC's".
I don't know who would keep a registry of the OICs and what loans they cover. Would your group have this registry?
Thanks,
Garth

From: Lisa Stein
Sent: December-04-17 1:25 PM
To: Garth Parish <Garth.Parish@ofina.on.ca>
Cc: Bonnie Zhang <Bonnie.Zhang@ofina.on.ca>
Subject: BN - Lending Directive for Loan to OCRC.docx

Hi Garth,
Please find attached some comments and suggested amendments to the draft briefing note, attached. I did not review the attachments; however, as discussed on Friday, they still reference the loan to St. Michael's hospital as well (and these references should be deleted).
I'm still working on the directive for the OCRC loan. In the meantime, can you please confirm that this loan is covered by the existing on-lending OICs (as referenced in the draft note)?
Thank you,
Lisa

Lisa N. Stein
Legal Counsel
Ontario Financing Authority
416-325-2320

****
This message, including any attachments, is intended only for the use of the individual(s) to which it is addressed and contains information that is privileged/confidential. Any other distribution, copying or disclosure is strictly prohibited. If you are not the intended recipient or have received this message in error, please notify the sender immediately by reply e-mail and permanently delete this message, including any attachments, without reading it or making a copy. Thank you.
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Hi Andrea,
We are in discussions with St. Michael's Hospital to provide them with a $100M loan that would be amortized over 35 years. This is with regard to pension assets that they are transferring to HOOPP that need to be topped up by $100M.
A wrinkle is that they need to provide a binding assurance to HOOPP by April 30 that they have the funds although the effective date of the loan and the transfer of funds won't take place until July/August of 2019. This means that the loan wouldn't be paid off until late 2054.

We understand that the latest dated OIC is 844/2008 which ends June 1, 2041, so in order to make this loan we would need an OIC out to say, 2055 – although we may wish to make it later. A smaller request from Grand River hospital would be similar. Both loans would fit within the existing authorized amounts but not the repayment date. Please advise the best way to proceed towards the required OIC amendment re timing. Thanks. I will call to follow up.
Thanks,
Garth

From: Andrea Dalgarno
Sent: December-06-17 2:10 PM
To: Garth Parish <Garth.Parish@ofina.on.ca>
Cc: Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Daki Proudfoot <Daki.Proudfoot@ofina.on.ca>; Mara Bakic <Mara.Bakic@ofina.on.ca>; Bonnie Lemcke <Bonnie.Lemcke@ofina.on.ca>
Subject: RE: BN - Lending Directive for Loan to OCRC.docx
Hi,
I have a place holder for when we do the next joint update to add the new 2 billion OIC 1279/2017 and the associated 2 billion line of credit (IESO-OFA credit facility FHP related). Also note the IESO 975m one will be removed while the IESO 475M will remain- it will be one line representing 475M.
Regards,
Andrea

From: Garth Parish
Sent: Wednesday, December 06, 2017 1:52 PM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>
Cc: Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Daki Proudfoot <Daki.Proudfoot@ofina.on.ca>; Mara Bakic <Mara.Bakic@ofina.on.ca>; Bonnie Lemcke <Bonnie.Lemcke@ofina.on.ca>
Subject: RE: BN - Lending Directive for Loan to OCRC.docx
Hi Andrea,
That's great. Thank you very much.
We may have some updates/comments to follow.
Thanks,
Garth

From: Andrea Dalgarno
Sent: December-06-17 12:30 PM
To: Garth Parish <Garth.Parish@ofina.on.ca>
Cc: Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Daki Proudfoot <Daki.Proudfoot@ofina.on.ca>
Subject: RE: BN - Lending Directive for Loan to OCRC.docx
Hi Garth,
I have been asked to respond to your query. Attached is the most current listing we have available of the OFA loans under the two OIC's. This listing was finalized in conjunction with Daki in Corporate Finance.
Based on this July 11, 2017 listing, the remaining authority under the two OIC's are as follows:

1) OIC 675/97 (the currently active one) has remaining authority of $721,594,955.57 as of July 11, 2017

2) OIC 767/99 has authority in the amount of $656,000,000.00 as of July 11, 2017

So it seems, we should be able to draw on OIC 675/97 for the additional loans you reference given it was noted in the BN you attached that the 2017-2018 OFA Borrowing and On-lending Plan was set at $486 million and apparently $250 million of that was postponed to 2018-2019.
Let me know should you have any further question or concerns.
Regards,
Andrea

From: Garth Parish
Sent: Tuesday, December 05, 2017 3:37 PM
To: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Cc: Bonnie Zhang <Bonnie.Zhang@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: BN - Lending Directive for Loan to OCRC.docx

Hi Jean-Francois,
You will see in the highlighted section below that Lisa is asking that we confirm that 2 OFA loans we are working on:

- $150 million to the Ontario Cannabis Retail Corporation
- $100 million to St Michael's hospital

are covered by the "existing on-lending OIC's".
I don't know who would keep a registry of the OICs and what loans they cover. Would your group have this registry?
Thanks,
Garth

From: Lisa Stein
Sent: December-04-17 1:25 PM
To: Garth Parish <Garth.Parish@ofina.on.ca>
Cc: Bonnie Zhang <Bonnie.Zhang@ofina.on.ca>
Subject: BN - Lending Directive for Loan to OCRC.docx

Hi Garth,
Please find attached some comments and suggested amendments to the draft briefing note, attached. I did not review the attachments; however, as discussed on Friday, they still reference the loan to St. Michael's hospital as well (and these references should be deleted).
I'm still working on the directive for the OCRC loan. In the meantime, can you please confirm that this loan is covered by the existing on-lending OICs (as referenced in the draft note)?
Thank you,
Lisa

Lisa N. Stein
Legal Counsel
Ontario Financing Authority
416-325-2320

****
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****

From:	William Tan
To:	Lisa Stein
Cc:	Sarah Harris
Subject:	Fwd: IESO $2B and $475M Credit Facilities
Date:	Friday, May 18, 2018 11:02:48 AM
Attachments:	SAMF170118051810190.pdf ATT00001.htm SAMF170118051810200.pdf ATT00002.htm

---

Hello Lisa,

Olga (IESO) provided the borrowing notices with signature under company seal. Do you mind reviewing the attached and commenting if you have any concerns?

Thanks,

Will

Sent from my iPhone

Begin forwarded message:

> **From:** "Olga Whiteley" <Olga.Whiteley@ieso.ca>
> **To:** "William Tan" <William.Tan@ofina.on.ca>, "Sarah Harris" <Sarah.Harris@ofina.on.ca>
> **Cc:** "Anthony Martinello" <Anthony.Martinello@ieso.ca>, "Victor Buza" <Victor.Buza@ieso.ca>
> **Subject: RE: IESO $2B and $475M Credit Facilities**
>
> Hello Will and Sarah,
> Please see attached borrowing notices with IESO's corporate seal applied to Peter Gregg's signature (CEO). I will forward the originals to you on Monday.
> Thank you very much for your help with all this.
> Regards.
> **Olga Whiteley** | Treasury and Pension Operations
> Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
> Station A, Box 4474, Toronto, ON M5W 4E5
> Web: www.ieso.ca[ieso.ca] | Email: olga.whiteley@ieso.ca
>
> ---
>
> **From:** William Tan [mailto:William.Tan@ofina.on.ca]
> **Sent:** May 17, 2018 3:54 PM
> **To:** Anthony Martinello; Olga Whiteley
> **Cc:** Sarah Harris
> **Subject:** RE: IESO $2B and $475M Credit Facilities
> Hello Anthony and Olga,
> I apologise for the multiple emails. I have additional solutions as I am having a fluid conversation with my legal department.
> 1. Certified resolution of the board of directors for IESO authorizing both the Fair

Hydro Plan Credit Agreement and for the Existing Credit Facility authorizing the signatory and Updated Incumbency Certificate.

2. A delegation of authority from the (former) IESO CFO to the IESO CEO (or other authorized signatories).
3. A general signing authority resolution of the IESO Board of Directors.
4. By-law or other document in place providing authorization to the IESO CEO.
5. A certificate from the IESO Corporate Secretary stating that the IESO CEO has signing authority.
6. A signature under seal of the corporation.

Thanks,
Will

From: William Tan
Sent: Thursday, May 17, 2018 3:27 PM
To: 'Anthony Martinello' <Anthony.Martinello@ieso.ca>; 'Olga Whiteley' <Olga.Whiteley@ieso.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO $2B and $475M Credit Facilities

Hello Anthony,
Can you please request the following documents from your legal department:

1. a delegation of authority from the (former) IESO CFO to the IESO CEO (or other authorized signatories); and/or,
2. a general signing authority resolution of the IESO Board of Directors

Thank you,
Will

From: William Tan
Sent: Thursday, May 17, 2018 2:10 PM
To: 'Anthony Martinello' <Anthony.Martinello@ieso.ca>; Olga Whiteley <Olga.Whiteley@ieso.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO $2B and $475M Credit Facilities

Hello Anthony,
Unfortunately the documents required are key documents. Could you please check on the status of the documents? I will seek any possible solutions from my end.
Thanks,
Will

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Thursday, May 17, 2018 6:34 AM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO $2B and $475M Credit Facilities

Will,
I have requested our legal group to address your request and prepare an updated cert….it is pending.
I'm not sure this cert will be ready by today or tomorrow…let me know if this is a

problem.
As for the IESO CEO signing the draw, the resolution you already have notes that the CFO delegate can sign and thus the IESO CEO (CFO's boss) is now signing the draws.
Regards.

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: May 10, 2018 3:12 PM
To: Anthony Martinello
Cc: CASHP; SETTLEMENT; Carlos Yep; James Devine; Ricky Lai; Olga Whiteley; Sarah Harris
Subject: FW: IESO $2B and $475M Credit Facilities

Hello Anthony,
As per our earlier conversation, we would require updated signing authority documents.
Please provide the following:

1. Certified resolution of the board of directors for IESO authorizing both the Fair Hydro Plan Credit Agreement and for the Existing Credit Facility authorizing the signatory.
2. Updated Incumbency Certificate.

Attached is an example of the documents.
Thanks,
Will

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Thursday, May 10, 2018 11:47 AM
To: CASHP <CASHP@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>; Ricky Lai <Ricky.Lai@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>
Subject: IESO $2B and $475M Credit Facilities

Hi,
The IESO's CFO, Kim Marshall, is no longer with the IESO effective May-1-2018.
We are actively recruiting for a CFO, but no CFO and no acting CFO is yet named……the new CFO is not expected to be in place until July 2018.
For the $2B and $475MM facilities, we will be drawing on these next week……..are you ok if I sign the OFA notices or do you require the IESO CEO (remember no CFO is present).
Please advise.
Regards.

Anthony Martinello CPA CA, CFA
Director, Treasury & Pension Operations
Independent Electricity System Operator (IESO) | T: 905-403-6944
Station A, Box 4474, Toronto, ON, M5W 4E5
www.ieso.ca[ieso.ca][na01.safelinks.protection.outlook.com]

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message or any files transmitted with it is strictly prohibited. If you have received this message in error, or are not the named recipient(s), please notify the sender immediately and delete this e-mail message.

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Powering Tomorrow.

Independent Electricity System Operator
Station A, Box 4474
Toronto, ON M5W 4E5
t 905.403.6900
www.ieso.ca

SCHEDULE 2
ELECTION NOTICE

May 16, 2018

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7
Delivered Via Email: CASHP@ofina.on.ca

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated November 21, 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is **May 18, 2018**.
(b) The aggregate amount of the proposed Continued Advance is **$852,203.09**, which is comprised of:
    i. principal amount of Advance which is to be continued **$852,203.09**; and
    ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date **$0.00**;
(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): **$0.00**;
(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is **June 20, 2018**. [Insert date not earlier than 5 days and not later than 95 days after the current Repayment Date for the Advance.]

IESO confirms it will also be paying interest in the amount of **$993.69**.

Such election shall be confirmed by IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: **$255,748,186.14**

The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: **$256,600,389.23**

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): **This transaction relates to the Fair Hydro Program**.

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Peter Gregg
President & CEO

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Powering Tomorrow.

Independent Electricity System Operator
Station A, Box 4474
Toronto, ON M5W 4E5
t 905.403.6900
www.ieso.ca

SCHEDULE 2 TO AMENDING AGREEMENT NO. 10
ELECTION NOTICE

May 16, 2018

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7
Delivered Via Email: CASHP@ofina.on.ca

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is **May 18, 2018**;
(b) The aggregate amount of the proposed Continued Advance is **$14,118,028.50**, which is comprised of:
   i. principal amount of Advance which is to be continued **$14,118,028.50**; and
   ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date **$0.00**;
(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): **$0.00**;
(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is **June 20, 2018**. [Insert date no earlier than 28 days and not later than 95 days after the Current Repayment Date for the Advance].

IESO confirms it will also be paying interest in the amount of **$16,462.01**.

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: **$838,764.93**

The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: **$14,956,793.43**

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): **This transaction relates to the settlement of the Rural or Remote Electricity Rate Protection (RRRP) variance.**

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Peter Gregg
President & CEO

From:	William Tan
To:	Lisa Stein
Cc:	Sarah Harris
Subject:	Fwd: IESO $2B and $475M Credit Facilities
Date:	Friday, May 18, 2018 11:02:48 AM
Attachments:	SAMF170118051810190.pdf ATT00001.htm SAMF170118051810200.pdf ATT00002.htm

---

Hello Lisa,

Olga (IESO) provided the borrowing notices with signature under company seal. Do you mind reviewing the attached and commenting if you have any concerns?

Thanks,

Will

Sent from my iPhone

Begin forwarded message:

> **From:** "Olga Whiteley" <Olga.Whiteley@ieso.ca>
> **To:** "William Tan" <William.Tan@ofina.on.ca>, "Sarah Harris" <Sarah.Harris@ofina.on.ca>
> **Cc:** "Anthony Martinello" <Anthony.Martinello@ieso.ca>, "Victor Buza" <Victor.Buza@ieso.ca>
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> Regards.
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> Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
> Station A, Box 4474, Toronto, ON M5W 4E5
> Web: www.ieso.ca[ieso.ca] | Email: olga.whiteley@ieso.ca
>
> ---
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Thanks,
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Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO $2B and $475M Credit Facilities

Hello Anthony,
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Thank you,
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Thanks,
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Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
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Regards.

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Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>
Subject: IESO $2B and $475M Credit Facilities

Hi,
The IESO's CFO, Kim Marshall, is no longer with the IESO effective May-1-2018.
We are actively recruiting for a CFO, but no CFO and no acting CFO is yet named……the new CFO is not expected to be in place until July 2018.
For the $2B and $475MM facilities, we will be drawing on these next week……..are you ok if I sign the OFA notices or do you require the IESO CEO (remember no CFO is present).
Please advise.
Regards.

Anthony Martinello CPA CA, CFA
Director, Treasury & Pension Operations
Independent Electricity System Operator (IESO) | T: 905-403-6944
Station A, Box 4474, Toronto, ON, M5W 4E5
www.ieso.ca[ieso.ca][na01.safelinks.protection.outlook.com]

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message or any files transmitted with it is strictly prohibited. If you have received this message in error, or are not the named recipient(s), please notify the sender immediately and delete this e-mail message.

This message, including any attachments, is meant only for the use of the individual(s) to whom it is intended and may contain information that is privileged/confidential. Any unauthorized use, copying or disclosure is strictly prohibited. If you are not the intended recipient or have received this message in error, please notify us immediately by reply e-mail and permanently delete this message, including any attachments, without reading them, and destroy all copies. Thank you.

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Independent Electricity System Operator
Station A, Box 4474
Toronto, ON M5W 4E5
t 905.403.6900
www.ieso.ca

SCHEDULE 2
ELECTION NOTICE

May 16, 2018

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7
Delivered Via Email: CASHP@ofina.on.ca

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

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(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): **$0.00**;
(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is **June 20, 2018**. [Insert date not earlier than 5 days and not later than 95 days after the current Repayment Date for the Advance.]

IESO confirms it will also be paying interest in the amount of **$993.69**.

Such election shall be confirmed by IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: **$255,748,186.14**

The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: **$256,600,389.23**

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): **This transaction relates to the Fair Hydro Program**.

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Peter Gregg
President & CEO

ieso
Connecting Today.
Powering Tomorrow.

Independent Electricity System Operator
Station A, Box 4474
Toronto, ON M5W 4E5
t 905.403.6900
www.ieso.ca

SCHEDULE 2 TO AMENDING AGREEMENT NO. 10
ELECTION NOTICE

May 16, 2018

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7
Delivered Via Email: CASHP@ofina.on.ca

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is **May 18, 2018**;
(b) The aggregate amount of the proposed Continued Advance is **$14,118,028.50**, which is comprised of:
   i. principal amount of Advance which is to be continued **$14,118,028.50**; and
   ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date **$0.00**;
(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): **$0.00**;
(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is **June 20, 2018**. [Insert date no earlier than 28 days and not later than 95 days after the Current Repayment Date for the Advance].

IESO confirms it will also be paying interest in the amount of **$16,462.01**.

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: **$838,764.93**

The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: **$14,956,793.43**

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): **This transaction relates to the settlement of the Rural or Remote Electricity Rate Protection (RRRP) variance.**

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Peter Gregg
President & CEO

From: Sarah Harris
To: Jean-Francois Beaupre
Subject: Fwd: IESO - OEFC Nov 7
Date: Tuesday, November 07, 2017 5:19:36 PM

Sent from my iPhone

Begin forwarded message:

From: John Kim <John.Kim@ofina.on.ca>
Date: November 7, 2017 at 4:15:26 PM EST
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>, William Tan <William.Tan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>, Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>, Opal Kandelas <Opal.Kandelas@ofina.on.ca>, Gavin He <Gavin.He@ofina.on.ca>
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Hi there,
I thought Sarah asked us to touch base with IESO on the policy side of things before you were going to talk to them on implementation?
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Subject: IESO - OEFC Nov 7

Ryan,
As discussed with Will today, I understand you will be co-ordinating the proposed 2 amendments to the existing IESO-OEFC credit facilities.
For starters, there are no expected changes being asked to the existing agreement's key business content (e.g. amounts, dates, interest, notices etc.), rather given that IESO-OFA have just finished two new agreements pertaining to the new fair hydro program, ….I suggest we just copy and paste the salient sections from these agreements that would now be relevant to the OEFC agreements for fair hydro namely;
1.DRAFT
The definition of "Permitted Liens" is amended by deleting the word "and" at the end of subsection (xx); replacing the "." at the end of subsection (xx) and replacing it with "; and" ; and adding the following subsection (xx):
"(xx) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment),

or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

2.DRAFT

The OFA agreements had required an intercept provision, …..not sure if the same applies to OEFC if yes:

"Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of November 6th , 2017 herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the Capital Investment Plan Act, 1993 (the "Intercept Letter"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("Appropriated Funds"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("Intercept").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail."

3.

If any… other relevant updates that make sense to do now……I do not anticipate any

material ones.
We need your support to expedite the above in order to avoid delays in the Fair Hydro implementation.
Regards.
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We need your support to expedite the above in order to avoid delays in the Fair Hydro implementation.
Regards.
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From:	Sarah Harris
To:	Carlos Yep; James Devine; Sujeev Jegatheeswaran
Cc:	William Tan
Subject:	Fwd: IESO - Update Incumbency Certificate
Date:	Tuesday, June 19, 2018 4:19:16 PM
Attachments:	Incumbency Certificate June 19 2018 - EXECUTED.pdf ATT00001.htm

---

Hello,

IESO provided the executed signing authority (attached) All is in order.

Thanks,
Sarah
Sent from my iPhone

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> **Date:** June 19, 2018 at 3:48:45 PM EDT
> **To:** Sarah Harris <Sarah.Harris@ofina.on.ca>
> **Cc:** Anthony Martinello <Anthony.Martinello@ieso.ca>, Olga Whiteley <Olga.Whiteley@ieso.ca>, William Tan <William.Tan@ofina.on.ca>, Lisa Stein <Lisa.Stein@ofina.on.ca>
> **Subject: RE: IESO - Update Incumbency Certificate**
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> Regards,
> Victor
>
> ---
>
> **From:** Sarah Harris [mailto:Sarah.Harris@ofina.on.ca]
> **Sent:** June 19, 2018 12:55 PM
> **To:** Victor Buza
> **Cc:** Anthony Martinello; Olga Whiteley; William Tan; Lisa Stein
> **Subject:** RE: IESO/OFA - Signing Authority Documents
>
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> Overall, the certificate looks fine. The only comment we have is that we don't think the last paragraph at the bottom of the page (certification by Barb Anderson for Michael Lyle) is necessary; if that is your standard, however, that's fine.
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> If it possible to have the draft executed by end of day, that will be helpful ensuring the payment is released ASAP.

Thanks,
Sarah

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Sent: Tuesday, June 19, 2018 12:28 PM
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Cc: Anthony Martinello <Anthony.Martinello@ieso.ca>; Olga Whiteley <Olga.Whiteley@ieso.ca>; William Tan <William.Tan@ofina.on.ca>
Subject: RE: IESO/OFA - Signing Authority Documents

Hi Sarah. Following our call earlier and per item #1 of Will's email below, attached please find the updated form of Incumbency Certificate. Please confirm that this updated form is acceptable and we will proceed to have it executed.

In addition, for your convenience, I also attach the original certified Board Resolution authorizing, among other things, the "Chief Financial Officer or her delegate" with respect to making draws under the Fair Hydro Plan Credit Agreement and for the Existing Credit Facility.

Please call me if you have any questions.

Regards,
Victor

Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079

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From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: June 18, 2018 5:22 PM
To: Olga Whiteley; Anthony Martinello
Cc: Sarah Harris
Subject: RE: IESO - Signing Authority Documents

Hello Olga,

My legal department replied back to me and unfortunately a redacted board resolution and certificate of incumbency is required.

Thanks,

Will

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: June 18, 2018 3:45 PM
To: Anthony Martinello; Olga Whiteley
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Subject: RE: IESO - Signing Authority Documents

Hello Anthony and Olga,

I am following-up to get an indication of the solution you wish to pursue. Also, when will you be providing the documents. As a heads-up I will be out-of-the-office on Tuesday. For signatory related documents please coordinate with Sarah Harris.

Thanks,

Will

From: William Tan
Sent: Monday, June 18, 2018 11:38 AM
To: 'Anthony Martinello' <Anthony.Martinello@ieso.ca>; Olga Whiteley <Olga.Whiteley@ieso.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>; Ricky Lai <Ricky.Lai@ofina.on.ca>
Subject: IESO - Signing Authority Documents

Hello Anthony,

As per conversation regarding the required signing authority documents for Barb Anderson VP, & CFO on the election notices for June 20. Please provide completed documents for one of the following options below before June 20.

While option 6 is a suitable solution, it should be viewed as a temporary solution. Therefore, I recommend option 1, as a comprehensive long-term solution.

Options provided in May, 2018:

1. Certified resolution of the board of directors for IESO authorizing both the Fair Hydro Plan Credit Agreement and for the Existing Credit Facility authorizing the signatory and Updated Incumbency Certificate.
2. ~~A delegation of authority from the (former) IESO CFO to the IESO CEO (or other authorized signatories).~~
3. A general signing authority resolution of the IESO Board of Directors.
4. By-law or other document in place providing authorization to the IESO ~~CEO~~ CFO.

5. A certificate from the IESO Corporate Secretary stating that the IESO ~~CEO~~ CFO has signing authority.
6. A signature under seal of the corporation.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

This message, including any attachments, is intended only for the use of the individual(s) to which it is addressed and may contain information that is privileged and confidential. Any other distribution, copying or disclosure is strictly prohibited. If you are not the intended recipient or have received this message in error, please notify us immediately by reply e-mail and permanently delete this message including any attachments, without reading it or making a copy. Thank you

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INCUMBENCY CERTIFICATE

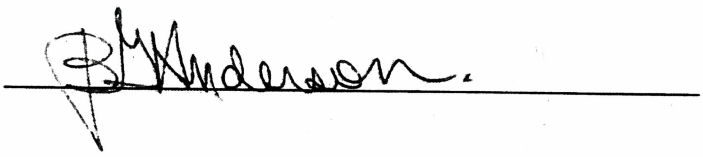
To: Ontario Financing Authority ("**OFA**")

I, the undersigned, Secretary to the Independent Electricity System Operator (the "**IESO**"), in my capacity as an officer of the IESO, and not in my personal capacity, do hereby certify that:

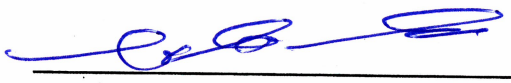
1. Barbara Anderson has been duly appointed as, and as of the date hereof holds the offices of, Chief Financial Officer and Vice-President, Corporate Services (Interim) of the IESO and, for further certainty, has been vested with all of the duties and powers otherwise prescribed to such offices in a permanent capacity.

2. Pursuant to a resolution of the board of directors of IESO dated June 14, 2017, the Chief Financial Officer has the authority from time to time to draw upon (i) the Credit Agreement between OFA and IESO (as successor by amalgamation to Ontario Power Authority) made as of January 1, 2005, as amended, and (ii) the Revolving Credit Facility Agreement between IESO and the Ontario Financing Authority made as of the 6th day of November, 2017 in relation to the Fair Hydro Plan.

3. The following is the genuine signature of the following individual:

Barbara Anderson 

DATED this 19th day of June, 2018.



Michael Lyle
Vice-President, Legal Resources and Corporate Governance, General Counsel, Secretary, and Chief Reliability Compliance Officer

From:	Sarah Harris
To:	Carlos Yep; James Devine; Sujeev Jegatheeswaran
Cc:	William Tan
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Date:	Tuesday, June 19, 2018 4:19:16 PM
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Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079
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Subject: IESO - Signing Authority Documents
Hello Anthony,
As per conversation regarding the required signing authority documents for Barb Anderson VP, & CFO on the election notices for June 20. Please provide completed documents for one of the following options below before June 20.
While option 6 is a suitable solution, it should be viewed as a temporary solution. Therefore, I recommend option 1, as a comprehensive long-term solution.
Options provided in May, 2018:

1. Certified resolution of the board of directors for IESO authorizing both the Fair Hydro Plan Credit Agreement and for the Existing Credit Facility authorizing the signatory and Updated Incumbency Certificate.
2. ~~A delegation of authority from the (former) IESO CFO to the IESO CEO (or other authorized signatories).~~
3. A general signing authority resolution of the IESO Board of Directors.
4. By-law or other document in place providing authorization to the IESO ~~CEO~~ CFO.
5. A certificate from the IESO Corporate Secretary stating that the IESO ~~CEO~~ CFO has signing authority.
6. A signature under seal of the corporation.

Best regards,
Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca
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INCUMBENCY CERTIFICATE

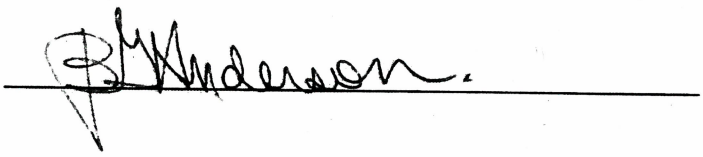
To: Ontario Financing Authority ("**OFA**")

I, the undersigned, Secretary to the Independent Electricity System Operator (the "**IESO**"), in my capacity as an officer of the IESO, and not in my personal capacity, do hereby certify that:

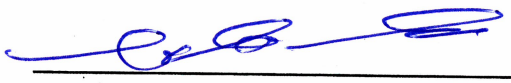
1. Barbara Anderson has been duly appointed as, and as of the date hereof holds the offices of, Chief Financial Officer and Vice-President, Corporate Services (Interim) of the IESO and, for further certainty, has been vested with all of the duties and powers otherwise prescribed to such offices in a permanent capacity.

2. Pursuant to a resolution of the board of directors of IESO dated June 14, 2017, the Chief Financial Officer has the authority from time to time to draw upon (i) the Credit Agreement between OFA and IESO (as successor by amalgamation to Ontario Power Authority) made as of January 1, 2005, as amended, and (ii) the Revolving Credit Facility Agreement between IESO and the Ontario Financing Authority made as of the 6th day of November, 2017 in relation to the Fair Hydro Plan.

3. The following is the genuine signature of the following individual:

Barbara Anderson 

DATED this 19th day of June, 2018.



Michael Lyle
Vice-President, Legal Resources and Corporate Governance, General Counsel, Secretary, and Chief Reliability Compliance Officer

From:	Sarah Harris
To:	John Kim
Cc:	William Tan; Lisa Stein; Opal Kandelas; Gavin He
Subject:	Fwd: IESO / OEFC - $120MM and $160MM
Date:	Sunday, November 05, 2017 12:06:54 PM

Hi John,

We've received no internal direction on the nature of changes IESO is looking for in relation to existing OEFC credit facility with the IESO and the FHP. I surmise it may have to do with adjusting the agreement to allow FHP permitted liens (which we would need internal approval to do) or similar changes, but do you know if IESO communicated requirements to Gadi or Ron?

Thanks,
Sarah
Sent from my iPhone

Begin forwarded message:

> **From:** Anthony Martinello <Anthony.Martinello@ieso.ca>
> **Date:** November 5, 2017 at 11:02:50 AM EST
> **To:** William Tan <William.Tan@ofina.on.ca>
> **Cc:** Lisa Stein <Lisa.Stein@ofina.on.ca>, Sarah Harris <Sarah.Harris@ofina.on.ca>, Victor Buza <Victor.Buza@ieso.ca>
> **Subject: RE: IESO / OEFC - $120MM and $160MM**
>
> Will – unless any concerns, will appreciate if you please begin to draft the two OEFC amendments this week – given that the IESO is targeting to sign the OPG / IESO fair hydro agreement by this month's end,….we need to have the two OEFC's done before this.
> Regards.
>
> ---
>
> **From:** Anthony Martinello
> **Sent:** November 01, 2017 12:56 PM
> **To:** 'William Tan'
> **Cc:** 'Lisa Stein'; 'Sarah Harris'; 'John Kim'; Victor Buza
> **Subject:** IESO / OEFC - $120MM and $160MM
>
> Once we have completed the 2 OFA facilities and the intercept letter – we then have to turn to the 2 outstanding IESO-OEFC credit facilities to contemplate any further amendments too.
> Just ensuring that these 2 OEFC facilities are not missed.
> Regards.
>
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From:	Jean-Francois Beaupre
To:	Sarah Harris
Cc:	Opal Kandelas
Subject:	Fwd: IESO granting of security on ieso assets to opg trust
Date:	Monday, November 13, 2017 10:48:08 AM

Interesting that they were making this request in the documentation prior to having IESO Board approval - also I would be curious to know if and how this may affect the intercept letter for OFA.

JF

Begin forwarded message:

> **From:** Anthony Martinello <Anthony.Martinello@ieso.ca>
> **Date:** November 13, 2017 at 10:32:58 AM EST
> **To:** William Tan <William.Tan@ofina.on.ca>, Victor Buza <Victor.Buza@ieso.ca>, Ryan <Ryan.Blackbyrne@ofina.on.ca>
> **Cc:** Lisa Stein <Lisa.Stein@ofina.on.ca>, Sarah Harris <Sarah.Harris@ofina.on.ca>, John Kim <John.Kim@ofina.on.ca>, Jean <Jean-Francois.Beaupre@ofina.on.ca>
> **Subject: IESO granting of security on ieso assets to opg trust**
>
> Ryan, Will, John
>
> The IESO will be seeking IESO Board approval on Nov 22 to grant the security/priority on ieso assets to the OPG trust.
>
> Let me know if you wish to discuss...i would like to give the Board any comments that OFA and OEFC may have on this granting. Regards
>
> ---
>
> **From:** William.Tan@ofina.on.ca
> **Sent:** November 6, 2017 4:14 PM
> **To:** Victor.Buza@ieso.ca
> **Cc:** Lisa.Stein@ofina.on.ca; Sarah.Harris@ofina.on.ca; Anthony.Martinello@ieso.ca; John.Kim@ofina.on.ca
> **Subject:** RE: Signatures for FHP and Amending Agreement No. 10
>
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From:	Sarah Harris
To:	SETTLEMENT
Subject:	Fwd: OEFC borrowing notice - March 22, 2018
Date:	Wednesday, March 07, 2018 7:45:13 PM
Attachments:	$400M OEFC Borrowing Notice - 03 06 18 signed.pdf ATT00001.htm

---

Hello,

Please find attached OPG's borrowing notice to OEFC for March 22nd.

Thanks,
Sarah
Sent from my iPhone

Begin forwarded message:

From: YAO Anthea -FUNDMGMT <anthea.yao@opg.com>
Date: March 6, 2018 at 2:01:22 PM EST
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: OEFC borrowing notice - March 22, 2018

Hi Sarah,
Could you please assist in Ryan's absence?
Thanks,
Anthea

Anthea Yao | **Ontario Power Generation**
700 University Avenue, Suite H18 C2, Toronto, Ontario, M5G 1X6 | T416.592.5542 | F 416.592.4189 | E **anthea.yao@opg.com**

From: YAO Anthea -FUNDMGMT
Sent: Tuesday, March 06, 2018 1:58 PM
To: 'Ryan Blackbyrne' <Ryan.Blackbyrne@ofina.on.ca>
Cc: RYFA Ken -TREASURY <ken.ryfa@opg.com>; 'Linda Smith' <linda.smith@ofina.on.ca>; 'CASHP@ofina.on.ca' <CASHP@ofina.on.ca>; casho@ofina.on.ca <casho@ofina.on.ca>; Carlos Yep <carlos.yep@ofina.on.ca>; James Devine <james.devine@ofina.on.ca>; 'Serena.ly@ofina.on.ca' <Serena.ly@ofina.on.ca>; GO Matthew -TREASURY <matthew.go@opg.com>; MAK Ricky -TREASURY <ricky.mak@opg.com>; LeRoy Ahyee <LeRoy.Ahyee@ofina.on.ca>
Subject: OEFC borrowing notice - March 22, 2018
Ryan,
Attached is a scanned copy of the Borrowing Notice and Promissory Note for $400 million General Corporate Requirements under the Credit Facility Agreement. The advance has a value date of March 22, 2018 and is for a 30-year term.
I will courier the originals to your attention.
Please wire the advance to the following account:
Beneficiary Name:

Ontario Power Generation Inc.
700 University Ave.
Toronto, ON, M5G 1X6
Beneficiary Account - 476960302716
Swift - NOSCCATT
Bank Number - 002
Transit Number - 47696
Bank information:
The Bank of Nova Scotia
44 King Street West
Toronto, Ontario
Thanks,
Anthea

Anthea Yao | **Ontario Power Generation**
700 University Avenue, Suite H18 C2, Toronto, Ontario, M5G 1X6 | T416.592.5542 | F 416.592.4189 | E anthea.yao@opg.com

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BORROWING NOTICE

Date: March 5, 2018

Ontario Electricity Financial Corporation **("OEFC")**
c/o Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A1Y7

Attention: Cash Management
Via e-mail*: CashP@ofina.on.ca

Dear Sirs:

The undersigned, Ontario Power Generation Inc. ("**OPG**"), refers to the General Corporate Requirements Credit Facility Agreement dated June 17, 2016 (as amended, supplemented or restated from time to time, the **"Agreement"**, the terms defined therein being used herein as therein defined) between OPG and OEFC, and gives you notice pursuant to Section 3.2 of the Agreement that OPG requests the following Advance under the Agreement (the **"Proposed Advance"**), and, in that connection, sets forth below the information relating to such Proposed Advance as required by Section 3.2 of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is March 22, 2018;
(b) The principal amount of the Proposed Advance is $400,000,000;
(c) The purpose of the Proposed Advance is Other General Corporate Requirements;
(d) The Repayment Date of the Proposed Advance is March 22, 2048;
(e) The Interest Payment Dates are the 22nd day of each March and September beginning Septemebr 22, 2018.

OPG hereby certifies that:

The representations and warranties of OPG contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

OPG has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received previously as Advances under the Agreement have been expended or are being held solely for the purpose for which they were advanced; no part of said funds has been nor any part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

ONTARIO POWER GENERATION INC.

Per: _____
John Lee
Vice President Treasurer

Per: _____
Ken Hartwick
Chief Financial Officer &
Senior Vice President - Finance

*To be confirmed by telephone call to OEFC Cash Management (416) 325-8108

PROMISSORY NOTE
(GENERAL CORPORATE REQUIREMENTS CREDIT FACILITY)

Principal Amount: **$400,000,000 CAD** Date: March 22, 2018
Interest Rate: _____% per annum
Due: **March 22, 2048**

FOR VALUE RECEIVED, ONTARIO POWER GENERATION INC. ("OPG"), a corporation incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of $200,000,000 in the lawful money of Canada, with interest on such amount at the rate, calculated in the manner and payable at the times specified in this promissory note (the **"Note"**).

The outstanding principal amount of this Note together with all interest accrued thereon shall become due and payable on March 22, 2048.

OEFC shall and is unconditionally and absolutely authorized and directed by OPG to record the date and amount of each prepayment, made with OEFC's consent, on account of the principal paid to OEFC and the resulting outstanding principal amount of this Note (the "**Records**"). OPG agrees that, in the absence of manifest mathematical error, the Records shall be *prima facie* evidence of such payments, provided that the failure of OEFC to record or correctly record any amount or date shall not affect the obligation of OPG to pay the outstanding principal amount of the advances and interest, if applicable.

The principal amount of this Note remaining from time to time unpaid and outstanding shall bear interest from the date of this Note both before and after maturity and both before and after Default at the rate of per annum equal to _____%. Interest at such rate shall accrue daily and shall be payable in arrears, in equal semi-annual payments on March 22nd and September 22nd of each year commencing September 22, 2018 until repaid in full. Overdue interest shall bear interest at the same rate, calculated as aforesaid. Whenever it is necessary to compute interest in respect of this Note for a period of less than one full year, other than such equal semi-annual payments, such interest shall be calculated on the basis of the actual number of days elapsed in a year of 365 days.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the General Corporate Requirements Credit Facility Agreement dated June 17, 2016 between OPG and OEFC (as amended supplemented or replaced from time to time, the "**Agreement**"), which Agreement provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of OPG. OPG waives presentment for payment and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

*****

IN WITNESS WHEREOF OPG has executed this Note

ONTARIO POWER GENERATION INC.

Per: _____
John Lee
Vice President–Treasurer

Per: _____
Ken Hartwick
Chief Financial Officer &
Senior Vice President - Finance

From:	William Tan
To:	Caroline Swerdlyk
Cc:	Sarah Harris
Subject:	Guidance on IESO Election Notice
Date:	Friday, March 09, 2018 5:35:09 PM
Attachments:	Fwd Ieso march rollover.msg IESO Fair Hydro Plan Grid Note Feb 21.2018.pdf FW IESO $2B Credit Facility - Notice for Feb 16.msg Guidance IESO Election Notice.docx

---

Hello Caroline,

I am anticipating the possibility to providing guidance to IESO on how to fill out the Election Notice. Do you mind reviewing and commenting on the accuracy of Guidance IESO Election Notice?

1.Unofficial numbers (attachment)

$332M continued advance

$128M advance

$460M total advance

IESO plans to pay the interest from the February advance.

2. Grid note (attachment)

Interest amount of $368,828.02

3. Feb Election Notice (attachment)

It appears that the only an Election Notice was used. It also appears that the Election Notice was slightly modified compared to the Election Notice from the FHP Agreement.

(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): **$0.00**;

(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is **March 20, 2018**. [Insert date not earlier than 5 days and not later than 95 days after the current Repayment Date for the Advance.]

IESO confirms it will also be paying interest in the amount of **$261,518.89**.

Such election shall be confirmed by IESO by a telephone call to OFA Cash Management at 416-325-8108.

4. Guidance Election Notice

I captured the Interest payment under (c)

(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): $ _$368,828.02_____

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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From: Carlos Yep []
To: William Tan [William.Tan@ofina.on.ca]
Subject: Fwd: Ieso march rollover
Date: Friday, March 09, 2018 13:32:49

Sent from my iPhone

Begin forwarded message:

From: Anthony Martinello <Anthony.Martinello@ieso.ca>
Date: March 9, 2018 at 7:39:14 AM EST
To: Carlos Yep <Carlos.Yep@ofina.on.ca>
Cc: James Devine <James.Devine@ofina.on.ca>, Ricky Lai <Ricky.Lai@ofina.on.ca>, Olga Whiteley <Olga.Whiteley@ieso.ca>
Subject: Ieso march rollover

Carlos
Our current ofa roll date is march 20.
The fair hydro trust asked for march 22 close.

Therefore we will roll $332 million on march 20 plus need further advance $128 million for total of $460 million until march 22. We will pay the interest due on march 20 and again on march 22.

Let me know if we can rollover to march 22? Regards.

From: Carlos.Yep@ofina.on.ca
Sent: December 19, 2017 10:36 AM
To: Anthony.Martinello@ieso.ca
Cc: James.Devine@ofina.on.ca; Ricky.Lai@ofina.on.ca
Subject: RE: Dec 21 (not Dec 20) IESO $1.005B LoC

Hi Anthony

We will change the maturity date.

Regards

Carlos

PS. Can you make the following change to the email distribution

delete Serena.ly@ofina.on.ca and add Ricky.layi@ofina.on.ca

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Tuesday, December 19, 2017 10:15 AM
To: Carlos Yep <Carlos.Yep@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>
Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>; Kim Marshall <Kim.Marshall@ieso.ca>; Jeannette Briggs <jeannette.briggs@ieso.ca>; Susan Nicholson <susan.nicholson@ieso.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>; CASHP <CASHP@ofina.on.ca>; Serena Ly <Serena.Ly@ofina.on.ca>; Michael Boll <Michael.Boll@ieso.ca>
Subject: RE: Dec 21 (not Dec 20)

Carlos, Jim,

Confirmed, the closing will be Dec 21, 2017 and therefore IESO repayment to OFA will be the same on Dec 21, 2017.

Therefore, please send an updated grid note (Nov 21 to Dec 21 period) with one more day of interest added ….approx $33K more.

Olga will send a revised rollover notice for a) adding $33K interest to the balance, and b) revise the period for Dec 21 2017 to January 19, 2018.

Again (3rd time), thanks for being flexible.

Regards.

From: Anthony Martinello
Sent: December 19, 2017 8:58 AM
To: 'Carlos.Yep@ofina.on.ca'; 'James.Devine@ofina.on.ca'

...

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Ontario Financing Authority

Line of Credit Grid Note

Entity : IESO

Project: Ontario Fair Hydro Plan

Schedule of loan transactions to: 21-Feb-2018

Loan Limit: 2,000,000,000.00

Loan Advanced to: 21-Feb-2018

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days
21-Nov-2017	$1,005,562,526.55	1.2300%	21-Dec-2017	30	$1,016,582.39	$1,005,607,749.88	$1,004,591,167.49	$1,016,582.39	21-Dec-2017	30
21-Dec-2017	$971,359.06	1.2600%	19-Jan-2018	29	$972.42	$972.42	$0.00	$972.42	19-Jan-2018	29
19-Jan-2018	$199,486,717.08	1.4500%	21-Feb-2018	33	$261,518.89	$261,518.89	$0.00	$261,518.89	21-Feb-2018	33
21-Feb-2018	$332,400,560.14	1.5000%	20-Mar-2018	27	$368,828.02	$0.00	$0.00	$0.00		

From: Carlos Yep []
To: William Tan [William.Tan@ofina.on.ca]
Subject: FW: IESO $2B Credit Facility - Notice for Feb 16
Date: Thursday, March 08, 2018 10:28:07
Attachment 1: Rollover Notice with advance.pdf

From: Carlos Yep
Sent: Friday, February 16, 2018 9:45 AM
To: John Kim <John.Kim@ofina.on.ca>; Bruno Amara <Bruno.Amara@ofina.on.ca>
Subject: FW: IESO $2B Credit Facility - Notice for Feb 16

For FHP

Roll-over	$199,486,717.08
New advance	$132,913,843.06
Total advances	$332,400,560.14

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]
Sent: Friday, February 16, 2018 9:13 AM
To: CASHP <CASHP@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>; Ricky Lai <Ricky.Lai@ofina.on.ca>
Cc: Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: IESO $2B Credit Facility - Notice for Feb 16

Please see attached notice for February 16 regarding IESO's $2B facility for the Fair Hydro Program.

Thanks.

Olga Whiteley | Treasury and Pension Operations
Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
Station A, Box 4474, Toronto, ON M5W 4E5
Web: www.ieso.ca[ieso.ca] | Email: olga.whiteley@ieso.ca

This e-mail message and any files transmitted with it are intended only for the named recipient(s) above and may contain information that is privileged, confidential and/or exempt from disclosure under applicable law. If you are not the intended recipient(s), any dissemination, distribution or copying of this e-mail message or any files transmitted with it is strictly prohibited. If you have received this message in error, or are not the named recipient(s), please notify the sender immediately and delete this e-mail message.

ieso
Connecting Today.
Powering Tomorrow.

Independent Electricity System Operator
Station A, Box 4474
Toronto, ON M5W 4E5
t 905.403.6900
www.ieso.ca

SCHEDULE 2
ELECTION NOTICE

Date: **February 16, 2018**

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7
Delivered Via Email: CASHP@ofina.on.ca

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is **February 21, 2018.**
(b) The aggregate amount of the proposed Continued Advance is **$199,486,717.08**, which is comprised of:
i. principal amount of Advance which is to be continued **$199,486,717.08**; and
ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date **$0.00**;
(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): **$0.00**;
(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is **March 20, 2018**. [Insert date not earlier than 5 days and not later than 95 days after the current Repayment Date for the Advance.]

IESO confirms it will also be paying interest in the amount of **$261,518.89**.

Such election shall be confirmed by IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: **$132,913,843.06**

The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: **$332,400,560.14**

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): **This transaction relates to the Fair Hydro Program**.

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: K Marshall

Kimberly Marshall
VP Corporate Services, CFO and Treasurer

SCHEDULE 2

FORM OF ELECTION NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is _March 20, 2018_____.

(b) The aggregate amount of the proposed Continued Advance is $_332,000,000_____, which is comprised of:

i. principal amount (or portion thereof) of Advance which is to be continued $_332,400,560.14_____; and
ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date $_0_____;

(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): $ _$368,828.02_____

(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _March 22, 2018_____. [Insert date not earlier than 2 ~~5~~ days and not later than 95 days after the current Repayment Date for the Advance.]

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Commented [WT1]: I will ask Anthony to strikethrough this.

Formatted: Strikethrough

Amount of the Proposed Advance: $_128,000,000_____
The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_$460,400,560.14_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Name:

Authorized Signatory

From:	William Tan
To:	Caroline Swerdlyk
Cc:	Sarah Harris
Subject:	Guidance on IESO Election Notice
Date:	Friday, March 09, 2018 5:35:09 PM
Attachments:	Fwd Ieso march rollover.msg IESO Fair Hydro Plan Grid Note Feb 21.2018.pdf FW IESO $2B Credit Facility - Notice for Feb 16.msg Guidance IESO Election Notice.docx

---

Hello Caroline,

I am anticipating the possibility to providing guidance to IESO on how to fill out the Election Notice. Do you mind reviewing and commenting on the accuracy of Guidance IESO Election Notice?

1.Unofficial numbers (attachment)

$332M continued advance

$128M advance

$460M total advance

IESO plans to pay the interest from the February advance.

2. Grid note (attachment)

Interest amount of $368,828.02

3. Feb Election Notice (attachment)

It appears that the only an Election Notice was used. It also appears that the Election Notice was slightly modified compared to the Election Notice from the FHP Agreement.

(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): **$0.00**;

(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is **March 20, 2018**. [Insert date not earlier than 5 days and not later than 95 days after the current Repayment Date for the Advance.]

IESO confirms it will also be paying interest in the amount of **$261,518.89**.

Such election shall be confirmed by IESO by a telephone call to OFA Cash Management at 416-325-8108.

4. Guidance Election Notice

I captured the Interest payment under (c)

(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): $ _$368,828.02_____

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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From: Carlos Yep []
To: William Tan [William.Tan@ofina.on.ca]
Subject: Fwd: Ieso march rollover
Date: Friday, March 09, 2018 13:32:49

Sent from my iPhone

Begin forwarded message:

From: Anthony Martinello <Anthony.Martinello@ieso.ca>
Date: March 9, 2018 at 7:39:14 AM EST
To: Carlos Yep <Carlos.Yep@ofina.on.ca>
Cc: James Devine <James.Devine@ofina.on.ca>, Ricky Lai <Ricky.Lai@ofina.on.ca>, Olga Whiteley <Olga.Whiteley@ieso.ca>
Subject: Ieso march rollover

Carlos
Our current ofa roll date is march 20.
The fair hydro trust asked for march 22 close.

Therefore we will roll $332 million on march 20 plus need further advance $128 million for total of $460 million until march 22. We will pay the interest due on march 20 and again on march 22.

Let me know if we can rollover to march 22? Regards.

From: Carlos.Yep@ofina.on.ca
Sent: December 19, 2017 10:36 AM
To: Anthony.Martinello@ieso.ca
Cc: James.Devine@ofina.on.ca; Ricky.Lai@ofina.on.ca
Subject: RE: Dec 21 (not Dec 20) IESO $1.005B LoC

Hi Anthony

We will change the maturity date.

Regards

Carlos

PS. Can you make the following change to the email distribution

delete Serena.ly@ofina.on.ca and add Ricky.layi@ofina.on.ca

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Tuesday, December 19, 2017 10:15 AM
To: Carlos Yep <Carlos.Yep@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>
Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>; Kim Marshall <Kim.Marshall@ieso.ca>; Jeannette Briggs <jeannette.briggs@ieso.ca>; Susan Nicholson <susan.nicholson@ieso.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>; CASHP <CASHP@ofina.on.ca>; Serena Ly <Serena.Ly@ofina.on.ca>; Michael Boll <Michael.Boll@ieso.ca>
Subject: RE: Dec 21 (not Dec 20)

Carlos, Jim,

Confirmed, the closing will be Dec 21, 2017 and therefore IESO repayment to OFA will be the same on Dec 21, 2017.

Therefore, please send an updated grid note (Nov 21 to Dec 21 period) with one more day of interest added ….approx $33K more.

Olga will send a revised rollover notice for a) adding $33K interest to the balance, and b) revise the period for Dec 21 2017 to January 19, 2018.

Again (3rd time), thanks for being flexible.

Regards.

From: Anthony Martinello
Sent: December 19, 2017 8:58 AM
To: 'Carlos.Yep@ofina.on.ca'; 'James.Devine@ofina.on.ca'

...

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Ontario Financing Authority

Line of Credit Grid Note

Entity : IESO

Project: Ontario Fair Hydro Plan

Schedule of loan transactions to: 21-Feb-2018

Loan Limit: 2,000,000,000.00

Loan Advanced to: 21-Feb-2018

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days
21-Nov-2017	$1,005,562,526.55	1.2300%	21-Dec-2017	30	$1,016,582.39	$1,005,607,749.88	$1,004,591,167.49	$1,016,582.39	21-Dec-2017	30
21-Dec-2017	$971,359.06	1.2600%	19-Jan-2018	29	$972.42	$972.42	$0.00	$972.42	19-Jan-2018	29
19-Jan-2018	$199,486,717.08	1.4500%	21-Feb-2018	33	$261,518.89	$261,518.89	$0.00	$261,518.89	21-Feb-2018	33
21-Feb-2018	$332,400,560.14	1.5000%	20-Mar-2018	27	$368,828.02	$0.00	$0.00	$0.00		

From: Carlos Yep []
To: William Tan [William.Tan@ofina.on.ca]
Subject: FW: IESO $2B Credit Facility - Notice for Feb 16
Date: Thursday, March 08, 2018 10:28:07
Attachment 1: Rollover Notice with advance.pdf

From: Carlos Yep
Sent: Friday, February 16, 2018 9:45 AM
To: John Kim <John.Kim@ofina.on.ca>; Bruno Amara <Bruno.Amara@ofina.on.ca>
Subject: FW: IESO $2B Credit Facility - Notice for Feb 16

For FHP

Roll-over	$199,486,717.08
New advance	$132,913,843.06
Total advances	$332,400,560.14

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]
Sent: Friday, February 16, 2018 9:13 AM
To: CASHP <CASHP@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>; Ricky Lai <Ricky.Lai@ofina.on.ca>
Cc: Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: IESO $2B Credit Facility - Notice for Feb 16

Please see attached notice for February 16 regarding IESO's $2B facility for the Fair Hydro Program.

Thanks.

Olga Whiteley | Treasury and Pension Operations
Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
Station A, Box 4474, Toronto, ON M5W 4E5
Web: www.ieso.ca[ieso.ca] | Email: olga.whiteley@ieso.ca

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ieso
Connecting Today.
Powering Tomorrow.

Independent Electricity System Operator
Station A, Box 4474
Toronto, ON M5W 4E5
t 905.403.6900
www.ieso.ca

SCHEDULE 2
ELECTION NOTICE

Date: **February 16, 2018**

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7
Delivered Via Email: CASHP@ofina.on.ca

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

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i. principal amount of Advance which is to be continued **$199,486,717.08**; and
ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date **$0.00**;
(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): **$0.00**;
(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is **March 20, 2018**. [Insert date not earlier than 5 days and not later than 95 days after the current Repayment Date for the Advance.]

IESO confirms it will also be paying interest in the amount of **$261,518.89**.

Such election shall be confirmed by IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

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The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: **$332,400,560.14**

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Use of Funds

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The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

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Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: K Marshall

Kimberly Marshall
VP Corporate Services, CFO and Treasurer

SCHEDULE 2

FORM OF ELECTION NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

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ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date $_0_____;

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Commented [WT1]: I will ask Anthony to strikethrough this.

Formatted: Strikethrough

Amount of the Proposed Advance: $_128,000,000_____
The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_$460,400,560.14_____

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Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Name:

Authorized Signatory

From:	William Tan
To:	Sarah Harris
Subject:	History for IESO OEFC Note and Revolving Credit Facility
Date:	Thursday, November 23, 2017 6:02:44 PM
Attachments:	History of IESO OEFC Amending Agreements $160M Revolving.docx History of IESO OEFC Amending Agreements $120M Note .docx

---

Hello Sarah,

Please find the attached history for the IESO OEFC $120M Note Agreement and $160M Revolving Credit Facility. If you wish, please review and comment before I forward this to Opal.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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IESO OEFC Revolving Credit Facility Agreement and Amending Agreements

(1) April 23, 2010, IESO OEFC Revolving Credit Facility Agreement
- Revolving line of credit up to $60 million;
- Term: April 30, 2013;
- Interest Rate: Province of Ontario's cost of borrowing for a 30 day term plus 25 basis points.

(2) July 21, 2010 – Amending Agreement No. 1
- Section 2.2 Commitment and Facility Limits – IESO shall have the right to repay in whole or in part the total amount outstanding to OEFC;
- Section 2.7 Repayments – (new section) Repayment terms.

(3) October 14, 2011 – Amending Agreement No. 2
- Increase the revolving line of credit from $60 million to $110 million;
- Interest Rate: Province of Ontario's cost of borrowing for a 30 day term, as determined as of the first Business Day of each month by OEFC, plus 50 basis points.

(4) April 30, 2013 – Amending Agreement No. 3
- Interest Rate: Province of Ontario's cost of funds for a 30 day term plus 50 basis points;
- Term: April 30, 2014.

(5) April 30, 2014 – Amending Agreement No. 4
- Decrease of the revolving line of credit from $110 million to $95 million;
- Term: April 30, 2017.

(6) December 19, 2014 – Amending Agreement No. 5
- OPA and IESO amalgamation pursuant to Schedule 7 of the Building opportunity and Securing our Future Act (Budget Measures), 2014. The new merged Entity "IESO" assumes all rights and obligations under the existing OFA-OPA $95 million agreement;
- Upon amalgamation, the borrower agrees to execute and deliver an Amendment and Restated of the IESO Credit Facility Agreement (Amended and Restated IESO Credit Facility Agreement);
- Use of Proceeds: To repay the revolving line of credit with the Toronto Dominion Bank; for liquidity purposes and to fund corporate requirements;
- Revised Borrowing Notice.

(7) April 30, 2017 – Amending Agreement No. 6
- Ability for Advances to be made on any business day up to a maximum of 12 times per year;

- Added definition of IESO Corporate Requirements;
- Added definition of Ontario Fair Hydro Plan,
- Use of Proceeds: IESO shall use the proceeds of Advances for the funding of IESO Corporate Requirements;
- Revised Borrowing Notice;
- Section 3.6 (c) Conditions Precedent is deleted and replaced.

  (c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO, provided however that any adverse change in IESO's financial condition related to or resulting from the discharge by IESO of its responsibilities under Ontario's Fair Hydro Plan shall be deemed not to be a material adverse change for the purposes of this Section;

- Increase of the revolving line of credit from $95 million to $160 million;
- Term: June 30, 2020.

William Tan – November 21, 2017 – added (1) to (6).

IESO OEFC for Issuance of Note and Amending Agreements

(1) April 1, 1999, IEMO OEFC Agreement Providing for Issuance of a Note

- Note amount: $70.3 million;
- Term: May 1, 2009;
- Interest Rate: 7.90% annually;
- Payment Frequency: Semi-annual instalments.

(2) March 23, 2000, Amending Agreement No. 1

- Note amount $78.2 million.

(3) January 1, 2005, The Company changed its name from IEMO to IESO.

(3) April 23, 2009, Amending Agreement No. 2

- Term: May 1, 2011;
- Interest Rate: 90 day Province of Ontario T-bill plus 25 basis points;
- Payment Frequency: Quarterly Installments;
- Section 2.9 Prepayment on Refinancing Note (new section). IESO may prepay all or part of the Refinancing Note subject to certain restrictions.

(4) May 1, 2011, Amending Agreement No. 3

- Term: May 1, 2013;
- Section 2.4 Prepayment is deleted;
- Section 2.10 Section Refinancing Note (new section);
- Section 2.11 Interest on Second Refinancing Note (new section);
- Interest Rate: Province of Ontario cost of borrowing for a two year term plus 25 basis points;
- Payment Frequency: Semi-annual instalments.

(5) May 1, 2013 – Amending Agreement No. 4

- Section 2.12 Third Refinancing Note (new section);
- Section 2.13 Interest on Third Financing Note (new section);
- Term: April 30, 2014;
- Interest Rate: Province of Ontario cost of borrowing for one year term plus 50 basis points.

(6) April 30, 2014 – Amending Agreement No. 5

- Section 1.1 Definitions (new definition)
  (i) "Loan" means, at any time, the advance made by OEFC to IESO pursuant to Section 1a.1.
  (ii) "Revolving Credit Facility Agreement" means the Revolving Credit Facility Agreement between IESO, as borrower, and OEFC, as lender, dated April 23, 2010, as amended to date and as the same may be further amended from time to time.
- Added to Article 1
  Section 1a.1
  On April 30, 2014, IESO directs OEFC to apply $11.8 million from this note to the IESO OEFC Revolving Credit Facility Agreement;

- Section 2.14 Fourth Refinancing Note (new section);
- Section 2.15 Interest on Fourth Refinancing Note (new section);
- Note amount: $90 million;
- Interest Rate: Province of Ontario's cost of borrowing for a three year term plus 50 basis points;
- Term: April 30, 2017.

(7) April 30, 2017 – Amending Agreement No. 6

- Section 1.1 Definition of "Loan" is deleted;
- Article 1a.1is deleted and replaced with the following:
  Article 1a - $30 million Advance
  Section 1a.1
  On April 30, 2017, IESO directs OEFC to apply $30 million from this note to the IESO OEFC Revolving Credit Facility Agreement.
- Section 2.16 Fifth Refinancing Note (new section);
- Note amount: $120 million;
- Interest Rate: Province of Ontario's cost of borrowing plus 50 basis points;
- Term: June 30, 2020.

William Tan – November 21, 2017

From:	William Tan
To:	Sarah Harris
Subject:	History for IESO OEFC Note and Revolving Credit Facility
Date:	Thursday, November 23, 2017 6:02:44 PM
Attachments:	History of IESO OEFC Amending Agreements $160M Revolving.docx History of IESO OEFC Amending Agreements $120M Note .docx

---

Hello Sarah,

Please find the attached history for the IESO OEFC $120M Note Agreement and $160M Revolving Credit Facility. If you wish, please review and comment before I forward this to Opal.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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IESO OEFC Revolving Credit Facility Agreement and Amending Agreements

(1) April 23, 2010, IESO OEFC Revolving Credit Facility Agreement
- Revolving line of credit up to $60 million;
- Term: April 30, 2013;
- Interest Rate: Province of Ontario's cost of borrowing for a 30 day term plus 25 basis points.

(2) July 21, 2010 – Amending Agreement No. 1
- Section 2.2 Commitment and Facility Limits – IESO shall have the right to repay in whole or in part the total amount outstanding to OEFC;
- Section 2.7 Repayments – (new section) Repayment terms.

(3) October 14, 2011 – Amending Agreement No. 2
- Increase the revolving line of credit from $60 million to $110 million;
- Interest Rate: Province of Ontario's cost of borrowing for a 30 day term, as determined as of the first Business Day of each month by OEFC, plus 50 basis points.

(4) April 30, 2013 – Amending Agreement No. 3
- Interest Rate: Province of Ontario's cost of funds for a 30 day term plus 50 basis points;
- Term: April 30, 2014.

(5) April 30, 2014 – Amending Agreement No. 4
- Decrease of the revolving line of credit from $110 million to $95 million;
- Term: April 30, 2017.

(6) December 19, 2014 – Amending Agreement No. 5
- OPA and IESO amalgamation pursuant to Schedule 7 of the Building opportunity and Securing our Future Act (Budget Measures), 2014. The new merged Entity "IESO" assumes all rights and obligations under the existing OFA-OPA $95 million agreement;
- Upon amalgamation, the borrower agrees to execute and deliver an Amendment and Restated of the IESO Credit Facility Agreement (Amended and Restated IESO Credit Facility Agreement);
- Use of Proceeds: To repay the revolving line of credit with the Toronto Dominion Bank; for liquidity purposes and to fund corporate requirements;
- Revised Borrowing Notice.

(7) April 30, 2017 – Amending Agreement No. 6
- Ability for Advances to be made on any business day up to a maximum of 12 times per year;

- Added definition of IESO Corporate Requirements;
- Added definition of Ontario Fair Hydro Plan,
- Use of Proceeds: IESO shall use the proceeds of Advances for the funding of IESO Corporate Requirements;
- Revised Borrowing Notice;
- Section 3.6 (c) Conditions Precedent is deleted and replaced.

  (c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO, provided however that any adverse change in IESO's financial condition related to or resulting from the discharge by IESO of its responsibilities under Ontario's Fair Hydro Plan shall be deemed not to be a material adverse change for the purposes of this Section;

- Increase of the revolving line of credit from $95 million to $160 million;
- Term: June 30, 2020.

William Tan – November 21, 2017 – added (1) to (6).

IESO OEFC for Issuance of Note and Amending Agreements

(1) April 1, 1999, IEMO OEFC Agreement Providing for Issuance of a Note

- Note amount: $70.3 million;
- Term: May 1, 2009;
- Interest Rate: 7.90% annually;
- Payment Frequency: Semi-annual instalments.

(2) March 23, 2000, Amending Agreement No. 1

- Note amount $78.2 million.

(3) January 1, 2005, The Company changed its name from IEMO to IESO.

(3) April 23, 2009, Amending Agreement No. 2

- Term: May 1, 2011;
- Interest Rate: 90 day Province of Ontario T-bill plus 25 basis points;
- Payment Frequency: Quarterly Installments;
- Section 2.9 Prepayment on Refinancing Note (new section). IESO may prepay all or part of the Refinancing Note subject to certain restrictions.

(4) May 1, 2011, Amending Agreement No. 3

- Term: May 1, 2013;
- Section 2.4 Prepayment is deleted;
- Section 2.10 Section Refinancing Note (new section);
- Section 2.11 Interest on Second Refinancing Note (new section);
- Interest Rate: Province of Ontario cost of borrowing for a two year term plus 25 basis points;
- Payment Frequency: Semi-annual instalments.

(5) May 1, 2013 – Amending Agreement No. 4

- Section 2.12 Third Refinancing Note (new section);
- Section 2.13 Interest on Third Financing Note (new section);
- Term: April 30, 2014;
- Interest Rate: Province of Ontario cost of borrowing for one year term plus 50 basis points.

(6) April 30, 2014 – Amending Agreement No. 5

- Section 1.1 Definitions (new definition)
  (i) "Loan" means, at any time, the advance made by OEFC to IESO pursuant to Section 1a.1.
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- Added to Article 1
  Section 1a.1
  On April 30, 2014, IESO directs OEFC to apply $11.8 million from this note to the IESO OEFC Revolving Credit Facility Agreement;

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- Section 2.15 Interest on Fourth Refinancing Note (new section);
- Note amount: $90 million;
- Interest Rate: Province of Ontario's cost of borrowing for a three year term plus 50 basis points;
- Term: April 30, 2017.

(7) April 30, 2017 – Amending Agreement No. 6

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  Section 1a.1
  On April 30, 2017, IESO directs OEFC to apply $30 million from this note to the IESO OEFC Revolving Credit Facility Agreement.
- Section 2.16 Fifth Refinancing Note (new section);
- Note amount: $120 million;
- Interest Rate: Province of Ontario's cost of borrowing plus 50 basis points;
- Term: June 30, 2020.

William Tan – November 21, 2017

From: Sarah Harris
To: William Tan
Subject: IESO - Olga
Date: Friday, May 18, 2018 10:16:18 AM

Hi Will,
Olga contact me from IESO, and she said she found the corporate seal, and will be going with option 6. She asked how to get the notice to us.
I told her to darken the scan of the borrowing notice so it will show the seal, and she can send the .pdf to us. I confirmed to her the payment would go through today. I will ask you to circulate as necessary, once received.
Thanks,
Sarah

From:	William Tan
To:	"Anthony Martinello"; Olga Whiteley
Cc:	Sarah Harris; Carlos Yep; James Devine; Ricky Lai
Subject:	IESO - Signing Authority Documents
Date:	Monday, June 18, 2018 11:38:08 AM

Hello Anthony,

As per conversation regarding the required signing authority documents for Barb Anderson VP, & CFO on the election notices for June 20. Please provide completed documents for one of the following options below before June 20.

While option 6 is a suitable solution, it should be viewed as a temporary solution. Therefore, I recommend option 1, as a comprehensive long-term solution.

Options provided in May, 2018:

1. Certified resolution of the board of directors for IESO authorizing both the Fair Hydro Plan Credit Agreement and for the Existing Credit Facility authorizing the signatory and Updated Incumbency Certificate.
2. ~~A delegation of authority from the (former) IESO CFO to the IESO CEO (or other authorized signatories).~~
3. A general signing authority resolution of the IESO Board of Directors.
4. By-law or other document in place providing authorization to the IESO ~~CEO~~ CFO.
5. A certificate from the IESO Corporate Secretary stating that the IESO ~~CEO~~ CFO has signing authority.
6. A signature under seal of the corporation.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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From: William Tan
To: "Anthony Martinello"; Olga Whiteley
Cc: Sarah Harris; Carlos Yep; James Devine; Ricky Lai
Subject: IESO - Signing Authority Documents
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From: William Tan
To: Sarah Harris
Subject: IESO - advancement details
Date: Monday, July 16, 2018 11:03:17 AM

Hello Sarah,

Signatory Interim CFO and Vice-President, Corporate Services (Interim) Barbara Anderson COI and Corporate Resolution on file. We require an updated COI because her title has changed. We have not receive that yet. One signatory is sufficient.

FHP $2B

Signatory Barbara Anderson COI and Corporate Resolution on file.

Section 3.2 Procedure for Advances.

(1) Subject to Section 3.3(5), each Advance shall be made subject to two Business Days' prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each notice of an Advance (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1, other than a Borrowing Notice that is included in an Election Notice as permitted by Section 3.3(3). Each Borrowing Notice shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance; (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall not be earlier than 5 days and not later than 95 days after the date of the requested Advance. Each Borrowing Notice shall also certify the use of proceeds of the Advance which shall in any case be in accordance with Section 2.2. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2.

Section 3.3 Elections Regarding Advances.

(1) The IESO may elect to continue all or a portion of the principal amount of any Advance and any amount of interest on such Advance (together, the "**Continued Advance**") for a further period of at least 5 days and up to a maximum of 95 days beginning on the then current Repayment Date in accordance with Section 3.3(2).

(2) Each notice to continue an Advance for a further period (an "**Election Notice**") shall be provided by the IESO to the OFA at least two Business Days prior to the Repayment Date of the Advance (the "**Current Repayment Date**"), and in each case, not later than 10:00 a.m. (Toronto time). Each such Election Notice shall be given substantially in the form of Schedule 2 and shall be irrevocable and binding upon the IESO and shall specify: (a) the Current Repayment Date; (b) the new aggregate total amount of the proposed Continued Advance; (c) the amount of interest or principal, if any, to be paid or re-paid by the IESO with respect to such Advance on the Current Repayment Date; and (d) the new Repayment Date of the proposed Continued Advance, which shall be no earlier than 5 days and not later than 95 days after the current Repayment Date (the "**New Repayment Date"**). If the IESO fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall

be repayable on the applicable Repayment Date.

(3) An Election Notice with respect to a proposed Continued Advance may include a Borrowing Notice for a further Advance proposed to be made on the Current Repayment Date. The Repayment Date of such further Advance shall be the New Repayment Date of the Continued Advance that is specified in the Election Notice. Such Borrowing Notice shall be given substantially in the form of Schedule 2.

Existing Credit Facility AA No. 10 $475M

1. Section 3.2 "Procedures for Advances" of the Credit Agreement is deleted in its entirety and replaced by the following:

"(1) Subject to Section 3.3(5), each Advance shall be made subject to two Business Days' prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each notice of an Advance (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1, other than a Borrowing Notice that is included in an Election Notice as permitted by Section 3.3(3). Each Borrowing Notice shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance; (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall be no earlier than 28 days and not later than 95 days after the date of the requested Advance. Each Borrowing Notice shall also certify the use of proceeds of the Advance which shall in any case be in accordance with Section 2.3. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2.

2. Section 3.3 "Elections Regarding Advances" of the Credit Agreement is deleted in its entirety and replaced by the following:

"(1) The IESO may elect to continue all or a portion of the principal amount of any Advance and any amount of interest on such Advance (together, the "**Continued Advance**") for a further period of at least 28 days and up to a maximum of 95 days beginning on the then current Repayment Date in accordance with Section 3.3(2).

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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From: William Tan
To: Sarah Harris
Subject: IESO - advancement details
Date: Monday, July 16, 2018 11:03:17 AM

Hello Sarah,

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FHP $2B

Signatory Barbara Anderson COI and Corporate Resolution on file.

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(2) Each notice to continue an Advance for a further period (an "**Election Notice**") shall be provided by the IESO to the OFA at least two Business Days prior to the Repayment Date of the Advance (the "**Current Repayment Date**"), and in each case, not later than 10:00 a.m. (Toronto time). Each such Election Notice shall be given substantially in the form of Schedule 2 and shall be irrevocable and binding upon the IESO and shall specify: (a) the Current Repayment Date; (b) the new aggregate total amount of the proposed Continued Advance; (c) the amount of interest or principal, if any, to be paid or re-paid by the IESO with respect to such Advance on the Current Repayment Date; and (d) the new Repayment Date of the proposed Continued Advance, which shall be no earlier than 5 days and not later than 95 days after the current Repayment Date (the "**New Repayment Date"**). If the IESO fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date.

(3) An Election Notice with respect to a proposed Continued Advance may include a Borrowing Notice for a further Advance proposed to be made on the Current Repayment Date. The Repayment Date of such further Advance shall be the New Repayment Date of the Continued Advance that is specified in the Election Notice. Such Borrowing Notice shall be given substantially in the form of Schedule 2.

Existing Credit Facility AA No. 10 $475M

1. Section 3.2 "Procedures for Advances" of the Credit Agreement is deleted in its entirety and replaced by the following:

"(1) Subject to Section 3.3(5), each Advance shall be made subject to two Business Days' prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each notice of an Advance (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1, other than a Borrowing Notice that is included in an Election Notice as permitted by Section 3.3(3). Each Borrowing Notice shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance; (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall be no earlier than 28 days and not later than 95 days after the date of the requested Advance. Each Borrowing Notice shall also certify the use of proceeds of the Advance which shall in any case be in accordance with Section 2.3. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2.

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Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
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From:	Sarah Harris
To:	John Kim
Cc:	William Tan
Subject:	IESO - fully execute letter, and partially executed agreements
Date:	Monday, November 06, 2017 4:01:17 PM
Attachments:	IESO-Signed Revolving Credit Facility Agreement.msg RE Signatures for FHP and Amending Agreement No. 10 .msg

---

Hi John,

This is IESO's part. Will shall copy you on the e-mail for our execution pages.

We'll provide the original intercept letter to you when we receive it.

Thanks,
Sarah

From: Victor Buza [Victor.Buza@ieso.ca]
To: William Tan [William.Tan@ofina.on.ca]
CC: Lisa Stein [Lisa.Stein@ofina.on.ca]; Sarah Harris [Sarah.Harris@ofina.on.ca]; Anthony Martinello [Anthony.Martinello@ieso.ca]
Subject: IESO-Signed Revolving Credit Facility Agreement
Date: Monday, November 06, 2017 16:27:54
Attachment 1: FHP Credit Agreement OFA IESO - Nov 6 2017 - IESO Signed.pdf

---

Per my email below – see attached the IESO-signed Revolving Credit Facility Agreement re FHP.

Victor

From: Victor Buza
Sent: November 06, 2017 3:24 PM
To: 'William Tan'
Cc: Lisa Stein; Sarah Harris; Anthony Martinello
Subject: RE: Signatures for FHP and Amending Agreement No. 10
Importance: High

Will,

Please find attached the following documents signed by IESO:

1. Amending Agreement #10 to the Jan. 1, 2005 Credit Agreement;
2. Certified IESO Board Resolution and Incumbency Certificate;
3. Scan of the $2 Billion Grid Note.
4. Intercept Letter Agreement.

I will send the new Revolving Credit Facility Agreement in relation to FHP under a separate email immediately following.

We have already overnighted the original grid note for $2 billion and an original Intercept Letter signed by all parties. Per your request, we will send original agreement signature pages for both agreements as well – can we send those tomorrow or do you need the overnighted too?

Let us know. We look forward to receiving your confirmation of closing.

Victor

Victor Buza | Senior Counsel

Independent Electricity System Operator (IESO) | T: 416-969-6079

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From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 3:09 PM
To: Victor Buza
Cc: Lisa Stein; Sarah Harris; Anthony Martinello
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hello Victor,

I clarified internally and we would want an original signature page for the FHP Agreement and Amending Agreement No. 10.

Thanks,

Will

From: William Tan
Sent: Monday, November 06, 2017 2:25 PM
To: 'Victor Buza' <Victor.Buza@ieso.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hi Victor,

My apologies. Please scan the separated $2B and $475 MM Grid promissory notes. Forward the $2B promissory note but hold on to the $475MM Grid Promissory Note until November 21.

- Resolution of the Board of Directors
- Incumbency Certificate
- Intercept Letter
- $2 B Grid Promissory Note
- $475 MM Grid Promissory Note

Yes, please forward the documents to myself.

William Tan

Ontario Financing Authority

1 Dundas Street West, Suite 1400

Toronto, Ontario M5G 1Z3

Thanks,

Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 2:12 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

I will scan and send all documents you listed in their entirety, not just signature pages. Can you confirm, are you saying you want a scan of the $475MM grid note?

Just so I get it right, should I courier the hardcopies of the Intercept Letter and Note to your attention and address, Will? Call me if it's quicker.

Victor

416-969-6079

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 1:57 PM
To: Victor Buza; Anthony Martinello
Cc: Lisa Stein; Sarah Harris
Subject: FW: Signatures for FHP and Amending Agreement No. 10

Hi Victor,

Thank you for the update. When you send the soft copy signatures, would it be possible to include the signatures within the agreements?

You were probably going to include the following signed soft copies anyway but out of caution I have listed them below:

- Resolution of the Board of Directors
- Incumbency Certificate
- Intercept Letter
- $2 B Grid Note
- $475 MM Grid Note

Hardcopy of the Intercept Letter and $2B Grid Note – overnight delivery is fine.

Per s. 16 AA #10 - Anthony and I discussed on Friday that $475MM Grid note would be signed today but held by IESO until November 21. After the borrowing notice and election notices are actioned, OFA will produce the grid notes to evidence payment and advancements. IESO will then send the new $475MM prom note to OFA. Once received OFA will send the $975MM cancelled prom note to IESO.

Thanks,

Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 10:48 AM
To: William Tan <William.Tan@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hi Will – I have a signing meeting scheduled with our signatory at 2:30pm this afternoon – so I will send you counterpart signatures and a scanned version of the Intercept Letter by 3:00pm or possibly earlier.

Hardcopy of Intercept Letter to follow as you prefer – overnight or pickup? We also need to make arrangements re delivery of the $2Bn Grid Note.

Per s.16 of AA#10, the other Note for $475MM is to be delivered following the Effective Time in exchange for the return by OFA of the Nov 30 2016 Note for $975MM.

Victor

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 10:33 AM
To: Anthony Martinello
Cc: Lisa Stein; Victor Buza; Sarah Harris
Subject: Signatures for FHP and Amending Agreement No. 10

Good morning Anthony,

Just checking-in on approximately when we can expect the documents to be executed so I may prepare my signatory.

Thanks,

Will Tan| *Documentation & Analysis Specialist*

Capital Markets Division | Ontario Financing Authority

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INDEPENDENT ELECTRICITY SYSTEM OPERATOR

as Borrower

and

ONTARIO FINANCING AUTHORITY

as Lender

REVOLVING CREDIT FACILITY AGREEMENT

Date: November 6, 2017

REVOLVING CREDIT FACILITY AGREEMENT

THIS AGREEMENT is made as of the 6th day of November 2017,

BETWEEN:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, a statutory corporation without share capital existing under Part II of the *Electricity Act, 1998* (the "**IESO**")
(as Borrower)

AND

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* (the "**OFA**" and together with the IESO, the "**Parties**")
(as Lender)

RECITALS:

WHEREAS the IESO has requested a revolving credit facility for up to a maximum principal amount of $2 billion from the OFA for the purpose of supporting the IESO's role in the implementation and administration of the *Ontario Fair Hydro Plan Act, 2017*.

THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the Parties agree as follows:

ARTICLE 1

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"Advances" means advances made by the OFA to the IESO under Article 3 and "Advance" means any one of such advances, and in the case of an election by the IESO under Section 3.3, includes a "Continued Advance", as defined in Section 3.3(1), as applicable.

"Advances Outstanding" means, at any time, an amount equal to the aggregate principal amount of all Advances outstanding at such time.

"Agreement", "herein", "hereby", "hereor', "hereunder" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression "Article" or "Section" followed by a number means the specified Article or Section of this Agreement.

"Borrowing Notice" has the meaning specified in Section 3.2(1).

"Business Day" means any day that is not a day on which banks are generally authorized or required by law or executive order to be closed in the City of Toronto.

"Clean Energy Adjustment" has the same meaning as that term is defined in the OFHP.

"Commitment" means, at any time, an amount equal to $2 billion.

"Consolidated Assets" means, at any time, the book value of the assets of the IESO and the Subsidiaries, determined as of such time on a consolidated basis in accordance with GAAP.

"Continued Advance" has the meaning specified in Section 3.3(1).

"Credit Facility" means the revolving credit facility to be made available to the IESO by the OFA under this Agreement for the purposes specified in Section 2.2.

"Current Repayment Date" has the meaning specified in Section 3.3(2).

"Default" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"Dollars" or **"$"** means lawful currency of Canada.

"Election Notice" has the meaning specified in Section 3.3(2).

"Event of Default" has the meaning specified in Section 5.1.

"First Advance" has the meaning specified in Section 3.2(3).

"GAAP" means accounting policies and standards as established by the Chartered Professional Accountants of Canada, at the relevant time and applied on a consistent basis.

"Grid Note" has the meaning specified in Section 3.2(2).

"Indebtedness" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) every obligation of such Person for borrowed money;

(b) every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments;

(c) every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) every capital lease obligation of such Person;

(f) the Swap Termination Value of each Swap Contract of such Person; and

(g) every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"Lien" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"Material Subsidiary" means, at any time, a Subsidiary which has consolidated assets with a book value of more than $25 million determined in accordance with GAAP.

"**New Repayment Date**" has the meaning specified in Section 3.3(2).

"**OFHP**" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

"Permitted Liens" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) any obligations or duties, affecting the property of the IESO to any municipality or governmental, statutory or public authority, with respect to any franchise, grant, license

or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by the IESO or such Material Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by the IESO or such Material Subsidiary;

(d) any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) the right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) any undetermined or inchoate Liens and charges incidental to the current operations of the IESO or a Material Subsidiary that have not at the time been filed against the IESO or such Material Subsidiary; provided, however, that if any such Lien or charge shall have been filed, the IESO or such Material Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) any Lien the validity of which is being contested at the time by the IESO or a Material Subsidiary in good faith and the enforcement of which has been stayed;

(h) any easements, rights-of-way and servitudes that in the opinion of the IESO will not in the aggregate materially and adversely impair the use or value of the land for the purpose for which it is held or occupied by the IESO or a Material Subsidiary;

(i) any Liens and privileges arising out of judgments or awards with respect to which the IESO or a Material Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall have secured a stay of execution pending such appeal or proceedings for review;

(j) any other Liens of a nature similar to the foregoing which do not in the opinion of the IESO, acting reasonably, materially impair the use of the property subject thereto or the operation of the business of the IESO or any Material Subsidiary or the value of such property for the purpose of any such business; and

(k) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other

lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

"Person" means any individual, corporation, partnership joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"Purchase Money Mortgage" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or part of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"Repayment Date" means, in respect of the repayment of Advances, the repayment date contained in the most recent Borrowing Notice or Election Notice.

"Stated Maturity" when used with respect to any Indebtedness or any installment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such installment of interest is due and payable.

"Subsidiary" means:

(a) a corporation more than 50% of the voting power or the outstanding Voting Shares of which is owned, directly or indirectly, by the IESO or by one or more other Subsidiaries or by the IESO and one or more other Subsidiaries; or

(b) any Person (other than a corporation) in which the IESO, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

"Swap Contract" means any agreement whether or not in writing, relating to any transaction or derivative transaction including a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction currency swap, cross-currency rate swap, swaption, currency option or other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.

"Swap Termination Value" means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap contracts:

(a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and

(b) for any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.

"Voting Shares" of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings.

The division of this Agreement into Articles and Sections and the insertion of headings are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and vice versa and words importing gender may include any gender. In this Agreement, (a) the words "including" and "includes" mean "including (or includes) without limitation", and (b) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" each mean "to but excluding".

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with GAAP.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the next succeeding Business Day.

ARTICLE 2
REVOLVING CREDIT FACILITY

Section 2.1 Availability.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO. The OFA shall make each Advance in Dollars.

Section 2.2 Use of Proceeds.

The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the *Electricity Act, 1998*, as such regulation may be amended or replaced from time to time, subject to the condition that proceeds of Advances may be used only for IESO's financing needs and requirements of any kind arising in connection with the IESO's role with respect to and obligations under the OFHP.

Section 2.3 Credit Facility Limit.

The Advances Outstanding shall not at any time exceed the Commitment. The Credit Facility shall revolve and no payment under the Credit Facility shall reduce the Commitment.

Section 2.4 Mandatory Repayment.

Subject to Sections 2.5 and 5.2, the IESO shall repay each Advance together with the interest accrued thereon on the applicable Repayment Date, and, in any event, shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder on September 30, 2022.

Section 2.5 Prepayments.

The IESO is not entitled to prepay any part of the Advances Outstanding or the interest accrued thereon without the prior written consent of the OFA.

Section 2.6 Payments under this Agreement.

(1) The OFA shall make Advances to the IESO under this Agreement to or to the order of the IESO by wire transfer of immediately available funds in accordance with wire transfer instructions given by the IESO to the OFA from time to time, or in such other manner as the IESO may specify to the OFA from time to time.

(2) The IESO shall make any payment required hereunder to be made by it to the OFA, to or to the order of the OFA, by wire transfer of immediately available funds in accordance with wire transfer instruction given by the OFA to the IESO from time to time, or in such other manner as the OFA may specify to the IESO from time to time. The IESO shall make each such payment in Canadian Dollars.

Section 2.7 Computations of Interest.

(1) All computations of interest shall be made by the OFA taking into account the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest is payable on the basis of a year of 365 days or 366 days, as the case may be.

(2) For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Agreement for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

Section 2.8 Limit on Rate of Interest.

(1) Notwithstanding any provision contained in this Agreement, the IESO shall not be obliged to make any payments of interest or other amounts payable to the OFA hereunder in excess of the amount or rate which would be prohibited by applicable law or would result in the receipt by the OFA of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada)).

(2) In the event that any such payments are limited or prohibited as provided in Section 2.8(1), the OFA shall have no further obligation to make any Advances available hereunder and the Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, shall become immediately due and payable.

Section 2.9 Application of Payments.

All payments made by the IESO under this Agreement shall be applied firstly to the payment of interest payable to the OFA on late payments of principal or interest hereunder, secondly, to the payment of accrued and unpaid interest payable to the OFA hereunder and thirdly, to the payment of the outstanding principal amount of any Advances payable to the OFA.

ARTICLE 3
ADVANCES

Section 3.1 Advances.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO under the Credit Facility from time to time on any Business Day prior to September 23, 2022.

Section 3.2 Procedure for Advances.

(1) Subject to Section 3.3(5), each Advance shall be made subject to two Business Days' prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each notice of an Advance (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1, other than a Borrowing Notice that is included in an Election Notice as permitted by Section 3.3(3). Each Borrowing Notice shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance; (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall not be earlier than 5 days and not later than 95 days after the date of the requested Advance. Each Borrowing Notice shall also certify the use of proceeds of the Advance which shall in any case be in accordance with Section 2.2. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, the IESO shall execute and deliver to the OFA a grid promissory note in respect of Advances substantially in the form of Schedule 3 (the "**Grid Note**"). The IESO authorizes the OFA to record on the Grid Note (a) the date and amount of each Advance or Continued Advance; (b) the applicable rate of interest for each Advance or Continued Advance; (c) the Repayment Date of each Advance or Continued Advance; (d) the date and amount of each payment of interest and each payment of principal or portion thereof in respect of each Advance or Continued Advance; and (e) Advances Outstanding. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such Advances and repayments; provided that the failure of the OFA to record any amount, rate or date shall not affect the obligation of the IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement.

(3) Respecting the first Advance to be made under this Agreement (the "**First Advance**"), a specified portion thereof (the "**Repayment Amount**") shall be used to repay a portion of the IESO's outstanding indebtedness to the OFA under the credit agreement between the Parties dated January 1, 2005, as amended (the "**Existing Credit Facility**"). The amount of the Repayment Amount shall be detailed in the Borrowing Notice issued in respect of the First Advance. Concurrently with the First Advance, OFA shall provide to IESO an updated grid in respect of the grid note issued under the Existing Credit Facility evidencing the repayment of the Repayment Amount thereunder.

Section 3.3 Elections Regarding Advances.

(1) The IESO may elect to continue all or a portion of the principal amount of any Advance and any amount of interest on such Advance (together, the "**Continued Advance**") for a further period of at least 5 days and up to a maximum of 95 days beginning on the then current Repayment Date in accordance with Section 3.3(2).

(2) Each notice to continue an Advance for a further period (an "**Election Notice**") shall be provided by the IESO to the OFA at least two Business Days prior to the Repayment Date of the Advance (the "**Current Repayment Date**"), and in each case, not later than

10:00 a.m. (Toronto time). Each such Election Notice shall be given substantially in the form of Schedule 2 and shall be irrevocable and binding upon the IESO and shall specify: (a) the Current Repayment Date; (b) the new aggregate total amount of the proposed Continued Advance; (c) the amount of interest or principal, if any, to be paid or re-paid by the IESO with respect to such Advance on the Current Repayment Date; and (d) the new Repayment Date of the proposed Continued Advance, which shall be no earlier than 5 days and not later than 95 days after the current Repayment Date (the "**New Repayment Date**"). If the IESO fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date.

(3) An Election Notice with respect to a proposed Continued Advance may include a Borrowing Notice for a further Advance proposed to be made on the Current Repayment Date. The Repayment Date of such further Advance shall be the New Repayment Date of the Continued Advance that is specified in the Election Notice. Such Borrowing Notice shall be given substantially in the form of Schedule 2.

(4) The calculation of interest on a Continued Advance shall be determined in the same manner as an Advance under Section 3.4 and shall be recorded on the Grid Note in accordance with Section 3.2(2).

(5) Any portion of an Advance not continued for a further period in accordance with Section 3.3(2) shall be repayable on the applicable Repayment Date.

(6) The Credit Facility shall at all times rank *pari passu* with all other unsubordinated and unsecured Indebtedness of the IESO, subject to the existence of any Liens that secure Indebtedness, as permitted by subections 4.6 (a) through (e) hereof.

(7) All amounts owing in respect of the Advances shall be paid without exercising any right of set off or counterclaim by the IESO.

Section 3.4 Interest on Advances.

(1) The IESO shall pay interest on the unpaid principal amount of each Advance in accordance with this Section 3.4 from and including the date of such Advance until the principal amount of such Advance is repaid in full.

(2) Interest shall accrue on the principal amount of each Advance from and including the date of the Advance to but excluding the Repayment Date of such Advance, at an annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum, before as well as after the date such principal amount or interest thereon becomes due hereunder and both before and after Default and shall be payable on the Repayment Date for such Advance. Any amount of interest arising hereunder which is not paid when due shall bear interest at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment. The amount of interest payable on an Advance will be calculated by the

OFA by dividing the interest rate applicable to the Advance by 365 or 366, as the case may be, and multiplying the result by the principal amount of the Advance and further multiplying the result by the number of days in the period from the date of the Advance to the Repayment Date of the Advance.

(3) If the IESO elects to continue an Advance in accordance with Section 3.3(2), the OFA shall determine the interest rate applicable after the original Repayment Date of the Advance and endorse the said rate on the grid forming part of the Grid Note in respect of Advances held by it.

Section 3.5 Conditions Precedent

The obligation of the OFA to make the Advances to the IESO pursuant to Section 2.1 is subject to the following conditions being satisfied to the OFA's satisfaction at the time of making each Advance:

(a) that the representations and warranties of the IESO contained in this Agreement are true and correct as at the date of making the Advance;

(b) that no Event of Default has occurred and is continuing;

(c) that there shall, in the reasonable opinion of the OFA, have been no material adverse change in the financial condition of the IESO or a Material Subsidiary; and

(d) that the OFA has received such other documentation which it has reasonably requested to ensure that the IESO is in compliance with the terms and conditions of this Agreement, including certified true copies of any necessary resolutions, a written legal opinion from counsel to the IESO confirming that the borrowing is within the legal powers of the IESO and that the Agreement is a direct, unsecured obligation of the IESO enforceable against the IESO in form satisfactory to the OFA.

ARTICLE 4
COVENANTS OF THE IESO

Section 4.1 Repayment of Advances.

The IESO will duly and punctually pay all amounts owing under this Agreement in accordance with the terms and subject to the conditions of this Agreement.

Section 4.2 IESO will Maintain its Corporate Existence.

The IESO will at all times maintain its corporate existence.

Section 4.3 Maintenance of Properties.

The IESO will cause all property owned by the IESO or any Material Subsidiary to be maintained and kept in good condition, repair and working order, all as in the judgment of the IESO or any Material Subsidiary may be necessary for the proper operation of such property, except as and to the extent that the IESO or any Material Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 4.3 shall prevent the IESO or any Material Subsidiary from discontinuing the maintenance of any such property or decommissioning any such property if such discontinuance or decommissioning is, in the judgment of the IESO or any such Material Subsidiary, desirable in the conduct of its business or the business of any such Material Subsidiary, or has been directly or indirectly requested or required by the Province of Ontario.

Section 4.4 Insurance.

The IESO will cause all property owned by the IESO or any Material Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the mature and to the extent that such property is usually insured by companies operating similar businesses.

Section 4.5 Conduct of Business.

The IESO will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in accordance with good business practice.

Section 4.6 Negative Pledge.

The IESO will not, and will not permit any Material Subsidiary to, create, incur or assume any Lien, charging the interest of the IESO or any Material Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, all amounts owing under this Agreement are secured equally and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) the creation, incurrence or assumption of any Purchase Money Mortgage;

(b) the grant of any Lien in the normal course of business to any banks or financial institutions for present or future Indebtedness of the IESO or any Material Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) any extension, renewal or replacement of any of the Liens referred to in Sections 4.6(a), (b) or (c), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased; and

(e) any Lien charging the interest of the IESO or any Material Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 4.6(a), (b) or (c), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 4.6(e) which is outstanding at such time does not exceed 10% of Consolidated Assets at such time.

Section 4.7 Payment of OFA Expenses

In addition to any liability of the IESO to the OFA under any other provision of this Agreement, the IESO will, on demand, reimburse and indemnify OFA for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OFA in connection with the Agreement (including those services incurred in the preservation of rights under or enforcement of this Agreement at any time during the continuance of a Default or Event of Default and for any reasonable loss or expense incurred by OFA as a result of any failure by the IESO to fulfill any of its obligations under this Agreement). All such costs, charges and expenses shall bear interest at the Province of Ontario's cost of funds plus 0.25 percent per annum (as determined by the OFA) calculated and payable monthly not in advance from in each case from the date on which the OFA incurs the cost, charge or expense until the date on which the IESO reimbursement the OFA therefor. The OFA agrees, acting reasonably, to invoice the IESO for any such costs, charges and expense as they are incurred, together with interest at the aforesaid rate (with interest on overdue interest).

Section 4.8 Reporting.

The IESO will promptly provide to the OFA any reports or supporting documents that the OFA may request from time to time.

Section 4.9 Late Repayment of Advance.

In the event that the IESO fails to repay the principal amount of any Advance and all interest accrued thereon when due, the IESO shall pay interest on the unpaid amount of such Advance at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment.

ARTICLE 5
EVENTS OF DEFAULT AND REMEDIES

Section 5.1 Event of Default.

Wherever used in this Agreement, the term "Event of Default" means any of the following:

(a) the IESO's failure to pay any interest upon any Advance when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) failure to pay the principal amount of any Advance on the applicable Repayment Date or the Advances Outstanding, all interest accrued thereon and all other amounts owing under this Agreement on September 30, 2022;

(c) failure on the part of the IESO to observe or perform its obligations set forth in Section 4.1;

(d) failure on the part of the IESO to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 20 days after the date on which written notice of such failure shall have been given to the IESO by the OFA;

(e) any representation or warranty made by the IESO in this Agreement or in any certificate or other document at any time delivered hereunder to the OFA was incorrect or misleading in any material respect;

(f) one or more breaches by the IESO of its covenants under one or more evidences of Indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $5 million, which breaches:

(i) constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist, or

(ii) have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived or rescinded);

(g) the IESO or any Material Subsidiary:

(i) becomes unable to meet its obligations as they generally become due or has ceased paying its current obligations in the ordinary course of business as they generally become due;

(ii) admits in writing its inability to pay its debts generally or makes a general assignment for the benefit its creditors or files a proposal or other scheme

of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) institutes or has instituted against it any proceeding seeking:

(A) to adjudicate it as bankrupt or insolvent,

(B) liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors, or

(C) the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets,

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismissed or unstayed for a period of 30 days, or any remedy sought in any such proceeding (including the entry of order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

(iv) takes any corporate action to authorize any of the actions in Sections 5.1 (g)(i) to (iii); or

(h) if there shall be rendered against the IESO or any Material Subsidiary a final judgment or judgments for the payment of money in an aggregate amount in excess of $5 million by a court or courts of competent jurisdiction, and the IESO or any Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 5.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case the OFA may at its option, in addition to any other remedy available to the OFA at law, by written notice to the IESO, take any or all of the following actions:

(a) suspend the right of the IESO to request any further Advance until the Event of Default has been cured to the OFA's satisfaction or, if the Event of Default is not

cured within three (3) Business Days after the date on which written notice of such Event of Default shall have been given to the IESO by the OFA, declare all amounts owing hereunder including all interest accrued to be due and payable immediately, by a notice in writing to the IESO, and upon any such declaration all such amounts shall become immediately due and payable.

(b) invoke the Intercept pursuant to section 5.7 of this Agreement to require payment of any amount due and payable under this Agreement.

Section 5.3 Suits for Enforcement by the OFA.

If an Event of Default occurs and is continuing, the OFA may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in the OFA by this Agreement or by law.

Section 5.4 OFA May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of the IESO under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property of the IESO, or if any other judicial proceedings relative to the IESO, its creditors or its property are pending, the OFA shall be entitled and empowered, by intention in such proceeding or otherwise:

(a) to file and prove a claim for all amounts owing under this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of the OFA (including any claim for fees and disbursements of the OFA, its agents and counsel) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claim.

Section 5.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to the OFA is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.6 Delay or Omission not Waiver.

No delay or omission of the OFA to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right or remedy given by this Article 5 or by law to OFA may be exercised from time to time, and as often as may be deemed expedient, by the OFA.

Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of even date herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the *Capital Investment Plan Act, 1993* (the "**Intercept Letter**"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("**Appropriated Funds**"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("**Intercept**").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

(e) The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or

inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail.

ARTICLE 6
REPRESENTATIONS AND WARRANTIES OF IESO

Section 6.1 Representations and Warranties of IESO

The IESO represents and warrants to the OFA that:

(a) the borrowing of money (including principal and accrued interest) by the IESO and the execution, delivery and performance of this Agreement are within the powers and capacities of the IESO and have been duly authorized by all necessary legal action and proper proceedings;

(b) the execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the compliance with the terms and conditions of this Agreement will not conflict with or result in a breach of any of the terms or provisions of the constituting documents or by-laws of the IESO, laws of Ontario, including laws of Canada applicable therein, applicable to the IESO or any contractual or other obligation binding on the IESO;

(c) this Agreement will, when executed and delivered, constitute the legal, valid and binding obligation of the IESO enforceable against it in accordance with its terms; and

(d) the monies advanced under this Agreement shall be used only by the IESO for the purposes set out in Section 2.2.

Section 6.2 Continuation of Representation and Warranties

The representations and warranties set out in Section 6.1 herein shall survive the execution and delivery of this Agreement, the making of each Advance by the OFA, notwithstanding any investigations or examinations which may be made by counsel for the OFA.

ARTICLE 7
GENERAL

Section 7.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy or other means of electronic communication addressed:

If to the IESO, to it at:

Independent Electricity System Operator
120 Adelaide Street West, Suite 1600
Toronto, ON M5H 1T1

Attention: Chief Financial Officer
Telephone: (416)969-6232
Facsimile: (905)403-6913

If to the OFA, to it at:

Ontario Financing Authority 1 Dundas Street West
Suite 1400 Toronto, Ontario M7A 1Y7

Attention: Executive Director & Chief Investment Officer – Capital Markets Division
Telephone: (416)325-8930
Facsimile: (416)860-8346

provided that any Borrowing Notice or Election Notice shall be addressed as indicated on Schedule 1 or Schedule 2 respectively.

Any communication hereunder shall be deemed to have been validly and effectively given if (a) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p.m. (Toronto time), otherwise on the next Business Day, (b) transmitted by facsimile or other means of electronic communication, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice give in accordance with this Section 7.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 7.1.

Section 7.2 Successors and Assigns.

This Agreement shall be binding on and enure to the benefit of the OFA and the IESO and their respective successors and permitted assigns, except that the IESO shall not, without the

prior written consent of the OFA assign, pledge or hypothecate any rights or obligations with respect to this Agreement.

Section 7.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of the Parties.

Section 7.4 Waiver.

(1) No waiver of any provisions of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) of this Agreement nor shall such waiver be binding unless executed in writing by the party to be bound by the waiver.

(2) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude another or further exercise of such right or the exercise of any other right.

Section 7.5 Further Assurances.

Each of the IESO and the OFA shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement

Section 7.6 Severability.

In case any provision in this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement shall not in any way be affected or impaired thereby.

Section 7.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 7.8 Entire Agreement.

This Agreement, including the schedules hereto and any other agreements expressly referred to herein, constitutes the whole agreement between the Parties with respect to the matters dealt with in it, and it supersedes any prior agreement, undertakings, discussions and the like respecting the matters dealt with in this Agreement and entered into by the Parties before the date the OFA signs this Agreement.

Section 7.9 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Agreement.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first written above.

ONTARIO FINANCING AUTHORITY

Per: _____

Name:
Title:

I have authority to bind the corporation.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: K Marshall

Name: Kimberly Marshall
Title: Vice President, Corporate Services;
Chief Financial Officer; Treasurer

I have authority to bind the corporation.

SCHEDULE 1

FORM OF BORROWING NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The principal amount of the Proposed Advance is $_____;
(c) The Repayment Date of the Proposed Advance is _____. [Not earlier than 5 days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:

Authorized Signatory

SCHEDULE 2

FORM OF ELECTION NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is _____.

(b) The aggregate amount of the proposed Continued Advance is $_____, which is comprised of:
   i. principal amount (or portion thereof) of Advance which is to be continued $_____; and
   ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date $_____;

(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): $ _____

(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _____. [Insert date not earlier than 5 days and not later than 95 days after the current Repayment Date for the Advance.]

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: $_____
The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Name:

Authorized Signatory

SCHEDULE 3 – FORM OF GRID NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $2,000,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR (the "**IESO**"), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY** ("**OFA**") at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement (as defined below).

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the Revolving Credit Facility Agreement dated **[INSERT DATE]** as amended, supplemented or restated from time to time, between the Borrower and the OFA (the "Agreement"). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:
Authorized Signatory

Revolving Credit Facility Grid Note

Ontario Financing Authority
Line of Credit Grid Note

Entity : Independent Electricity System Operator
Loan Limit:

Project:
Schedule of loan transactions to:
Loan Advanced to:

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days

From: Victor Buza [Victor.Buza@ieso.ca]
To: William Tan [William.Tan@ofina.on.ca]
CC: Lisa Stein [Lisa.Stein@ofina.on.ca]; Sarah Harris [Sarah.Harris@ofina.on.ca]; Anthony Martinello [Anthony.Martinello@ieso.ca]
Subject: RE: Signatures for FHP and Amending Agreement No. 10
Date: Monday, November 06, 2017 16:24:31
Attachment 1: OFA_IESO Amending Agrmt#10 to Jan 1 2005 Credit Facility Nov 6 2017 - IESO signed.pdf
Attachment 2: Certified IESO Brd Resol'n June 14_17 re Credit Facilities and Incumb Cert - Nov 6 2017.pdf
Attachment 3: FHP IESO $2Billion Grid Note to OFA - signed by IESO Nov 6 2017.pdf
Attachment 4: Intercept Letter MOE_OFA_IESO Fully Executed - Nov 6 2017.pdf

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Will,

Please find attached the following documents signed by IESO:

1. Amending Agreement #10 to the Jan. 1, 2005 Credit Agreement;
2. Certified IESO Board Resolution and Incumbency Certificate;
3. Scan of the $2 Billion Grid Note.
4. Intercept Letter Agreement.

I will send the new Revolving Credit Facility Agreement in relation to FHP under a separate email immediately following.

We have already overnighted the original grid note for $2 billion and an original Intercept Letter signed by all parties. Per your request, we will send original agreement signature pages for both agreements as well – can we send those tomorrow or do you need the overnighted too?

Let us know. We look forward to receiving your confirmation of closing.

Victor

Victor Buza | Senior Counsel

Independent Electricity System Operator (IESO) | T: 416-969-6079

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From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 3:09 PM
To: Victor Buza
Cc: Lisa Stein; Sarah Harris; Anthony Martinello
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hello Victor,

I clarified internally and we would want an original signature page for the FHP Agreement and Amending Agreement No. 10.

Thanks,

Will

From: William Tan
Sent: Monday, November 06, 2017 2:25 PM
To: 'Victor Buza' <Victor.Buza@ieso.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>;

Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hi Victor,

My apologies. Please scan the separated $2B and $475 MM Grid promissory notes. Forward the $2B promissory note but hold on to the $475MM Grid Promissory Note until November 21.

- Resolution of the Board of Directors
- Incumbency Certificate
- Intercept Letter
- $2 B Grid Promissory Note
- $475 MM Grid Promissory Note

Yes, please forward the documents to myself.

William Tan

Ontario Financing Authority

1 Dundas Street West, Suite 1400

Toronto, Ontario M5G 1Z3

Thanks,

Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 2:12 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

I will scan and send all documents you listed in their entirety, not just signature pages. Can you confirm, are you saying you want a scan of the $475MM grid note?

Just so I get it right, should I courier the hardcopies of the Intercept Letter and Note to your attention and address, Will? Call me if it's quicker.

Victor

416-969-6079

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 1:57 PM
To: Victor Buza; Anthony Martinello
Cc: Lisa Stein; Sarah Harris
Subject: FW: Signatures for FHP and Amending Agreement No. 10

Hi Victor,

Thank you for the update. When you send the soft copy signatures, would it be possible to include the signatures within the agreements?

You were probably going to include the following signed soft copies anyway but out of caution I have listed them below:

- Resolution of the Board of Directors
- Incumbency Certificate
- Intercept Letter
- $2 B Grid Note
- $475 MM Grid Note

Hardcopy of the Intercept Letter and $2B Grid Note – overnight delivery is fine.

Per s. 16 AA #10 - Anthony and I discussed on Friday that $475MM Grid note would be signed today but held by IESO until November 21. After the borrowing notice and election notices are actioned, OFA will produce the grid notes to evidence payment and advancements. IESO will then send the new $475MM prom note to OFA. Once received OFA will send the $975MM cancelled prom note to IESO.

Thanks,

Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 10:48 AM
To: William Tan <William.Tan@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>

Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hi Will – I have a signing meeting scheduled with our signatory at 2:30pm this afternoon – so I will send you counterpart signatures and a scanned version of the Intercept Letter by 3:00pm or possibly earlier.

Hardcopy of Intercept Letter to follow as you prefer – overnight or pickup? We also need to make arrangements re delivery of the $2Bn Grid Note.

Per s.16 of AA#10, the other Note for $475MM is to be delivered following the Effective Time in exchange for the return by OFA of the Nov 30 2016 Note for $975MM.

Victor

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 10:33 AM
To: Anthony Martinello
Cc: Lisa Stein; Victor Buza; Sarah Harris
Subject: Signatures for FHP and Amending Agreement No. 10

Good morning Anthony,

Just checking-in on approximately when we can expect the documents to be executed so I may prepare my signatory.

Thanks,

Will Tan| *Documentation & Analysis Specialist*

Capital Markets Division | Ontario Financing Authority

1 Dundas Street West, Suite 1400

Toronto, Ontario M5G 1Z3, CANADA

Tel. (416) 325-8090 | Fax: (416) 860-8346

william.tan@ofina.on.ca

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AMENDING AGREEMENT NO. 10

This Amending Agreement No. 10 (this "**Amending Agreement**") is made as of the 21st day of November, 2017 (the "**Effective Date**")

BETWEEN:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, a statutory corporation without share capital existing under Part II of the *Electricity Act, 1998* ("**IESO**")

-and-

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* ("**OFA**")

(together, the "**Parties**")

WHEREAS the Ontario Power Authority ("**OPA**") and the OFA entered into a credit agreement dated January 1, 2005 (the "**Original Agreement**");

AND WHEREAS effective January 1, 2015, the OPA and the then existing Independent Electricity System Operator amalgamated and continued as a corporation without share capital under Part II of the *Electricity Act, 1998* with the name "Independent Electricity System Operator" (**"IESO"),** and the obligations of the OPA became obligations of the IESO;

AND WHEREAS pursuant to the amending agreements dated February 14, 2005, October 11, 2005 (titled, "Amending Agreement No. 3"), September 27, 2006 (titled, "Amending Agreement No. 4"), July 13, 2007 (titled, "Amending Agreement No. 5"), November 9, 2010 (titled, "Amending Agreement No. 6"), December 20, 2013 (titled, "Amending Agreement No. 7"), December 19, 2014 (titled, "Amending Agreement No. 8") and November 30, 2016 (titled, "Amending Agreement No. 9"), the OPA or IESO (as applicable) and the OFA amended the Original Agreement (as so amended, the **"Credit Agreement",** the terms defined therein being used herein as therein defined);

AND WHEREAS the Parties have now agreed to: (i) at the request of the IESO, decrease the total principal amount available under the Credit Agreement from $975,000,000 to a total principal amount of up to $475,000,000; (ii) amend the use of proceeds under the Credit Agreement; (iii) amend the Form of Election Notice and related provisions under the Credit Agreement; and (iv) make other amendments required as a consequence of the implementation of the OFHP (as defined below);

AND WHEREAS pursuant to Section 7.3 of the Credit Agreement, the Credit Agreement may only be amended or otherwise modified by written agreement executed by the Parties.

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby

acknowledged, and subject to the terms and conditions hereafter set out, the Parties agree that, as of the Effective Time (as defined below):

1. The definition of "Advances" in Section 1.1 of the Credit Agreement is deleted and replaced by the following:

   "**Advances**" means advances made by the OFA to the IESO under Article 3 and "Advance" means any one of such advances, and in the case of an election by the IESO under Section 3.3, includes a "Continued Advance", as defined in Section 3.3(1), as applicable."

2. The definition of "**Commitment**" in Section 1.1 of the Credit Agreement is amended by deleting "$975,000,000" and substituting "$475,000,000" therefor.

3. The definition of "**Permitted Liens**" is amended by deleting the word "and" at the end of subsection (i); replacing the "." at the end of subsection (j) and replacing it with "; and" ; and adding the following subsection (k):

   "(k) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

4. The following definitions are added to Section 1.1 of the Credit Agreement:

   "Clean Energy Adjustment" has the same meaning as that term is defined in the OFHP.

   "Continued Advance" has the meaning specified in Section 3.3(1).

   "**Current Repayment Date**" has the meaning specified in Section 3.3(2).

   "**New Repayment Date**" has the meaning specified in Section 3.3(2).

   "OFHP" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

5. Section 2.3 "Use of Proceeds" of the Credit Agreement is deleted in its entirety (with the exception of the title of the section, which exception also applies regarding the amendments made under sections 6, 7 and 8 hereof) and replaced by the following:

   "The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the *Electricity Act, 1998,* as such regulation may be amended or replaced from time to time, provided that Advances may be used only for liquidity purposes."

6. Section 3.2 "Procedures for Advances" of the Credit Agreement is deleted in its entirety and replaced by the following:

"(1) Subject to Section 3.3(5), each Advance shall be made subject to two Business Days' prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each notice of an Advance (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1, other than a Borrowing Notice that is included in an Election Notice as permitted by Section 3.3(3). Each Borrowing Notice shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance; (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall be no earlier than 28 days and not later than 95 days after the date of the requested Advance. Each Borrowing Notice shall also certify the use of proceeds of the Advance which shall in any case be in accordance with Section 2.3. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, the IESO shall execute and deliver to the OFA a grid promissory note in respect of Advances substantially in the form of Schedule 3 (the **"Grid Note")**. The IESO authorizes the OFA to record on the Grid Note (a) the date and amount of each Advance or Continued Advance; (b) the applicable rate of interest for each Advance or Continued Advance; (c) the Repayment Date of each Advance or Continued Advance; (d) the date and amount of each payment of interest and each payment of principal or portion thereof in respect of each Advance or Continued Advance; and (e) Advances Outstanding. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such Advances and repayments; provided that the failure of the OFA to record any amount, rate or date shall not affect the obligation of the IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement."

7. Section 3.3 "Elections Regarding Advances" of the Credit Agreement is deleted in its entirety and replaced by the following:

"(1) The IESO may elect to continue all or a portion of the principal amount of any Advance and any amount of interest on such Advance (together, the "**Continued Advance**") for a further period of at least 28 days and up to a maximum of 95 days beginning on the then current Repayment Date in accordance with Section 3.3(2).

(2) Each notice to continue an Advance for a further period (an "**Election Notice**") shall be provided by the IESO to the OFA at least two Business Days prior to the Repayment Date of the Advance (the "**Current Repayment Date**"), and in each case, not later than 10:00 a.m. (Toronto time). Each such Election Notice shall be given substantially in the form of Schedule 2 and shall be irrevocable and binding upon the IESO and shall specify: (a) the Current Repayment Date; (b) the new aggregate total amount of the proposed Continued Advance; (c) the amount of interest or principal, if any, to be paid or re-paid by the IESO with respect to such Advance on the Current Repayment Date; and (d) the new Repayment Date of the proposed Continued Advance, which shall be no earlier than 28 days and not later than 95 days after the Current Repayment Date (the "**New Repayment Date**"). If the IESO fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date.

(3) An Election Notice with respect to a proposed Continued Advance may include a Borrowing Notice for a further Advance proposed to be made on the Current Repayment

Date. The Repayment Date of such further Advance shall be the New Repayment Date of the Continued Advance that is specified in the Election Notice. Such Borrowing Notice shall be given substantially in the form of Schedule 2.

(4) The calculation of interest on a Continued Advance shall be determined in the same manner as an Advance under Section 3.4 and shall be recorded on the grid promissory note in respect of Advances in accordance with Section 3.2(2).

(5) Any portion of an Advance not continued for a further period in accordance with Section 3.3(2) shall be repayable on the applicable Repayment Date."

8. Section 5.2 "Acceleration of Maturity; Recission and Annulement" of the Credit Agreement is deleted in its entirety and replaced by the following:

"If an Event of Default occurs and is continuing, then and in every such case the OFA may at its option, in addition to any other remedy available to the OFA at law, by written notice to the IESO, take any or all of the following actions:

(a) suspend the right of the IESO to request any further Advance until the Event of Default has been cured to the OFA's satisfaction or, if the Event of Default is not cured within three (3) Business Days after the date on which written notice of such Event of Default shall have been given to the IESO by the OFA, declare all amounts owing hereunder including all interest accrued to be due and payable immediately, by a notice in writing to the IESO, and upon any such declaration all such amounts shall become immediately due and payable.

(b) invoke the Intercept pursuant to section 5.7 of this Agreement to require payment of any amount due and payable under this Agreement."

9. Section 5.7 "Intercept" is added to the Credit Agreement, stating as follows:

"Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of November 6th , 2017 herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the *Capital Investment Plan Act, 1993* (the "**Intercept Letter**"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("**Appropriated Funds**"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("**Intercept**").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail."

10. Section 7.9 "Entire Agreement' is added to the Credit Agreement, stating as follows:

"Section 7.9 Entire Agreement

This Agreement as amended from time to time and including the schedules hereto and any other agreements expressly referred to herein, constitutes the whole agreement between the Parties with respect to the matters dealt with in it, and it supersedes any prior agreement, undertakings, discussions and the like respecting the matters dealt with in this Agreement and entered into by the Parties before the date the OFA signs this Agreement."

11. Schedule 1 of the Credit Agreement, Form of Borrowing Notice, is deleted in its entirety and replaced by the Form of Borrowing Notice attached hereto as Schedule 1.

12. Schedule 2 of the Credit Agreement, Form of Election Notice, is deleted in its entirety and replaced by the Form of Election Notice attached hereto as Schedule 2.

13. Schedule 3 of the Credit Agreement, IESO Grid Note, is deleted in its entirety and replaced by the Form of Grid Note attached hereto as Schedule 3.

14. For the purposes of this Amending Agreement and its coming into effect:

a. "**Effective Time**" means the time on the Effective Date by which the Transfers of Funds (defined below) have been completed; or such other time as the Parties may subsequently agree to in writing as being the "Effective Time";

b. "**Transfers of Funds**" means those transfers of funds to be completed between the Parties on the Effective Date, being:

   i. the First Advance as defined under section 3.2(3) of the credit agreement between the Parties in relation to the IESO's role in the implementation of the OFHP dated November 6, 2017; and,

   ii. the completion of all Advances described in the Election Notice to be provided by the IESO to the OFA no later than November 17, 2017 (such terms having the meanings defined in the Credit Agreement) that are to be funded under the Credit Agreement on the Effective Date; and,

   iii. the repayment by the IESO of all Advances Outstanding (as defined in the Credit Agreement) exceeding $475 million; and,

   iv. the payment by the IESO to OFA of the interest then owing under the Credit Agreement.

15. The Parties shall endeavour to complete and exchange all usual documentation relating to the Transfers of Funds, and to any other related matters occurring on the Effective Date, prior to 5:00 p.m. on the Effective Date, and in any case no later than the next business day.

16. After the Effective Time, and prior to any further Advances under the Credit Agreement, the IESO shall execute and deliver to the OFA a new grid promissory note in the principal amount of up to $475,000,000 substantially in the form attached hereto as Schedule 3 (the "**Grid Note**") and indicating a total principal amount of Advances Outstanding as of the Effective Time. Upon receipt of the new Grid Note delivered hereunder, the OFA will cancel and return the grid promissory note dated November 30, 2016 to the IESO.

17. This Amending Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Amending Agreement.

IN ALL OTHER RESPECTS, the Credit Agreement is confirmed by the Parties.

[*signature page follows*]

IN WITNESS WHEREOF the Parties hereto have executed and delivered this Amending Agreement on the dates set out below, which shall come into effect as of the Effective Time as defined herein.

ONTARIO FINANCING AUTHORITY

Per: _____ Date: November _____, 2017.
Name:
Title:

I have authority to bind the corporation.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: K Marshall Date: November 6th, 2017.
Name: Kimberly Marshall
Title: Vice President, Corporate Services;
Chief Financial Officer; Treasurer

I have authority to bind the corporation.

SCHEDULE 1 TO AMENDING AGREEMENT NO. 10

FORM OF BORROWING NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "**Agreement**", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "**Proposed Advance**"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The principal amount of the Proposed Advance is $_____;
(c) The Repayment Date of the Proposed Advance is _____. [Not earlier than 28 days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:

Authorized Signatory

SCHEDULE 2 TO AMENDING AGREEMENT NO. 10

FORM OF ELECTION NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is _____;

(b) The aggregate amount of the proposed Continued Advance is $_____, which is comprised of:

i. principal amount (or portion thereof) of Advance which is to be continued $_____; and
ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date $_____;

(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): $ _____

(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _____. [Insert date no earlier than 28 days and not later than 95 days after the Current Repayment Date for the Advance.]

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: $_____

The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:
Authorized Signatory

SCHEDULE 3 TO AMENDING AGREEMENT NO. 10

FORM OF GRID NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $475,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICTY SYSTEM OPERATOR (the **"IESO"**), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY ("OFA")** at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Credit Agreement (as defined below). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Credit Agreement.

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the credit agreement dated January 1, 2005 as amended, supplemented or restated from time to time, between the Borrower and the OFA (the **"Credit Agreement"**).

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Credit Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Name:
Authorized Signatory

Line of Credit Grid Note

Entity : Independent Electricity System Operator
Loan Limit: $475,000,000

Project:
Schedule of loan transactions to:
Loan Advanced to:

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days

" Resolution of the Board of Directors
Independent Electricity System Operator

June 14, 2017

In Respect of the establishment of a new credit facility and revision of existing credit facilities in relation to the Fair Hydro Plan

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WHEREAS, as further described in the memorandum to the Audit Committee entitled "Fair Hydro Plan Credit Facility" dated June 13, 2017 (the "**Memorandum**"), the Corporation has determined that in order to support the IESO's role in the Fair Hydro Plan it requires greater credit liquidity;

AND WHEREAS the Corporation proposes to enter into a new credit facility with the Ontario Financing Authority or Ontario Electricity Financial Corporation to support the Corporation's role in the Fair Hydro Plan in an amount yet to be determined of between $1,800 million and $2,500 million (the "**New Facility**");

AND WHEREAS, due to the structure of the Fair Hydro Plan, once the New Facility is established, the Corporation's existing credit facility with the Ontario Financing Authority in the amount of $975 million (the "**OFA Facility**") will include unnecessary and duplicative credit liquidity such that the OFA Facility may be reduced to an amount yet to be determined between $400 million and $500 million;

AND WHEREAS ...[Recital redacted]...

NOW THEREFORE BE IT RESOLVED THAT:

1. The Board of Directors hereby authorizes and approves the establishment of the New Facility and the amendment of the OFA Facility ...**[Redacted]**... on such terms and conditions as are generally outlined in the Memorandum (collectively, all facilities being the "**Credit Facilities**").

2. The Chief Financial Officer or her delegate is hereby authorized for and on behalf of the Corporation to:

(a) finalize, execute and deliver

(i) all relevant agreements, instruments and other documents required for the establishment or amendment, as applicable, of the Credit Facilities, and

(ii) all ancillary documents, deeds and instruments determined to be necessary or desirable in connection therewith (the execution of any such document, deed or instrument being conclusive evidence of such determination),

and to perform the Corporation's obligations thereunder, and to obtain the benefits thereof;

(b) draw upon or continue to draw upon, as applicable, the Credit Facilities from time to time in accordance with their terms; and

(c) do any and all such further acts as may be determined to be necessary or desirable to give effect to the foregoing transactions including, for further certainty, amending any other agreements as may be required as a consequence of such transactions. "

I certify that the above is a true, redacted copy of a resolution approved by the Board of Directors of the Independent Electricity System Operator on June 14, 2017.

John Rattray

General Counsel, Secretary and Chief Reliability Compliance Officer
Independent Electricity System Operator
November 6th, 2017

INCUMBENCY CERTIFICATE

To: Ontario Financing Authority ("**OFA**")

I, the undersigned, Secretary to the Independent Electricity System Operator (the "**IESO**"), in my capacity as an officer of the IESO, and not in my personal capacity, do hereby certify that:

1. Kimberly Marshall has been duly appointed as Vice President, Corporate Services; Chief Financial Officer and Treasurer of the IESO and holds, as at the date hereof, such offices.

2. Pursuant to a resolution of the board of directors of IESO dated June 14, 2017, Kimberly Marshall has the authority to finalize, execute and deliver: (i) Amending Agreement No. 10 to the Credit Agreement between OFA and IESO (as successor by amalgamation to Ontario Power Authority) made as of January 1, 2005, as amended; and (ii) the Revolving Credit Facility Agreement between IESO and the Ontario Financing Authority made in relation to the Fair Hydro Plan.

3. The following is the genuine signature of the following individual:

Kimberly Marshall K Marshall

DATED this 6th day of November, 2017.

John Rattray
General Counsel, Secretary and Chief
Reliability Compliance Officer

I, the undersigned, do hereby certify for and on behalf of the IESO in my capacity as an officer of the IESO, and not in my personal capacity, that: (i) John Rattray has been duly appointed to the office of General Counsel, Secretary and Chief Reliability Compliance Officer and (ii) John Rattray holds, as at the date hereof, such office.

DATED this 6th day of November, 2017.

K Marshall

Kimberly Marshall
Vice President, Corporate Services; Chief
Financial Officer and Treasurer

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $2,000,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR (the "**IESO**"), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY** ("**OFA**") at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement (as defined below).

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the Revolving Credit Facility Agreement dated November 6, 2017 as amended, supplemented or restated from time to time, between the Borrower and the OFA (the "Agreement"). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: K Marshall

Name: Kimberly Marshall
Authorized Signatory

Ontario Financing Authority
1 Dundas Street West
Suite 1400
Toronto ON M7A 1Y7

Office ontarien de financement
1 rue Dundas ouest
Bureau 1400
Toronto ON M7A
1Y7

(416) 325-8000

Ontario

November 6, 2017

Mr. Steen Hume
Assistant Deputy Minister, Ministry of Energy
7th Flr, 77 Grenville St
Toronto, ON M7A 2C1

Ms. Kimberly Marshall
Vice-President, Corporate Services and Chief Financial Officer, IESO
120 Adelaide St W #1600
Toronto, ON M5H 1T1

Dear Mr. Steen Hume and Ms. Kimberly Marshall:

I am writing in relation to the Independent Electricity System Operator's ("IESO") request to the Ontario Financing Authority ("OFA") for a new revolving credit facility in an amount of up to CAD $2 billion (the "New Credit Facility") to support the IESO's role in the implementation of and participation under the *Ontario Fair Hydro Plan Act, 2017.* Under the OFA Lending Policy, the OFA requires an intercept provision in respect of loans made by the OFA to public bodies on an unsecured basis. In general, an intercept provision allows the Minister of Finance to deduct from money appropriated by the Legislature for payment to the public body amounts equal to any amounts the public body fails to pay the OFA under a loan agreement.

The IESO and the Ministry of Energy ("ENERGY") confirm and the OFA acknowledges that at this time there are no amounts appropriated by the Legislature for payment to the IESO by ENERGY and the intent of such intercept provision is that it would apply if and when amounts were to be appropriated for payment by ENERGY to the IESO in the future.

Prior to entering into a loan agreement with the IESO for the New Credit Facility (the "OFHP Credit Facility Agreement") on an unsecured basis, the OFA requires ENERGY and the IESO to agree to the terms and conditions set out below in relation to the above OFA Lending Policy intercept provision requirement.

These terms and conditions shall also apply to the IESO's existing $975 million credit facility, established in a credit agreement entered into between the OFA and the Ontario Power Authority dated January 1, 2005, as amended (the "Original Credit Facility Agreement").

... 2

- The OFA, the IESO, and ENERGY agree as follows in respect of any advances made by the OFA to the IESO pursuant to the OFHP Credit Facility Agreement or the Original Credit Facility Agreement (each a "Loan Agreement"; together, the "Loan Agreements"):

    - Pursuant to section 23 of the *Capital Investment Plan Act, 1993*, the IESO and ENERGY agree that, in the event that the Legislature appropriates any funds for payment by ENERGY to the IESO for any purpose ("Appropriated Funds"), the Minister of Finance would be entitled to deduct from such Appropriated Funds amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under a Loan Agreement (the "intercept provision"). Terms relating to the intercept provision shall also be separately included in the Loan Agreements.

    - If the intercept provision is exercised, the IESO agrees that any notice from the OFA to the Minister of Finance in relation to its failure to make a payment that is due under a Loan Agreement may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance.

    - Prior to recommending to the Minister of Finance that the intercept provision be exercised, the OFA will raise the issue with ENERGY and seek ENERGY's support in getting the IESO to pay the amounts owing to OFA within a reasonable cure period.

    - Upon receipt of notice from the OFA that the IESO has failed to make one or more payments owing to it in accordance with the provisions of a Loan Agreement, ENERGY will provide the OFA with all information requested by the OFA respecting amounts appropriated by the Legislature for payments to the IESO by ENERGY, including the intended purpose and expected timing of such payments to be made by ENERGY. Upon request, ENERGY will provide similar information to the Minister of Finance.

    - ENERGY acknowledges and agrees that, upon receipt of a direction from the Minister of Finance that an amount is to be deducted from money appropriated by the Legislature for payment by ENERGY to the IESO, ENERGY will take all necessary action required by it in order to effect such deduction and payment to the OFA in accordance with the Minister of Finance's direction.

    - For further certainty, the OFA and ENERGY acknowledge and agree that the intercept provision as provided for herein, and this letter agreement generally, shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than ENERGY or through Ontario Climate Change Solutions Deployment Corporation.

... 3

This letter agreement may be executed in counterparts. Therefore, if you are in agreement with the above terms and conditions in relation to the Loan Agreements, kindly sign this letter agreement below in triplicate and send back two copies to my attention.

Sincerely,

Ronald Kwan

Assistant Deputy Minister, Corporate and Electricity Finance Division, OFA

c. Gadi Mayman, Chief Executive Officer, OFA

The undersigned hereby agree to the terms and conditions as set out in this letter agreement and have executed this letter agreement as of the date first noted above.

Ministry of Energy

by:

name: Steen Hume

title: Assistant Deputy Minister, Ministry of Energy

Independent Electricity System Operator

by:

name: Kimberly Marshall

title: Vice-President, Corporate Services and Chief Financial Officer, IESO

From:	Sarah Harris
To:	John Kim
Cc:	William Tan
Subject:	IESO - fully execute letter, and partially executed agreements
Date:	Monday, November 06, 2017 4:01:17 PM
Attachments:	IESO-Signed Revolving Credit Facility Agreement.msg RE Signatures for FHP and Amending Agreement No. 10 .msg

---

Hi John,

This is IESO's part. Will shall copy you on the e-mail for our execution pages.

We'll provide the original intercept letter to you when we receive it.

Thanks,

Sarah

From: Victor Buza [Victor.Buza@ieso.ca]
To: William Tan [William.Tan@ofina.on.ca]
CC: Lisa Stein [Lisa.Stein@ofina.on.ca]; Sarah Harris [Sarah.Harris@ofina.on.ca]; Anthony Martinello [Anthony.Martinello@ieso.ca]
Subject: IESO-Signed Revolving Credit Facility Agreement
Date: Monday, November 06, 2017 16:27:54
Attachment 1: FHP Credit Agreement OFA IESO - Nov 6 2017 - IESO Signed.pdf

---

Per my email below – see attached the IESO-signed Revolving Credit Facility Agreement re FHP.
Victor

From: Victor Buza
Sent: November 06, 2017 3:24 PM
To: 'William Tan'
Cc: Lisa Stein; Sarah Harris; Anthony Martinello
Subject: RE: Signatures for FHP and Amending Agreement No. 10
Importance: High

Will,

Please find attached the following documents signed by IESO:

1. Amending Agreement #10 to the Jan. 1, 2005 Credit Agreement;
2. Certified IESO Board Resolution and Incumbency Certificate;
3. Scan of the $2 Billion Grid Note.
4. Intercept Letter Agreement.

I will send the new Revolving Credit Facility Agreement in relation to FHP under a separate email immediately following.

We have already overnighted the original grid note for $2 billion and an original Intercept Letter signed by all parties. Per your request, we will send original agreement signature pages for both agreements as well – can we send those tomorrow or do you need the overnighted too?

Let us know. We look forward to receiving your confirmation of closing.

Victor

Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079

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From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 3:09 PM
To: Victor Buza

Cc: Lisa Stein; Sarah Harris; Anthony Martinello
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hello Victor,

I clarified internally and we would want an original signature page for the FHP Agreement and Amending Agreement No. 10.

Thanks,

Will

From: William Tan
Sent: Monday, November 06, 2017 2:25 PM
To: 'Victor Buza' <Victor.Buza@ieso.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hi Victor,

My apologies. Please scan the separated $2B and $475 MM Grid promissory notes. Forward the $2B promissory note but hold on to the $475MM Grid Promissory Note until November 21.

- Resolution of the Board of Directors
- Incumbency Certificate
- Intercept Letter
- $2 B Grid Promissory Note
- $475 MM Grid Promissory Note

Yes, please forward the documents to myself.

William Tan
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3

Thanks,

Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 2:12 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>

Subject: RE: Signatures for FHP and Amending Agreement No. 10

I will scan and send all documents you listed in their entirety, not just signature pages. Can you confirm, are you saying you want a scan of the $475MM grid note?

Just so I get it right, should I courier the hardcopies of the Intercept Letter and Note to your attention and address, Will? Call me if it's quicker.

Victor
416-969-6079

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 1:57 PM
To: Victor Buza; Anthony Martinello
Cc: Lisa Stein; Sarah Harris
Subject: FW: Signatures for FHP and Amending Agreement No. 10

Hi Victor,

Thank you for the update. When you send the soft copy signatures, would it be possible to include the signatures within the agreements?

You were probably going to include the following signed soft copies anyway but out of caution I have listed them below:

- Resolution of the Board of Directors
- Incumbency Certificate
- Intercept Letter
- $2 B Grid Note
- $475 MM Grid Note

Hardcopy of the Intercept Letter and $2B Grid Note – overnight delivery is fine.

Per s. 16 AA #10 - Anthony and I discussed on Friday that $475MM Grid note would be signed today but held by IESO until November 21. After the borrowing notice and election notices are actioned, OFA will produce the grid notes to evidence payment and advancements. IESO will then send the new $475MM prom note to OFA. Once received OFA will send the $975MM cancelled prom note to IESO.

Thanks,

Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 10:48 AM
To: William Tan <William.Tan@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hi Will – I have a signing meeting scheduled with our signatory at 2:30pm this afternoon – so I will send you counterpart signatures and a scanned version of the Intercept Letter by 3:00pm or possibly earlier.

Hardcopy of Intercept Letter to follow as you prefer – overnight or pickup? We also need to make arrangements re delivery of the $2Bn Grid Note.

Per s.16 of AA#10, the other Note for $475MM is to be delivered following the Effective Time in exchange for the return by OFA of the Nov 30 2016 Note for $975MM.

Victor

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 10:33 AM
To: Anthony Martinello
Cc: Lisa Stein; Victor Buza; Sarah Harris
Subject: Signatures for FHP and Amending Agreement No. 10

Good morning Anthony,

Just checking-in on approximately when we can expect the documents to be executed so I may prepare my signatory.

Thanks,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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INDEPENDENT ELECTRICITY SYSTEM OPERATOR

as Borrower

and

ONTARIO FINANCING AUTHORITY

as Lender

REVOLVING CREDIT FACILITY AGREEMENT

Date: November 6, 2017

REVOLVING CREDIT FACILITY AGREEMENT

THIS AGREEMENT is made as of the 6th day of November 2017,

BETWEEN:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, a statutory corporation without share capital existing under Part II of the *Electricity Act, 1998* (the "**IESO**")
(as Borrower)

AND

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* (the "**OFA**" and together with the IESO, the "**Parties**")
(as Lender)

RECITALS:

WHEREAS the IESO has requested a revolving credit facility for up to a maximum principal amount of $2 billion from the OFA for the purpose of supporting the IESO's role in the implementation and administration of the *Ontario Fair Hydro Plan Act, 2017*.

THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the Parties agree as follows:

ARTICLE 1

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"Advances" means advances made by the OFA to the IESO under Article 3 and "Advance" means any one of such advances, and in the case of an election by the IESO under Section 3.3, includes a "Continued Advance", as defined in Section 3.3(1), as applicable.

"Advances Outstanding" means, at any time, an amount equal to the aggregate principal amount of all Advances outstanding at such time.

"Agreement", "herein", "hereby", "hereor', "hereunder" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression "Article" or "Section" followed by a number means the specified Article or Section of this Agreement.

"Borrowing Notice" has the meaning specified in Section 3.2(1).

"Business Day" means any day that is not a day on which banks are generally authorized or required by law or executive order to be closed in the City of Toronto.

"Clean Energy Adjustment" has the same meaning as that term is defined in the OFHP.

"Commitment" means, at any time, an amount equal to $2 billion.

"Consolidated Assets" means, at any time, the book value of the assets of the IESO and the Subsidiaries, determined as of such time on a consolidated basis in accordance with GAAP.

"Continued Advance" has the meaning specified in Section 3.3(1).

"Credit Facility" means the revolving credit facility to be made available to the IESO by the OFA under this Agreement for the purposes specified in Section 2.2.

"Current Repayment Date" has the meaning specified in Section 3.3(2).

"Default" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"Dollars" or **"$"** means lawful currency of Canada.

"Election Notice" has the meaning specified in Section 3.3(2).

"Event of Default" has the meaning specified in Section 5.1.

"First Advance" has the meaning specified in Section 3.2(3).

"GAAP" means accounting policies and standards as established by the Chartered Professional Accountants of Canada, at the relevant time and applied on a consistent basis.

"Grid Note" has the meaning specified in Section 3.2(2).

"Indebtedness" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) every obligation of such Person for borrowed money;

(b) every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments;

(c) every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) every capital lease obligation of such Person;

(f) the Swap Termination Value of each Swap Contract of such Person; and

(g) every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"Lien" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"Material Subsidiary" means, at any time, a Subsidiary which has consolidated assets with a book value of more than $25 million determined in accordance with GAAP.

"**New Repayment Date**" has the meaning specified in Section 3.3(2).

"**OFHP**" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

"Permitted Liens" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) any obligations or duties, affecting the property of the IESO to any municipality or governmental, statutory or public authority, with respect to any franchise, grant, license

or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by the IESO or such Material Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by the IESO or such Material Subsidiary;

(d) any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) the right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) any undetermined or inchoate Liens and charges incidental to the current operations of the IESO or a Material Subsidiary that have not at the time been filed against the IESO or such Material Subsidiary; provided, however, that if any such Lien or charge shall have been filed, the IESO or such Material Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) any Lien the validity of which is being contested at the time by the IESO or a Material Subsidiary in good faith and the enforcement of which has been stayed;

(h) any easements, rights-of-way and servitudes that in the opinion of the IESO will not in the aggregate materially and adversely impair the use or value of the land for the purpose for which it is held or occupied by the IESO or a Material Subsidiary;

(i) any Liens and privileges arising out of judgments or awards with respect to which the IESO or a Material Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall have secured a stay of execution pending such appeal or proceedings for review;

(j) any other Liens of a nature similar to the foregoing which do not in the opinion of the IESO, acting reasonably, materially impair the use of the property subject thereto or the operation of the business of the IESO or any Material Subsidiary or the value of such property for the purpose of any such business; and

(k) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other

lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

"Person" means any individual, corporation, partnership joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"Purchase Money Mortgage" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or part of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"Repayment Date" means, in respect of the repayment of Advances, the repayment date contained in the most recent Borrowing Notice or Election Notice.

"Stated Maturity" when used with respect to any Indebtedness or any installment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such installment of interest is due and payable.

"Subsidiary" means:

(a) a corporation more than 50% of the voting power or the outstanding Voting Shares of which is owned, directly or indirectly, by the IESO or by one or more other Subsidiaries or by the IESO and one or more other Subsidiaries; or

(b) any Person (other than a corporation) in which the IESO, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

"Swap Contract" means any agreement whether or not in writing, relating to any transaction or derivative transaction including a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction currency swap, cross-currency rate swap, swaption, currency option or other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.

"Swap Termination Value" means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap contracts:

(a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and

(b) for any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.

"Voting Shares" of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings.

The division of this Agreement into Articles and Sections and the insertion of headings are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and vice versa and words importing gender may include any gender. In this Agreement, (a) the words "including" and "includes" mean "including (or includes) without limitation", and (b) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" each mean "to but excluding".

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with GAAP.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the next succeeding Business Day.

ARTICLE 2
REVOLVING CREDIT FACILITY

Section 2.1 Availability.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO. The OFA shall make each Advance in Dollars.

Section 2.2 Use of Proceeds.

The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the *Electricity Act, 1998*, as such regulation may be amended or replaced from time to time, subject to the condition that proceeds of Advances may be used only for IESO's financing needs and requirements of any kind arising in connection with the IESO's role with respect to and obligations under the OFHP.

Section 2.3 Credit Facility Limit.

The Advances Outstanding shall not at any time exceed the Commitment. The Credit Facility shall revolve and no payment under the Credit Facility shall reduce the Commitment.

Section 2.4 Mandatory Repayment.

Subject to Sections 2.5 and 5.2, the IESO shall repay each Advance together with the interest accrued thereon on the applicable Repayment Date, and, in any event, shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder on September 30, 2022.

Section 2.5 Prepayments.

The IESO is not entitled to prepay any part of the Advances Outstanding or the interest accrued thereon without the prior written consent of the OFA.

Section 2.6 Payments under this Agreement.

(1) The OFA shall make Advances to the IESO under this Agreement to or to the order of the IESO by wire transfer of immediately available funds in accordance with wire transfer instructions given by the IESO to the OFA from time to time, or in such other manner as the IESO may specify to the OFA from time to time.

(2) The IESO shall make any payment required hereunder to be made by it to the OFA, to or to the order of the OFA, by wire transfer of immediately available funds in accordance with wire transfer instruction given by the OFA to the IESO from time to time, or in such other manner as the OFA may specify to the IESO from time to time. The IESO shall make each such payment in Canadian Dollars.

Section 2.7 Computations of Interest.

(1) All computations of interest shall be made by the OFA taking into account the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest is payable on the basis of a year of 365 days or 366 days, as the case may be.

(2) For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Agreement for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

Section 2.8 Limit on Rate of Interest.

(1) Notwithstanding any provision contained in this Agreement, the IESO shall not be obliged to make any payments of interest or other amounts payable to the OFA hereunder in excess of the amount or rate which would be prohibited by applicable law or would result in the receipt by the OFA of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada)).

(2) In the event that any such payments are limited or prohibited as provided in Section 2.8(1), the OFA shall have no further obligation to make any Advances available hereunder and the Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, shall become immediately due and payable.

Section 2.9 Application of Payments.

All payments made by the IESO under this Agreement shall be applied firstly to the payment of interest payable to the OFA on late payments of principal or interest hereunder, secondly, to the payment of accrued and unpaid interest payable to the OFA hereunder and thirdly, to the payment of the outstanding principal amount of any Advances payable to the OFA.

ARTICLE 3
ADVANCES

Section 3.1 Advances.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO under the Credit Facility from time to time on any Business Day prior to September 23, 2022.

Section 3.2 Procedure for Advances.

(1) Subject to Section 3.3(5), each Advance shall be made subject to two Business Days' prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each notice of an Advance (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1, other than a Borrowing Notice that is included in an Election Notice as permitted by Section 3.3(3). Each Borrowing Notice shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance; (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall not be earlier than 5 days and not later than 95 days after the date of the requested Advance. Each Borrowing Notice shall also certify the use of proceeds of the Advance which shall in any case be in accordance with Section 2.2. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, the IESO shall execute and deliver to the OFA a grid promissory note in respect of Advances substantially in the form of Schedule 3 (the "**Grid Note**"). The IESO authorizes the OFA to record on the Grid Note (a) the date and amount of each Advance or Continued Advance; (b) the applicable rate of interest for each Advance or Continued Advance; (c) the Repayment Date of each Advance or Continued Advance; (d) the date and amount of each payment of interest and each payment of principal or portion thereof in respect of each Advance or Continued Advance; and (e) Advances Outstanding. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such Advances and repayments; provided that the failure of the OFA to record any amount, rate or date shall not affect the obligation of the IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement.

(3) Respecting the first Advance to be made under this Agreement (the "**First Advance**"), a specified portion thereof (the "**Repayment Amount**") shall be used to repay a portion of the IESO's outstanding indebtedness to the OFA under the credit agreement between the Parties dated January 1, 2005, as amended (the "**Existing Credit Facility**"). The amount of the Repayment Amount shall be detailed in the Borrowing Notice issued in respect of the First Advance. Concurrently with the First Advance, OFA shall provide to IESO an updated grid in respect of the grid note issued under the Existing Credit Facility evidencing the repayment of the Repayment Amount thereunder.

Section 3.3 Elections Regarding Advances.

(1) The IESO may elect to continue all or a portion of the principal amount of any Advance and any amount of interest on such Advance (together, the "**Continued Advance**") for a further period of at least 5 days and up to a maximum of 95 days beginning on the then current Repayment Date in accordance with Section 3.3(2).

(2) Each notice to continue an Advance for a further period (an "**Election Notice**") shall be provided by the IESO to the OFA at least two Business Days prior to the Repayment Date of the Advance (the "**Current Repayment Date**"), and in each case, not later than

10:00 a.m. (Toronto time). Each such Election Notice shall be given substantially in the form of Schedule 2 and shall be irrevocable and binding upon the IESO and shall specify: (a) the Current Repayment Date; (b) the new aggregate total amount of the proposed Continued Advance; (c) the amount of interest or principal, if any, to be paid or re-paid by the IESO with respect to such Advance on the Current Repayment Date; and (d) the new Repayment Date of the proposed Continued Advance, which shall be no earlier than 5 days and not later than 95 days after the current Repayment Date (the "**New Repayment Date**"). If the IESO fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date.

(3) An Election Notice with respect to a proposed Continued Advance may include a Borrowing Notice for a further Advance proposed to be made on the Current Repayment Date. The Repayment Date of such further Advance shall be the New Repayment Date of the Continued Advance that is specified in the Election Notice. Such Borrowing Notice shall be given substantially in the form of Schedule 2.

(4) The calculation of interest on a Continued Advance shall be determined in the same manner as an Advance under Section 3.4 and shall be recorded on the Grid Note in accordance with Section 3.2(2).

(5) Any portion of an Advance not continued for a further period in accordance with Section 3.3(2) shall be repayable on the applicable Repayment Date.

(6) The Credit Facility shall at all times rank *pari passu* with all other unsubordinated and unsecured Indebtedness of the IESO, subject to the existence of any Liens that secure Indebtedness, as permitted by subections 4.6 (a) through (e) hereof.

(7) All amounts owing in respect of the Advances shall be paid without exercising any right of set off or counterclaim by the IESO.

Section 3.4 Interest on Advances.

(1) The IESO shall pay interest on the unpaid principal amount of each Advance in accordance with this Section 3.4 from and including the date of such Advance until the principal amount of such Advance is repaid in full.

(2) Interest shall accrue on the principal amount of each Advance from and including the date of the Advance to but excluding the Repayment Date of such Advance, at an annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum, before as well as after the date such principal amount or interest thereon becomes due hereunder and both before and after Default and shall be payable on the Repayment Date for such Advance. Any amount of interest arising hereunder which is not paid when due shall bear interest at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment. The amount of interest payable on an Advance will be calculated by the

OFA by dividing the interest rate applicable to the Advance by 365 or 366, as the case may be, and multiplying the result by the principal amount of the Advance and further multiplying the result by the number of days in the period from the date of the Advance to the Repayment Date of the Advance.

(3) If the IESO elects to continue an Advance in accordance with Section 3.3(2), the OFA shall determine the interest rate applicable after the original Repayment Date of the Advance and endorse the said rate on the grid forming part of the Grid Note in respect of Advances held by it.

Section 3.5 Conditions Precedent

The obligation of the OFA to make the Advances to the IESO pursuant to Section 2.1 is subject to the following conditions being satisfied to the OFA's satisfaction at the time of making each Advance:

(a) that the representations and warranties of the IESO contained in this Agreement are true and correct as at the date of making the Advance;

(b) that no Event of Default has occurred and is continuing;

(c) that there shall, in the reasonable opinion of the OFA, have been no material adverse change in the financial condition of the IESO or a Material Subsidiary; and

(d) that the OFA has received such other documentation which it has reasonably requested to ensure that the IESO is in compliance with the terms and conditions of this Agreement, including certified true copies of any necessary resolutions, a written legal opinion from counsel to the IESO confirming that the borrowing is within the legal powers of the IESO and that the Agreement is a direct, unsecured obligation of the IESO enforceable against the IESO in form satisfactory to the OFA.

ARTICLE 4
COVENANTS OF THE IESO

Section 4.1 Repayment of Advances.

The IESO will duly and punctually pay all amounts owing under this Agreement in accordance with the terms and subject to the conditions of this Agreement.

Section 4.2 IESO will Maintain its Corporate Existence.

The IESO will at all times maintain its corporate existence.

Section 4.3 Maintenance of Properties.

The IESO will cause all property owned by the IESO or any Material Subsidiary to be maintained and kept in good condition, repair and working order, all as in the judgment of the IESO or any Material Subsidiary may be necessary for the proper operation of such property, except as and to the extent that the IESO or any Material Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 4.3 shall prevent the IESO or any Material Subsidiary from discontinuing the maintenance of any such property or decommissioning any such property if such discontinuance or decommissioning is, in the judgment of the IESO or any such Material Subsidiary, desirable in the conduct of its business or the business of any such Material Subsidiary, or has been directly or indirectly requested or required by the Province of Ontario.

Section 4.4 Insurance.

The IESO will cause all property owned by the IESO or any Material Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the mature and to the extent that such property is usually insured by companies operating similar businesses.

Section 4.5 Conduct of Business.

The IESO will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in accordance with good business practice.

Section 4.6 Negative Pledge.

The IESO will not, and will not permit any Material Subsidiary to, create, incur or assume any Lien, charging the interest of the IESO or any Material Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, all amounts owing under this Agreement are secured equally and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) the creation, incurrence or assumption of any Purchase Money Mortgage;

(b) the grant of any Lien in the normal course of business to any banks or financial institutions for present or future Indebtedness of the IESO or any Material Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) any extension, renewal or replacement of any of the Liens referred to in Sections 4.6(a), (b) or (c), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased; and

(e) any Lien charging the interest of the IESO or any Material Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 4.6(a), (b) or (c), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 4.6(e) which is outstanding at such time does not exceed 10% of Consolidated Assets at such time.

Section 4.7 Payment of OFA Expenses

In addition to any liability of the IESO to the OFA under any other provision of this Agreement, the IESO will, on demand, reimburse and indemnify OFA for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OFA in connection with the Agreement (including those services incurred in the preservation of rights under or enforcement of this Agreement at any time during the continuance of a Default or Event of Default and for any reasonable loss or expense incurred by OFA as a result of any failure by the IESO to fulfill any of its obligations under this Agreement). All such costs, charges and expenses shall bear interest at the Province of Ontario's cost of funds plus 0.25 percent per annum (as determined by the OFA) calculated and payable monthly not in advance from in each case from the date on which the OFA incurs the cost, charge or expense until the date on which the IESO reimbursement the OFA therefor. The OFA agrees, acting reasonably, to invoice the IESO for any such costs, charges and expense as they are incurred, together with interest at the aforesaid rate (with interest on overdue interest).

Section 4.8 Reporting.

The IESO will promptly provide to the OFA any reports or supporting documents that the OFA may request from time to time.

Section 4.9 Late Repayment of Advance.

In the event that the IESO fails to repay the principal amount of any Advance and all interest accrued thereon when due, the IESO shall pay interest on the unpaid amount of such Advance at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment.

ARTICLE 5
EVENTS OF DEFAULT AND REMEDIES

Section 5.1 Event of Default.

Wherever used in this Agreement, the term "Event of Default" means any of the following:

(a) the IESO's failure to pay any interest upon any Advance when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) failure to pay the principal amount of any Advance on the applicable Repayment Date or the Advances Outstanding, all interest accrued thereon and all other amounts owing under this Agreement on September 30, 2022;

(c) failure on the part of the IESO to observe or perform its obligations set forth in Section 4.1;

(d) failure on the part of the IESO to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 20 days after the date on which written notice of such failure shall have been given to the IESO by the OFA;

(e) any representation or warranty made by the IESO in this Agreement or in any certificate or other document at any time delivered hereunder to the OFA was incorrect or misleading in any material respect;

(f) one or more breaches by the IESO of its covenants under one or more evidences of Indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $5 million, which breaches:

(i) constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist, or

(ii) have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived or rescinded);

(g) the IESO or any Material Subsidiary:

(i) becomes unable to meet its obligations as they generally become due or has ceased paying its current obligations in the ordinary course of business as they generally become due;

(ii) admits in writing its inability to pay its debts generally or makes a general assignment for the benefit its creditors or files a proposal or other scheme

of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) institutes or has instituted against it any proceeding seeking:

(A) to adjudicate it as bankrupt or insolvent,

(B) liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors, or

(C) the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets,

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismissed or unstayed for a period of 30 days, or any remedy sought in any such proceeding (including the entry of order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

(iv) takes any corporate action to authorize any of the actions in Sections 5.1 (g)(i) to (iii); or

(h) if there shall be rendered against the IESO or any Material Subsidiary a final judgment or judgments for the payment of money in an aggregate amount in excess of $5 million by a court or courts of competent jurisdiction, and the IESO or any Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 5.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case the OFA may at its option, in addition to any other remedy available to the OFA at law, by written notice to the IESO, take any or all of the following actions:

(a) suspend the right of the IESO to request any further Advance until the Event of Default has been cured to the OFA's satisfaction or, if the Event of Default is not

cured within three (3) Business Days after the date on which written notice of such Event of Default shall have been given to the IESO by the OFA, declare all amounts owing hereunder including all interest accrued to be due and payable immediately, by a notice in writing to the IESO, and upon any such declaration all such amounts shall become immediately due and payable.

(b) invoke the Intercept pursuant to section 5.7 of this Agreement to require payment of any amount due and payable under this Agreement.

Section 5.3 Suits for Enforcement by the OFA.

If an Event of Default occurs and is continuing, the OFA may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in the OFA by this Agreement or by law.

Section 5.4 OFA May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of the IESO under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property of the IESO, or if any other judicial proceedings relative to the IESO, its creditors or its property are pending, the OFA shall be entitled and empowered, by intention in such proceeding or otherwise:

(a) to file and prove a claim for all amounts owing under this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of the OFA (including any claim for fees and disbursements of the OFA, its agents and counsel) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claim.

Section 5.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to the OFA is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.6 Delay or Omission not Waiver.

No delay or omission of the OFA to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right or remedy given by this Article 5 or by law to OFA may be exercised from time to time, and as often as may be deemed expedient, by the OFA.

Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of even date herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the *Capital Investment Plan Act, 1993* (the "**Intercept Letter**"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("**Appropriated Funds**"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("**Intercept**").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

(e) The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or

inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail.

ARTICLE 6
REPRESENTATIONS AND WARRANTIES OF IESO

Section 6.1 Representations and Warranties of IESO

The IESO represents and warrants to the OFA that:

(a) the borrowing of money (including principal and accrued interest) by the IESO and the execution, delivery and performance of this Agreement are within the powers and capacities of the IESO and have been duly authorized by all necessary legal action and proper proceedings;

(b) the execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the compliance with the terms and conditions of this Agreement will not conflict with or result in a breach of any of the terms or provisions of the constituting documents or by-laws of the IESO, laws of Ontario, including laws of Canada applicable therein, applicable to the IESO or any contractual or other obligation binding on the IESO;

(c) this Agreement will, when executed and delivered, constitute the legal, valid and binding obligation of the IESO enforceable against it in accordance with its terms; and

(d) the monies advanced under this Agreement shall be used only by the IESO for the purposes set out in Section 2.2.

Section 6.2 Continuation of Representation and Warranties

The representations and warranties set out in Section 6.1 herein shall survive the execution and delivery of this Agreement, the making of each Advance by the OFA, notwithstanding any investigations or examinations which may be made by counsel for the OFA.

ARTICLE 7
GENERAL

Section 7.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy or other means of electronic communication addressed:

If to the IESO, to it at:

Independent Electricity System Operator
120 Adelaide Street West, Suite 1600
Toronto, ON M5H 1T1

Attention: Chief Financial Officer
Telephone: (416)969-6232
Facsimile: (905)403-6913

If to the OFA, to it at:

Ontario Financing Authority 1 Dundas Street West
Suite 1400 Toronto, Ontario M7A 1Y7

Attention: Executive Director & Chief Investment Officer – Capital Markets Division
Telephone: (416)325-8930
Facsimile: (416)860-8346

provided that any Borrowing Notice or Election Notice shall be addressed as indicated on Schedule 1 or Schedule 2 respectively.

Any communication hereunder shall be deemed to have been validly and effectively given if (a) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p.m. (Toronto time), otherwise on the next Business Day, (b) transmitted by facsimile or other means of electronic communication, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice give in accordance with this Section 7.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 7.1.

Section 7.2 Successors and Assigns.

This Agreement shall be binding on and enure to the benefit of the OFA and the IESO and their respective successors and permitted assigns, except that the IESO shall not, without the

prior written consent of the OFA assign, pledge or hypothecate any rights or obligations with respect to this Agreement.

Section 7.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of the Parties.

Section 7.4 Waiver.

(1) No waiver of any provisions of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) of this Agreement nor shall such waiver be binding unless executed in writing by the party to be bound by the waiver.

(2) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude another or further exercise of such right or the exercise of any other right.

Section 7.5 Further Assurances.

Each of the IESO and the OFA shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement

Section 7.6 Severability.

In case any provision in this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement shall not in any way be affected or impaired thereby.

Section 7.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 7.8 Entire Agreement.

This Agreement, including the schedules hereto and any other agreements expressly referred to herein, constitutes the whole agreement between the Parties with respect to the matters dealt with in it, and it supersedes any prior agreement, undertakings, discussions and the like respecting the matters dealt with in this Agreement and entered into by the Parties before the date the OFA signs this Agreement.

Section 7.9 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Agreement.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first written above.

ONTARIO FINANCING AUTHORITY

Per: _____

Name:
Title:

I have authority to bind the corporation.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: K Marshall

Name: Kimberly Marshall
Title: Vice President, Corporate Services;
Chief Financial Officer; Treasurer

I have authority to bind the corporation.

SCHEDULE 1

FORM OF BORROWING NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The principal amount of the Proposed Advance is $_____;
(c) The Repayment Date of the Proposed Advance is _____. [Not earlier than 5 days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:

Authorized Signatory

SCHEDULE 2

FORM OF ELECTION NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is _____.

(b) The aggregate amount of the proposed Continued Advance is $_____, which is comprised of:
   i. principal amount (or portion thereof) of Advance which is to be continued $_____; and
   ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date $_____;

(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): $ _____

(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _____. [Insert date not earlier than 5 days and not later than 95 days after the current Repayment Date for the Advance.]

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: $_____
The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Name:

Authorized Signatory

SCHEDULE 3 – FORM OF GRID NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $2,000,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR (the "**IESO**"), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY** ("**OFA**") at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement (as defined below).

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the Revolving Credit Facility Agreement dated **[INSERT DATE]** as amended, supplemented or restated from time to time, between the Borrower and the OFA (the "Agreement"). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:
Authorized Signatory

Revolving Credit Facility Grid Note

Ontario Financing Authority
Line of Credit Grid Note

Entity : Independent Electricity System Operator
Loan Limit:

Project:
Schedule of loan transactions to:
Loan Advanced to:

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days

From: Victor Buza [Victor.Buza@ieso.ca]
To: William Tan [William.Tan@ofina.on.ca]
CC: Lisa Stein [Lisa.Stein@ofina.on.ca]; Sarah Harris [Sarah.Harris@ofina.on.ca]; Anthony Martinello [Anthony.Martinello@ieso.ca]
Subject: RE: Signatures for FHP and Amending Agreement No. 10
Date: Monday, November 06, 2017 16:24:31
Attachment 1: OFA_IESO Amending Agrmt#10 to Jan 1 2005 Credit Facility Nov 6 2017 - IESO signed.pdf
Attachment 2: Certified IESO Brd Resol'n June 14_17 re Credit Facilities and Incumb Cert - Nov 6 2017.pdf
Attachment 3: FHP IESO $2Billion Grid Note to OFA - signed by IESO Nov 6 2017.pdf
Attachment 4: Intercept Letter MOE_OFA_IESO Fully Executed - Nov 6 2017.pdf

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Will,

Please find attached the following documents signed by IESO:

1. Amending Agreement #10 to the Jan. 1, 2005 Credit Agreement;
2. Certified IESO Board Resolution and Incumbency Certificate;
3. Scan of the $2 Billion Grid Note.
4. Intercept Letter Agreement.

I will send the new Revolving Credit Facility Agreement in relation to FHP under a separate email immediately following.

We have already overnighted the original grid note for $2 billion and an original Intercept Letter signed by all parties. Per your request, we will send original agreement signature pages for both agreements as well – can we send those tomorrow or do you need the overnighted too?

Let us know. We look forward to receiving your confirmation of closing.

Victor

Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079

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From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 3:09 PM
To: Victor Buza
Cc: Lisa Stein; Sarah Harris; Anthony Martinello
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hello Victor,

I clarified internally and we would want an original signature page for the FHP Agreement and Amending Agreement No. 10.

Thanks,

Will

From: William Tan
Sent: Monday, November 06, 2017 2:25 PM
To: 'Victor Buza' <Victor.Buza@ieso.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hi Victor,

My apologies. Please scan the separated $2B and $475 MM Grid promissory notes. Forward the $2B promissory note but hold on to the $475MM Grid Promissory Note until November 21.

- Resolution of the Board of Directors
- Incumbency Certificate
- Intercept Letter
- $2 B Grid Promissory Note
- $475 MM Grid Promissory Note

Yes, please forward the documents to myself.

William Tan
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3

Thanks,

Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 2:12 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

I will scan and send all documents you listed in their entirety, not just signature pages. Can you confirm, are you saying you want a scan of the $475MM grid note?

Just so I get it right, should I courier the hardcopies of the Intercept Letter and Note to your attention

and address, Will? Call me if it's quicker.

Victor
416-969-6079

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 1:57 PM
To: Victor Buza; Anthony Martinello
Cc: Lisa Stein; Sarah Harris
Subject: FW: Signatures for FHP and Amending Agreement No. 10

Hi Victor,

Thank you for the update. When you send the soft copy signatures, would it be possible to include the signatures within the agreements?

You were probably going to include the following signed soft copies anyway but out of caution I have listed them below:

- Resolution of the Board of Directors
- Incumbency Certificate
- Intercept Letter
- $2 B Grid Note
- $475 MM Grid Note

Hardcopy of the Intercept Letter and $2B Grid Note – overnight delivery is fine.

Per s. 16 AA #10 - Anthony and I discussed on Friday that $475MM Grid note would be signed today but held by IESO until November 21. After the borrowing notice and election notices are actioned, OFA will produce the grid notes to evidence payment and advancements. IESO will then send the new $475MM prom note to OFA. Once received OFA will send the $975MM cancelled prom note to IESO.

Thanks,

Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 10:48 AM
To: William Tan <William.Tan@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hi Will – I have a signing meeting scheduled with our signatory at 2:30pm this afternoon – so I will send you counterpart signatures and a scanned version of the Intercept Letter by 3:00pm or possibly earlier.

Hardcopy of Intercept Letter to follow as you prefer – overnight or pickup? We also need to make arrangements re delivery of the $2Bn Grid Note.

Per s.16 of AA#10, the other Note for $475MM is to be delivered following the Effective Time in exchange for the return by OFA of the Nov 30 2016 Note for $975MM.

Victor

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 10:33 AM
To: Anthony Martinello
Cc: Lisa Stein; Victor Buza; Sarah Harris
Subject: Signatures for FHP and Amending Agreement No. 10

Good morning Anthony,

Just checking-in on approximately when we can expect the documents to be executed so I may prepare my signatory.

Thanks,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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AMENDING AGREEMENT NO. 10

This Amending Agreement No. 10 (this "**Amending Agreement**") is made as of the 21st day of November, 2017 (the "**Effective Date**")

BETWEEN:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, a statutory corporation without share capital existing under Part II of the *Electricity Act, 1998* ("**IESO**")

-and-

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* ("**OFA**")

(together, the "**Parties**")

WHEREAS the Ontario Power Authority ("**OPA**") and the OFA entered into a credit agreement dated January 1, 2005 (the "**Original Agreement**");

AND WHEREAS effective January 1, 2015, the OPA and the then existing Independent Electricity System Operator amalgamated and continued as a corporation without share capital under Part II of the *Electricity Act, 1998* with the name "Independent Electricity System Operator" (**"IESO"),** and the obligations of the OPA became obligations of the IESO;

AND WHEREAS pursuant to the amending agreements dated February 14, 2005, October 11, 2005 (titled, "Amending Agreement No. 3"), September 27, 2006 (titled, "Amending Agreement No. 4"), July 13, 2007 (titled, "Amending Agreement No. 5"), November 9, 2010 (titled, "Amending Agreement No. 6"), December 20, 2013 (titled, "Amending Agreement No. 7"), December 19, 2014 (titled, "Amending Agreement No. 8") and November 30, 2016 (titled, "Amending Agreement No. 9"), the OPA or IESO (as applicable) and the OFA amended the Original Agreement (as so amended, the **"Credit Agreement",** the terms defined therein being used herein as therein defined);

AND WHEREAS the Parties have now agreed to: (i) at the request of the IESO, decrease the total principal amount available under the Credit Agreement from $975,000,000 to a total principal amount of up to $475,000,000; (ii) amend the use of proceeds under the Credit Agreement; (iii) amend the Form of Election Notice and related provisions under the Credit Agreement; and (iv) make other amendments required as a consequence of the implementation of the OFHP (as defined below);

AND WHEREAS pursuant to Section 7.3 of the Credit Agreement, the Credit Agreement may only be amended or otherwise modified by written agreement executed by the Parties.

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby

acknowledged, and subject to the terms and conditions hereafter set out, the Parties agree that, as of the Effective Time (as defined below):

1. The definition of "Advances" in Section 1.1 of the Credit Agreement is deleted and replaced by the following:

   "**Advances**" means advances made by the OFA to the IESO under Article 3 and "Advance" means any one of such advances, and in the case of an election by the IESO under Section 3.3, includes a "Continued Advance", as defined in Section 3.3(1), as applicable."

2. The definition of "**Commitment**" in Section 1.1 of the Credit Agreement is amended by deleting "$975,000,000" and substituting "$475,000,000" therefor.

3. The definition of "**Permitted Liens**" is amended by deleting the word "and" at the end of subsection (i); replacing the "." at the end of subsection (j) and replacing it with "; and" ; and adding the following subsection (k):

   "(k) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

4. The following definitions are added to Section 1.1 of the Credit Agreement:

   "Clean Energy Adjustment" has the same meaning as that term is defined in the OFHP.

   "Continued Advance" has the meaning specified in Section 3.3(1).

   "**Current Repayment Date**" has the meaning specified in Section 3.3(2).

   "**New Repayment Date**" has the meaning specified in Section 3.3(2).

   "OFHP" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

5. Section 2.3 "Use of Proceeds" of the Credit Agreement is deleted in its entirety (with the exception of the title of the section, which exception also applies regarding the amendments made under sections 6, 7 and 8 hereof) and replaced by the following:

   "The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the *Electricity Act, 1998,* as such regulation may be amended or replaced from time to time, provided that Advances may be used only for liquidity purposes."

6. Section 3.2 "Procedures for Advances" of the Credit Agreement is deleted in its entirety and replaced by the following:

"(1) Subject to Section 3.3(5), each Advance shall be made subject to two Business Days' prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each notice of an Advance (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1, other than a Borrowing Notice that is included in an Election Notice as permitted by Section 3.3(3). Each Borrowing Notice shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance; (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall be no earlier than 28 days and not later than 95 days after the date of the requested Advance. Each Borrowing Notice shall also certify the use of proceeds of the Advance which shall in any case be in accordance with Section 2.3. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, the IESO shall execute and deliver to the OFA a grid promissory note in respect of Advances substantially in the form of Schedule 3 (the **"Grid Note")**. The IESO authorizes the OFA to record on the Grid Note (a) the date and amount of each Advance or Continued Advance; (b) the applicable rate of interest for each Advance or Continued Advance; (c) the Repayment Date of each Advance or Continued Advance; (d) the date and amount of each payment of interest and each payment of principal or portion thereof in respect of each Advance or Continued Advance; and (e) Advances Outstanding. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such Advances and repayments; provided that the failure of the OFA to record any amount, rate or date shall not affect the obligation of the IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement."

7. Section 3.3 "Elections Regarding Advances" of the Credit Agreement is deleted in its entirety and replaced by the following:

"(1) The IESO may elect to continue all or a portion of the principal amount of any Advance and any amount of interest on such Advance (together, the "**Continued Advance**") for a further period of at least 28 days and up to a maximum of 95 days beginning on the then current Repayment Date in accordance with Section 3.3(2).

(2) Each notice to continue an Advance for a further period (an "**Election Notice**") shall be provided by the IESO to the OFA at least two Business Days prior to the Repayment Date of the Advance (the "**Current Repayment Date**"), and in each case, not later than 10:00 a.m. (Toronto time). Each such Election Notice shall be given substantially in the form of Schedule 2 and shall be irrevocable and binding upon the IESO and shall specify: (a) the Current Repayment Date; (b) the new aggregate total amount of the proposed Continued Advance; (c) the amount of interest or principal, if any, to be paid or re-paid by the IESO with respect to such Advance on the Current Repayment Date; and (d) the new Repayment Date of the proposed Continued Advance, which shall be no earlier than 28 days and not later than 95 days after the Current Repayment Date (the "**New Repayment Date**"). If the IESO fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date.

(3) An Election Notice with respect to a proposed Continued Advance may include a Borrowing Notice for a further Advance proposed to be made on the Current Repayment

Date. The Repayment Date of such further Advance shall be the New Repayment Date of the Continued Advance that is specified in the Election Notice. Such Borrowing Notice shall be given substantially in the form of Schedule 2.

(4) The calculation of interest on a Continued Advance shall be determined in the same manner as an Advance under Section 3.4 and shall be recorded on the grid promissory note in respect of Advances in accordance with Section 3.2(2).

(5) Any portion of an Advance not continued for a further period in accordance with Section 3.3(2) shall be repayable on the applicable Repayment Date."

8. Section 5.2 "Acceleration of Maturity; Recission and Annulement" of the Credit Agreement is deleted in its entirety and replaced by the following:

"If an Event of Default occurs and is continuing, then and in every such case the OFA may at its option, in addition to any other remedy available to the OFA at law, by written notice to the IESO, take any or all of the following actions:

(a) suspend the right of the IESO to request any further Advance until the Event of Default has been cured to the OFA's satisfaction or, if the Event of Default is not cured within three (3) Business Days after the date on which written notice of such Event of Default shall have been given to the IESO by the OFA, declare all amounts owing hereunder including all interest accrued to be due and payable immediately, by a notice in writing to the IESO, and upon any such declaration all such amounts shall become immediately due and payable.

(b) invoke the Intercept pursuant to section 5.7 of this Agreement to require payment of any amount due and payable under this Agreement."

9. Section 5.7 "Intercept" is added to the Credit Agreement, stating as follows:

"Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of November 6th , 2017 herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the *Capital Investment Plan Act, 1993* (the "**Intercept Letter**"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("**Appropriated Funds**"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("**Intercept**").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail."

10. Section 7.9 "Entire Agreement' is added to the Credit Agreement, stating as follows:

"Section 7.9 Entire Agreement

This Agreement as amended from time to time and including the schedules hereto and any other agreements expressly referred to herein, constitutes the whole agreement between the Parties with respect to the matters dealt with in it, and it supersedes any prior agreement, undertakings, discussions and the like respecting the matters dealt with in this Agreement and entered into by the Parties before the date the OFA signs this Agreement."

11. Schedule 1 of the Credit Agreement, Form of Borrowing Notice, is deleted in its entirety and replaced by the Form of Borrowing Notice attached hereto as Schedule 1.

12. Schedule 2 of the Credit Agreement, Form of Election Notice, is deleted in its entirety and replaced by the Form of Election Notice attached hereto as Schedule 2.

13. Schedule 3 of the Credit Agreement, IESO Grid Note, is deleted in its entirety and replaced by the Form of Grid Note attached hereto as Schedule 3.

14. For the purposes of this Amending Agreement and its coming into effect:

a. "**Effective Time**" means the time on the Effective Date by which the Transfers of Funds (defined below) have been completed; or such other time as the Parties may subsequently agree to in writing as being the "Effective Time";

b. "**Transfers of Funds**" means those transfers of funds to be completed between the Parties on the Effective Date, being:

   i. the First Advance as defined under section 3.2(3) of the credit agreement between the Parties in relation to the IESO's role in the implementation of the OFHP dated November 6, 2017; and,

   ii. the completion of all Advances described in the Election Notice to be provided by the IESO to the OFA no later than November 17, 2017 (such terms having the meanings defined in the Credit Agreement) that are to be funded under the Credit Agreement on the Effective Date; and,

   iii. the repayment by the IESO of all Advances Outstanding (as defined in the Credit Agreement) exceeding $475 million; and,

   iv. the payment by the IESO to OFA of the interest then owing under the Credit Agreement.

15. The Parties shall endeavour to complete and exchange all usual documentation relating to the Transfers of Funds, and to any other related matters occurring on the Effective Date, prior to 5:00 p.m. on the Effective Date, and in any case no later than the next business day.

16. After the Effective Time, and prior to any further Advances under the Credit Agreement, the IESO shall execute and deliver to the OFA a new grid promissory note in the principal amount of up to $475,000,000 substantially in the form attached hereto as Schedule 3 (the "**Grid Note**") and indicating a total principal amount of Advances Outstanding as of the Effective Time. Upon receipt of the new Grid Note delivered hereunder, the OFA will cancel and return the grid promissory note dated November 30, 2016 to the IESO.

17. This Amending Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Amending Agreement.

IN ALL OTHER RESPECTS, the Credit Agreement is confirmed by the Parties.

[*signature page follows*]

IN WITNESS WHEREOF the Parties hereto have executed and delivered this Amending Agreement on the dates set out below, which shall come into effect as of the Effective Time as defined herein.

ONTARIO FINANCING AUTHORITY

Per: _____ Date: November _____, 2017.
Name:
Title:

I have authority to bind the corporation.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: K Marshall Date: November 6th, 2017.
Name: Kimberly Marshall
Title: Vice President, Corporate Services;
Chief Financial Officer; Treasurer

I have authority to bind the corporation.

SCHEDULE 1 TO AMENDING AGREEMENT NO. 10

FORM OF BORROWING NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "**Agreement**", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "**Proposed Advance**"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The principal amount of the Proposed Advance is $_____;
(c) The Repayment Date of the Proposed Advance is _____. [Not earlier than 28 days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:

Authorized Signatory

SCHEDULE 2 TO AMENDING AGREEMENT NO. 10

FORM OF ELECTION NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is _____;

(b) The aggregate amount of the proposed Continued Advance is $_____, which is comprised of:

i. principal amount (or portion thereof) of Advance which is to be continued $_____; and
ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date $_____;

(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): $ _____

(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _____. [Insert date no earlier than 28 days and not later than 95 days after the Current Repayment Date for the Advance.]

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: $_____

The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:
Authorized Signatory

SCHEDULE 3 TO AMENDING AGREEMENT NO. 10

FORM OF GRID NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $475,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICTY SYSTEM OPERATOR (the **"IESO"**), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY ("OFA")** at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Credit Agreement (as defined below). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Credit Agreement.

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the credit agreement dated January 1, 2005 as amended, supplemented or restated from time to time, between the Borrower and the OFA (the **"Credit Agreement"**).

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Credit Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Name:
Authorized Signatory

Line of Credit Grid Note

Entity : Independent Electricity System Operator
Loan Limit: $475,000,000

Project:
Schedule of loan transactions to:
Loan Advanced to:

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days

" Resolution of the Board of Directors
Independent Electricity System Operator

June 14, 2017

In Respect of the establishment of a new credit facility and revision of existing credit facilities in relation to the Fair Hydro Plan

---

WHEREAS, as further described in the memorandum to the Audit Committee entitled "Fair Hydro Plan Credit Facility" dated June 13, 2017 (the "**Memorandum**"), the Corporation has determined that in order to support the IESO's role in the Fair Hydro Plan it requires greater credit liquidity;

AND WHEREAS the Corporation proposes to enter into a new credit facility with the Ontario Financing Authority or Ontario Electricity Financial Corporation to support the Corporation's role in the Fair Hydro Plan in an amount yet to be determined of between $1,800 million and $2,500 million (the "**New Facility**");

AND WHEREAS, due to the structure of the Fair Hydro Plan, once the New Facility is established, the Corporation's existing credit facility with the Ontario Financing Authority in the amount of $975 million (the "**OFA Facility**") will include unnecessary and duplicative credit liquidity such that the OFA Facility may be reduced to an amount yet to be determined between $400 million and $500 million;

AND WHEREAS ...[Recital redacted]...

NOW THEREFORE BE IT RESOLVED THAT:

1. The Board of Directors hereby authorizes and approves the establishment of the New Facility and the amendment of the OFA Facility ...**[Redacted]**... on such terms and conditions as are generally outlined in the Memorandum (collectively, all facilities being the "**Credit Facilities**").

2. The Chief Financial Officer or her delegate is hereby authorized for and on behalf of the Corporation to:

(a) finalize, execute and deliver

(i) all relevant agreements, instruments and other documents required for the establishment or amendment, as applicable, of the Credit Facilities, and

(ii) all ancillary documents, deeds and instruments determined to be necessary or desirable in connection therewith (the execution of any such document, deed or instrument being conclusive evidence of such determination),

and to perform the Corporation's obligations thereunder, and to obtain the benefits thereof;

(b) draw upon or continue to draw upon, as applicable, the Credit Facilities from time to time in accordance with their terms; and

(c) do any and all such further acts as may be determined to be necessary or desirable to give effect to the foregoing transactions including, for further certainty, amending any other agreements as may be required as a consequence of such transactions. "

I certify that the above is a true, redacted copy of a resolution approved by the Board of Directors of the Independent Electricity System Operator on June 14, 2017.

John Rattray

General Counsel, Secretary and Chief Reliability Compliance Officer
Independent Electricity System Operator
November 6th, 2017

INCUMBENCY CERTIFICATE

To: Ontario Financing Authority ("**OFA**")

I, the undersigned, Secretary to the Independent Electricity System Operator (the "**IESO**"), in my capacity as an officer of the IESO, and not in my personal capacity, do hereby certify that:

1. Kimberly Marshall has been duly appointed as Vice President, Corporate Services; Chief Financial Officer and Treasurer of the IESO and holds, as at the date hereof, such offices.

2. Pursuant to a resolution of the board of directors of IESO dated June 14, 2017, Kimberly Marshall has the authority to finalize, execute and deliver: (i) Amending Agreement No. 10 to the Credit Agreement between OFA and IESO (as successor by amalgamation to Ontario Power Authority) made as of January 1, 2005, as amended; and (ii) the Revolving Credit Facility Agreement between IESO and the Ontario Financing Authority made in relation to the Fair Hydro Plan.

3. The following is the genuine signature of the following individual:

Kimberly Marshall K Marshall

DATED this 6th day of November, 2017.

John Rattray
General Counsel, Secretary and Chief
Reliability Compliance Officer

I, the undersigned, do hereby certify for and on behalf of the IESO in my capacity as an officer of the IESO, and not in my personal capacity, that: (i) John Rattray has been duly appointed to the office of General Counsel, Secretary and Chief Reliability Compliance Officer and (ii) John Rattray holds, as at the date hereof, such office.

DATED this 6th day of November, 2017.

K Marshall

Kimberly Marshall
Vice President, Corporate Services; Chief
Financial Officer and Treasurer

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $2,000,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR (the "**IESO**"), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY** ("**OFA**") at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement (as defined below).

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the Revolving Credit Facility Agreement dated November 6, 2017 as amended, supplemented or restated from time to time, between the Borrower and the OFA (the "Agreement"). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: K Marshall

Name: Kimberly Marshall
Authorized Signatory

Ontario Financing Authority
1 Dundas Street West
Suite 1400
Toronto ON M7A 1Y7

Office ontarien de financement
1 rue Dundas ouest
Bureau 1400
Toronto ON M7A
1Y7

(416) 325-8000

Ontario

November 6, 2017

Mr. Steen Hume
Assistant Deputy Minister, Ministry of Energy
7th Flr, 77 Grenville St
Toronto, ON M7A 2C1

Ms. Kimberly Marshall
Vice-President, Corporate Services and Chief Financial Officer, IESO
120 Adelaide St W #1600
Toronto, ON M5H 1T1

Dear Mr. Steen Hume and Ms. Kimberly Marshall:

I am writing in relation to the Independent Electricity System Operator's ("IESO") request to the Ontario Financing Authority ("OFA") for a new revolving credit facility in an amount of up to CAD $2 billion (the "New Credit Facility") to support the IESO's role in the implementation of and participation under the *Ontario Fair Hydro Plan Act, 2017.* Under the OFA Lending Policy, the OFA requires an intercept provision in respect of loans made by the OFA to public bodies on an unsecured basis. In general, an intercept provision allows the Minister of Finance to deduct from money appropriated by the Legislature for payment to the public body amounts equal to any amounts the public body fails to pay the OFA under a loan agreement.

The IESO and the Ministry of Energy ("ENERGY") confirm and the OFA acknowledges that at this time there are no amounts appropriated by the Legislature for payment to the IESO by ENERGY and the intent of such intercept provision is that it would apply if and when amounts were to be appropriated for payment by ENERGY to the IESO in the future.

Prior to entering into a loan agreement with the IESO for the New Credit Facility (the "OFHP Credit Facility Agreement") on an unsecured basis, the OFA requires ENERGY and the IESO to agree to the terms and conditions set out below in relation to the above OFA Lending Policy intercept provision requirement.

These terms and conditions shall also apply to the IESO's existing $975 million credit facility, established in a credit agreement entered into between the OFA and the Ontario Power Authority dated January 1, 2005, as amended (the "Original Credit Facility Agreement").

... 2

- The OFA, the IESO, and ENERGY agree as follows in respect of any advances made by the OFA to the IESO pursuant to the OFHP Credit Facility Agreement or the Original Credit Facility Agreement (each a "Loan Agreement"; together, the "Loan Agreements"):

    - Pursuant to section 23 of the *Capital Investment Plan Act, 1993*, the IESO and ENERGY agree that, in the event that the Legislature appropriates any funds for payment by ENERGY to the IESO for any purpose ("Appropriated Funds"), the Minister of Finance would be entitled to deduct from such Appropriated Funds amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under a Loan Agreement (the "intercept provision"). Terms relating to the intercept provision shall also be separately included in the Loan Agreements.

    - If the intercept provision is exercised, the IESO agrees that any notice from the OFA to the Minister of Finance in relation to its failure to make a payment that is due under a Loan Agreement may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance.

    - Prior to recommending to the Minister of Finance that the intercept provision be exercised, the OFA will raise the issue with ENERGY and seek ENERGY's support in getting the IESO to pay the amounts owing to OFA within a reasonable cure period.

    - Upon receipt of notice from the OFA that the IESO has failed to make one or more payments owing to it in accordance with the provisions of a Loan Agreement, ENERGY will provide the OFA with all information requested by the OFA respecting amounts appropriated by the Legislature for payments to the IESO by ENERGY, including the intended purpose and expected timing of such payments to be made by ENERGY. Upon request, ENERGY will provide similar information to the Minister of Finance.

    - ENERGY acknowledges and agrees that, upon receipt of a direction from the Minister of Finance that an amount is to be deducted from money appropriated by the Legislature for payment by ENERGY to the IESO, ENERGY will take all necessary action required by it in order to effect such deduction and payment to the OFA in accordance with the Minister of Finance's direction.

    - For further certainty, the OFA and ENERGY acknowledge and agree that the intercept provision as provided for herein, and this letter agreement generally, shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than ENERGY or through Ontario Climate Change Solutions Deployment Corporation.

... 3

This letter agreement may be executed in counterparts. Therefore, if you are in agreement with the above terms and conditions in relation to the Loan Agreements, kindly sign this letter agreement below in triplicate and send back two copies to my attention.

Sincerely,

Ronald Kwan

Assistant Deputy Minister, Corporate and Electricity Finance Division, OFA

c. Gadi Mayman, Chief Executive Officer, OFA

The undersigned hereby agree to the terms and conditions as set out in this letter agreement and have executed this letter agreement as of the date first noted above.

Ministry of Energy

by:

name: Steen Hume

title: Assistant Deputy Minister, Ministry of Energy

Independent Electricity System Operator

by:

name: Kimberly Marshall

title: Vice-President, Corporate Services and Chief Financial Officer, IESO

From: William Tan
To: Carlos Yep
Cc: Sarah Harris
Subject: IESO Borrowing and Election Notice
Date: Friday, November 17, 2017 8:12:22 AM

Good morning Carlos,

Do you mind sending Sarah and I a copy of the current IESO Borrowing and Election Notices sent by IESO?

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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From:	Olga Whiteley
To:	Sarah Harris
Cc:	Anthony Martinello; Victor Buza; William Tan
Subject:	IESO CFO
Date:	Thursday, July 05, 2018 12:48:48 PM
Attachments:	Incumbency Certificate June 19 2018 - EXECUTED.PDF

Hi Sarah,

As of July 9 Barbara Anderson has been appointed as our CFO (no longer interim). Do you require a revised incumbency certificate? Attached is the one recently executed.

Please let me know.

Regards.

Olga Whiteley | Treasury and Pension Operations

Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913

Station A, Box 4474, Toronto, ON M5W 4E5

Web: www.ieso.ca[ieso.ca] | Email: olga.whiteley@ieso.ca

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INCUMBENCY CERTIFICATE

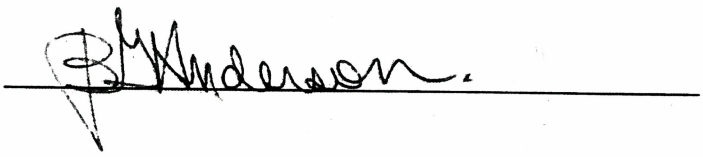
To: Ontario Financing Authority ("**OFA**")

I, the undersigned, Secretary to the Independent Electricity System Operator (the "**IESO**"), in my capacity as an officer of the IESO, and not in my personal capacity, do hereby certify that:

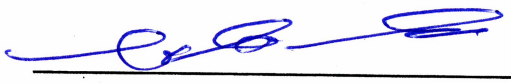
1. Barbara Anderson has been duly appointed as, and as of the date hereof holds the offices of, Chief Financial Officer and Vice-President, Corporate Services (Interim) of the IESO and, for further certainty, has been vested with all of the duties and powers otherwise prescribed to such offices in a permanent capacity.

2. Pursuant to a resolution of the board of directors of IESO dated June 14, 2017, the Chief Financial Officer has the authority from time to time to draw upon (i) the Credit Agreement between OFA and IESO (as successor by amalgamation to Ontario Power Authority) made as of January 1, 2005, as amended, and (ii) the Revolving Credit Facility Agreement between IESO and the Ontario Financing Authority made as of the 6th day of November, 2017 in relation to the Fair Hydro Plan.

3. The following is the genuine signature of the following individual:

Barbara Anderson 

DATED this 19th day of June, 2018.



Michael Lyle
Vice-President, Legal Resources and Corporate Governance, General Counsel, Secretary, and Chief Reliability Compliance Officer

From:	Siva Nathan
To:	Sarah Harris
Cc:	Siva Nathan
Subject:	IESO Loan Note in the OFA Financial statement for the six months ended September 30, 2017
Date:	Thursday, November 09, 2017 12:43:33 PM

Hi Sarah,

This is the note we included for the $614.8 million IESO Loan outstanding as at September 30, 2017.

The Independent Electricity System Operator (IESO) has been provided a maximum $975 million credit facility to primarily fund the Regulated Price Plan variance account. This credit facility has been extended until November 30, 2019. IESO has drawn $614.8 million from this facility as of September 30, 2017 of which $605.0 million for Regulated Price Plan (RPP) variance and $9.8 million for Rural or Remote Electricity Rate Protection (RRRP) variance bearing interest rate at 1.25 per cent.

Ken wanted to check with you about Fair Hydro Plan variance account as well.

Could you please confirm whether this note reflects the actual loan variance account?

Thanks
Siva

From:	Siva Nathan
To:	Sarah Harris
Cc:	Siva Nathan
Subject:	IESO Loan Note in the OFA Financial statement for the six months ended September 30, 2017
Date:	Thursday, November 09, 2017 12:43:33 PM

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Ken wanted to check with you about Fair Hydro Plan variance account as well.

Could you please confirm whether this note reflects the actual loan variance account?

Thanks

Siva

From:	William Tan
To:	Opal Kandelas
Cc:	Sarah Harris
Subject:	IESO OEFC $120M Note Refinancing
Date:	Friday, November 17, 2017 12:44:09 PM
Attachments:	Original Agreement.pdf Amending Agreement NO 1.pdf AmendingAgreement#2 (ExecutedCopy).pdf [Executed] Amending Agreement No. 3.pdf IESO Amending Agreement No. 4 for $78.2M loan (executed copy).PDF IESO Amending Agreement No. 5 Executed Copy.PDF Amending Agrt no.6 re Issuance of Note - OEFC_IESO - IESO SignedCounterpart.pdf

---

Hello Opal,

Please find the attachments for the $120M Note Refinancing. If your require the word versions for any of the attachments please do not hesitate to contact me.

Folder location.

Z:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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INDEPENDENT ELECTRICITY MARKET OPERATOR

as Issuer

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION

as Holder

AGREEMENT
PROVIDING FOR ISSUANCE OF A NOTE

April 1, 1999

TABLE OF CONTENTS

ARTICLE 1
DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1	Definitions	1
Section 1.2	Effect of Headings and Table of Contents	8
Section 1.3	Singular, Plural, Gender, Certain Phrases, etc	8
Section 1.4	Accounting	8
Section 1.5	Non-Business Days	8

ARTICLE 2
THE NOTE

Section 2.1	Issue of Note	8
Section 2.2	Terms of the Note	8
Section 2.3	Interest	9
Section 2.4	Prepayment	9
Section 2.5	Public Debt Covenants	10
Section 2.6	Payment	11

ARTICLE 3
COVENANTS OF THE COMPANY

Section 3.1	Payment of the Note	11
Section 3.2	Company will Maintain its Corporate Existence	11
Section 3.3	Maintenance of Properties	11
Section 3.4	Insurance	12
Section 3.5	Conduct of Business	12
Section 3.6	Financial Statements	12
Section 3.7	Other Indebtedness	12
Section 3.8	Negative Pledge	12
Section 3.9	Payment of OEFC's Expenses	13

ARTICLE 4
EVENTS OF DEFAULT AND REMEDIES

Section 4.1	Event of Default	14
Section 4.2	Acceleration of Maturity; Rescission and Annulment	15
Section 4.3	Suits for Enforcement by OEFC	16
Section 4.4	OEFC May File Proof of Claim	16
Section 4.5	Rights and Remedies Cumulative	16
Section 4.6	Delay or Omission not Waiver	16

ARTICLE 5
CONSOLIDATION, AMALGAMATION, MERGER OF COMPANY

Section 5.1 Certain Requirements in Respect of Merger, etc. 17
Section 5.2 Successor Substituted. 18

ARTICLE 6
GENERAL

Section 6.1 Notices. 18
Section 6.2 Successors and Assigns. 19
Section 6.3 Amendments. 19
Section 6.4 Waiver. 19
Section 6.5 Further Assurances. 19
Section 6.6 Severability. 19
Section 6.7 Governing Law. 20
Section 6.8 Counterparts. 20

Schedule 2.2(1) – Form of Note

THIS AGREEMENT is made on the 1st day of April, 1999 between:

A. **INDEPENDENT ELECTRICITY MARKET OPERATOR** (the "**Company**")

B. **ONTARIO ELECTRICITY FINANCIAL CORPORATION** ("**OEFC**").

RECITALS:

1. Pursuant to section 116 of the *Electricity Act, 1998*, the Lieutenant Governor in Council has made an order (the "**Transfer Order**") transferring certain officers, employees, assets, liabilities, rights and obligations of Ontario Hydro to the Company;

2. Pursuant to the Transfer Order, the Company is required to issue certain debt securities to Ontario Hydro as partial payment for such assets and rights; and

3. On April 1, 1999, Ontario Hydro is continued as OEFC.

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the parties agree as follows:

ARTICLE 1
DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"**Agreement**", "**herein**", "**hereby**", "**hereof**", "**hereunder**" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression "**Article**" or "**Section**" followed by a number means the specified Article or Section of this Agreement.

"**Business Day**" means any day other than a Saturday, Sunday or a statutory or civic holiday in Toronto, Ontario.

"**Canadian Dollars**" or "**$**" means lawful currency of Canada.

"**Canadian Prime Rate**" means, at any time, the greater of (i) the average of the rates of interest per annum equal to the per annum rate of interest quoted, published and commonly known as the "prime rate" of each of the Reference

Lenders which each of the Reference Lenders establishes at its main office in Toronto, Ontario as the reference rate of interest in order to determine interest rates for loans in Canadian Dollars to its borrowers in Canada, adjusted automatically with each quoted or published change in such rate, and (ii) the sum of (y) the average of the rates per annum for Canadian Dollar bankers' acceptances having a term of one month that appears on the Reuters CDOR Page as of 10:00 a.m. (Toronto time) on the date of determination, as reported by OEFC (and if such screen is not available, any successor or similar service as may be selected by OEFC), and (z) 0.50%.

"**Capital Stock**" of any Person means any and all shares, or interests, participations or other equivalents (however designated) of shares, in the capital of such Person.

"**Company**" means the Independent Electricity Market Operator, a corporation existing under the laws of the Province of Ontario, until a successor corporation shall have succeeded to all of the rights and obligations of the Independent Electricity Market Operator pursuant to Section 5.1 and thereafter "**Company**" shall mean such successor corporation (or any successor thereto which shall have become such pursuant to Section 5.1).

"**Consolidated Assets**" means, at any time, the book value of the assets of the Company and the Subsidiaries, determined as of such time on a consolidated basis in accordance with generally accepted accounting principles.

"**default**" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"**disposition**" has the meaning specified in Section 5.1.

"**Event of Default**" has the meaning specified in Section 4.1.

"**Indebtedness**" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) Every obligation of such Person for borrowed money;

(b) Every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments, including obligations for borrowed money incurred in connection with the acquisition of property, assets or businesses;

(c) Every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) Every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) Every capital lease obligation of such Person;

(f) The Swap Termination Value of each Swap Contract of such Person; and

(g) Every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"**Lien**" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"**Material Subsidiary**" means, at any time, a Subsidiary which has consolidated assets with a book value of more than $25 million determined as of such time in accordance with generally accepted accounting principles.

"**Note**" means the note of the Company issued under this Agreement.

"**Ontario Yield Price**" means, with respect to the Note or part thereof to be prepaid pursuant to Section 2.4, a price equal to the price of the Note or part thereof to be so prepaid calculated to provide a yield to maturity, compounded semi-annually and calculated in accordance with generally accepted financial practice, equal to the Province of Ontario Yield on the Business Day preceding the date on which such prepayment is to be made by the Company to OEFC in accordance with Section 2.4.

"**Permitted Liens**" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) Any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) Any obligations or duties, affecting the property of the Company or a Subsidiary, to any municipality or governmental, statutory or public

authority, with respect to any franchise, grant, licence or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by the Company or such Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by the Company or such Subsidiary;

(d) Any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) The right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) Any undetermined or inchoate Liens and charges incidental to the current operations of the Company or a Subsidiary that have not at the time been filed against the Company or such Subsidiary; provided, however, that if any such Lien or charge shall have been filed, the Company or such Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) Any Lien the validity of which is being contested at the time by the Company or a Subsidiary in good faith and the enforcement of which has been stayed;

(h) Any easements, rights-of-way and servitudes that in the opinion of the Company will not in the aggregate materially and adversely impair the use or value of the land concerned for the purpose for which it is held by the Company or a Subsidiary;

(i) Any Liens and privileges arising out of judgments or awards with respect to which the Company or a Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall

have secured a stay of execution pending such appeal or proceedings for review;

(j) pledges of cash or cash equivalents to secure the Company's or a Subsidiary's liabilities from time to time under Permitted Swap Contracts; and

(k) Any other Liens of a nature similar to the foregoing which do not in the opinion of the Company, acting reasonably, materially impair the use of the property subject thereto or the operation of the business of the Company or any Subsidiary or the value of such property for the purpose of any such business.

"**Permitted Swap Contract**" means a Swap Contract to which the Company or a Subsidiary is a party, provided that:

(a) The Company or such Subsidiary enters into such Swap Contract in the ordinary course of business for the purpose of directly mitigating risks associated with fluctuations in interest rates or currency exchange rates with respect to Indebtedness of the Company or such Subsidiary and not for the purposes of speculation or taking a "market view";

(b) The notional amount of such Swap Contract does not exceed the payments due with respect to the Indebtedness being hedged thereby;

(c) Such Swap Contract does not contain any "walk-away" provision exonerating the non-defaulting party from its obligation to make payments on any outstanding transaction to the defaulting party; and

(d) Such Swap Contract is in a form approved by the International Swaps & Derivatives Association, Inc. at the time such Swap Contract is entered into or in such other form as shall be customary at such time for the documentation, in accordance with good market practise by regulated financial institutions carrying on business in Canada, of obligations similar to the obligations documented in such Swap Contract.

"**Person**" means any individual, corporation, partnership, joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"**Province of Ontario Yield**" means, with respect to the Note or part thereof to be prepaid pursuant to Section 2.4, the average of the quotations obtained by the Company from two major Canadian investment dealers selected by OEFC, as to the yield to maturity on the Business Day preceding the date on

which such prepayment is to be made by the Company to OEFC in accordance with Section 2.4, compounded semi-annually and calculated in accordance with generally accepted financial practice, which a non-callable Government of Ontario bond would carry if issued in Canadian Dollars in Canada at 100% of its principal amount on such date with a term to maturity approximately equal to the remaining term to maturity, calculated as at the applicable prepayment date, of the Note.

"**Purchase Money Mortgage**" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or part of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"**Reference Lenders**" means, collectively, any two major financial institutions in Canada who, in the ordinary course of business, provide loans in Canadian Dollars to borrowers in Canada, as selected from time to time by OEFC and, in the singular, any one of them.

"**Reuters CDOR Page**" means the display page so designated on the Reuters Monitor Money Rates Service (or such other page as may replace that page on that service for the purpose of displaying rates for Canadian Dollar bankers' acceptances).

"**Senior Debt**" means all Indebtedness of the Company, including the Note, which is not subordinated in right of payment to any other Indebtedness of the Company.

"**Stated Maturity**" when used with respect to any Indebtedness or any instalment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such instalment of interest is due and payable.

"**Subsidiary**" means:

(a) A corporation more than 50% of the voting power of the outstanding Voting Shares of which is owned, directly or indirectly, by the Company or by one or more other Subsidiaries or by the Company and one or more other Subsidiaries, or

(b) Any Person (other than a corporation) in which the Company, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

"Successor Person" has the meaning specified in Section 5.1.

"Swap Contract" means any agreement, whether or not in writing, relating to any transaction that is a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction, currency swap, cross-currency rate swap, swaption, currency option or any other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.

"Swap Termination Value" means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap Contracts:

(a) For any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and

(b) For any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.

"U.S. Dollars" means lawful currency of the United States of America.

"Voting Shares" of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings and Table of Contents.

The division of this Agreement into Articles and Sections, the insertion of headings and the provision of a Table of Contents are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and *vice versa* and words importing gender may include any gender. In this Agreement and the Note, (i) the words **"including"** and **"includes"** mean **"including (or includes) without limitation"**, and (ii) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word **"from"** means **"from and including"** and the words **"to"** and **"until"** each mean **"to but excluding"**.

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with generally accepted accounting principles. Generally accepted accounting principles refer to accounting principles generally accepted in Canada as recommended in the Handbook of the Canadian Institute of Chartered Accountants at the relevant time applied on a consistent basis.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the next succeeding Business Day.

ARTICLE 2
THE NOTE

Section 2.1 Issue of Note.

In consideration of the transfer of certain officers, employees, assets and rights of OEFC to the Company pursuant to the Transfer Order and as partial payment for such assets and rights, the Company issues and delivers the Note to OEFC.

Section 2.2 Terms of the Note.

(1) The Note shall be in substantially the form set out in Schedule 2.2(1), shall be in the aggregate principal amount of $70.3 million, shall be dated as of the

date of this Agreement, shall mature on May 1, 2009, and shall bear interest at the rate of 7.90% per annum (after as well as before default or judgment, with interest on the amounts in default at the same rate).

(2) The Note shall at all times rank pari passu with all other Senior Debt, except Senior Debt that is statutorily preferred and Senior Debt that is secured by a Lien referred to in Sections 3.8(a) to 3.8(f), inclusive.

(3) Interest shall be payable on the Note in accordance with Section 2.3.

(4) The Company may prepay all or part of the Note in accordance with Section 2.4.

(5) All amounts owing in respect of the Note shall be paid without exercising any right of set off or counterclaim by the Company irrespective of whether or not, at the time any such amount is due and payable, amounts are due and payable by OEFC to the Company.

Section 2.3 Interest.

Interest on the Note at the rate specified in Section 2.2(1) shall accrue daily, and shall be payable in equal semi-annual instalments on May 1 and November 1 in each year, the first such payment for the Note to be made for the period from the date of this Agreement to May 1, 1999 and, whenever it is necessary to compute interest in respect of the Note for a period of less than one full year, other than such equal semi-annual instalments, such interest shall be calculated on the basis of the actual number of days elapsed in a year of 365 days or 366 days, as the case may be.

Section 2.4 Prepayment.

(1) If the Company has, upon the number of days notice to OEFC determined in accordance with Section 2.4(2), delivered a notice to OEFC stating the proposed date and the Note or part thereof that the Company wishes to prepay, on such date the Company shall pay to OEFC the greater of:

(a) The principal amount of the Note or part thereof that is to be prepaid, as the case may be; and

(b) The Ontario Yield Price for the Note or such part;

together in each case with all interest accrued on the Note or such part to such date or, if the Company and OEFC agree, such amount as they agree upon.

(2) The Company may, at any time and from time to time, prepay all or part of the Note upon giving OEFC not less than 30 days' prior written notice of such prepayment.

Section 2.5 Public Debt Covenants.

(1) If the Company issues notes, bonds, debentures or other evidences of Senior Debt to the public with a term to maturity of at least 5 years and in an aggregate principal amount of at least 100 million in Canadian Dollars or at least 100 million in U.S. Dollars pursuant to a trust indenture, the Company shall, within 3 Business Days of the first such issuance, give OEFC notice of such issuance and a copy of such trust indenture. Effective upon such issuance, the representations and warranties, the positive and negative covenants of the Company (including any financial covenants but excluding covenants relating to interest rates, interest payment dates, maturity dates of principal, prepayments and manner and place of payments) and the events of default applicable to such Senior Debt as specified in such trust indenture shall automatically become applicable to the Note in lieu of the representations and warranties, covenants or Events of Default, as the case may be, included herein as if the same had been originally included in this Agreement when executed and delivered and this Agreement shall be deemed to be amended as of the date such Senior Debt is issued to the extent necessary to incorporate such representations and warranties, covenants and events of default into this Agreement. The Company, at the request of OEFC, shall promptly execute and deliver an agreement which sets out the terms and provisions of this Agreement, as so amended.

(2) If, at any time or from time to time, the representations or warranties, the positive or negative covenants (including any financial covenants but excluding covenants relating to interest rates, interest payment dates, maturity dates of principal, prepayments and manner and place of payments) or the events of default applicable to the Senior Debt referred to in Section 2.5(1) are amended, modified or restated, the Company shall, within 3 Business Days of such amendment, modification or restatement, give OEFC notice thereof and a copy of the agreement amending or modifying the trust indenture referred to in Section 2.5(1) or a copy of the restatement of such trust indenture, as the case may be. OEFC may, upon notice to the Company given at any time within 90 days of receipt by OEFC of a copy of such agreement or such restatement, elect to have such amendment, modification or restatement apply to the Note and this Agreement (as amended pursuant to Section 2.5(1)). If OEFC so elects, such amendment, modification or restatement shall become applicable to the Note and this Agreement (as so amended) as of the date of such election, as if such amendment, modification or restatement amended, modified or restated this Agreement (as so amended) as of such date and this Agreement shall be deemed to be amended, modified or restated as of such date to the extent necessary to incorporate such representations and warranties, positive and negative covenants (including any financial covenants but excluding covenants

relating to interest rates, interest payment dates, maturity dates of principal, prepayments and manner and place of payments) and events of default. The Company, at the request of OEFC, shall promptly execute and deliver an agreement which sets out the terms of this Agreement, as amended pursuant to Section 2.5(1) and as further amended, modified or restated pursuant to this Section 2.5(2).

Section 2.6 Payment.

All amounts required to be paid by the Company to OEFC pursuant to this Agreement shall be paid to or to the order of OEFC by electronic wire transfer of immediately available funds in accordance with transfer instructions given by OEFC to the Company from time to time, or in any such other manner as OEFC may specify to the Company from time to time.

ARTICLE 3
COVENANTS OF THE COMPANY

Section 3.1 Payment of the Note.

The Company will duly and punctually pay or cause to be paid all amounts owing in respect of the Note or under this Agreement in accordance with the terms and subject to the conditions of the Note and this Agreement.

Section 3.2 Company will Maintain its Corporate Existence.

Subject to Section 5.1, the Company will at all times maintain its corporate existence.

Section 3.3 Maintenance of Properties.

The Company will cause all property owned by the Company or any Subsidiary to be maintained and kept in good condition, repair and working order, all as in the judgment of the Company or any Subsidiary may be necessary for the proper operation of such property, except as and to the extent that the Company or any Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 3.3 shall prevent the Company or any Subsidiary from discontinuing the maintenance of any such property if such discontinuance is, in the judgment of the Company or any Subsidiary, desirable in the conduct of its business or the business of any such Subsidiary.

Section 3.4 Insurance.

The Company will cause all property owned by the Company or any Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the nature and to the extent that such property is usually insured by companies operating similar businesses.

Section 3.5 Conduct of Business.

The Company will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in a proper, efficient and business-like manner and in accordance with good business practice.

Section 3.6 Financial Statements.

The Company will furnish to OEFC:

(a) Within 140 days after the end of each fiscal year, beginning with the fiscal year ended December 31, 1999, audited financial statements of the Company consisting of a consolidated balance sheet of the Company at the end of each such fiscal year and related consolidated statements of income and retained earnings and, commencing with the financial statements relating to the fiscal year of the Company commencing January 1, 2000, changes in financial position for each such fiscal year prepared in accordance with generally accepted accounting principles; and

(b) Within 60 days after the end of each of the first three fiscal quarters of each fiscal year of the Company, unaudited interim consolidated financial statements of the Company for the interim period so ended prepared in accordance with generally accepted accounting principles.

Section 3.7 Other Indebtedness.

The Company covenants that if it shall cause any payment of principal, premium or interest on any of its Indebtedness to be subordinated or postponed to the prior payment of any other Indebtedness it shall in like manner subordinate or postpone such payment to the prior payment of the Note.

Section 3.8 Negative Pledge.

The Company will not, and will not permit any Subsidiary to, create, incur or assume any Lien, charging the interest of the Company or any Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, the Note is secured equally

and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) The creation, incurrence or assumption of any Purchase Money Mortgage;

(b) The grant of any Lien in the normal course of business to any banks or financial institutions for present or future Indebtedness of the Company or any Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) Liens granted by a Subsidiary to the Company;

(e) Any extension, renewal or replacement of any of the Liens referred to in Sections 3.8(a) to (d), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased.; and

(f) Any Lien charging the interest of the Company or any Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 3.8(a) to (d), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 3.8(f) which is outstanding at such time does not exceed 25% of Consolidated Assets at such time.

Section 3.9 Payment of OEFC's Expenses

The Company will, on demand, reimburse OEFC for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OEFC in connection with the preservation of rights under or enforcement of this Agreement at any time during the continuance of a default or Event of Default. All such costs, charges and expenses shall bear interest at the Canadian Prime Rate, payable monthly in arrears from the third Business Day after demand for reimbursement thereof is made by OEFC.

ARTICLE 4
EVENTS OF DEFAULT AND REMEDIES

Section 4.1 Event of Default.

"**Event of Default**", wherever used herein, means any one of the following events:

(a) Failure to pay any interest upon the Note when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) Failure to pay the principal of the Note at its Stated Maturity;

(c) Failure on the part of the Company to observe or perform its obligations set forth in Section 5.1;

(d) Failure on the part of the Company to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 30 days after the date on which written notice of such failure shall have been given to the Company by OEFC;

(e) One or more breaches by the Company or any Subsidiary of its covenants under one or more evidences of Indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $25 million, which breaches:

(i) Constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist, or

(ii) Have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived or rescinded);

(f) The Company or any Material Subsidiary:

(i) Becomes generally not able to pay its debts as they become due;

(ii) Admits in writing its inability to pay its debts generally or makes a general assignment for the benefit of its creditors or files a proposal or other scheme of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) Institutes or has instituted against it any proceeding seeking:

(A) To adjudicate it a bankrupt or insolvent,

(B) Liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors, or

(C) The entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets,

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismissed or unstayed for a period of 30 days, or any of the actions sought in such proceeding (including the entry of an order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

(iv) Takes any corporate action to authorize any of the actions in Sections 4.1(f)(i), (ii) or (iii); or

(g) If there shall be rendered against the Company or any Material Subsidiary a final judgment or judgments for the payment of money in an aggregate amount in excess of $25 million by a court or courts of competent jurisdiction, and the Company or such Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 4.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case OEFC may declare all amounts owing on the Note and all other amounts owing hereunder to be due and payable immediately, by a notice in writing to the Company, and upon any such declaration all such amounts shall become immediately due and payable.

Section 4.3 Suits for Enforcement by OEFC.

If an Event of Default occurs and is continuing, OEFC may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in OEFC by this Agreement or by law.

Section 4.4 OEFC May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of the Company under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property of the Company, or if any other judicial proceedings relative to the Company, its creditors or its property are pending, OEFC (irrespective of whether the principal amount of the Note shall then be due and payable as therein expressed or by declaration or otherwise and irrespective of whether OEFC shall have made any demand on the Company for the payment of any overdue principal or interest) shall be entitled and empowered, by intervention in such proceeding or otherwise:

(a) To file and prove a claim for all amounts owing on the Note or under this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of OEFC (including any claim for fees and disbursements of OEFC, its agents and counsel) allowed in such judicial proceeding; and

(b) To collect and receive any moneys or other property payable or deliverable on any such claim.

Section 4.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to OEFC is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 4.6 Delay or Omission not Waiver.

No delay or omission of OEFC to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right and remedy given

by this Article 4 or by law to OEFC may be exercised from time to time, and as often as may be deemed expedient, by OEFC.

ARTICLE 5
CONSOLIDATION, AMALGAMATION, MERGER OF COMPANY

Section 5.1 Certain Requirements in Respect of Merger, etc.

The Company may not, in a single transaction or a series of related transactions, amalgamate or consolidate with or merge into any other Person, or permit any other Person to amalgamate or consolidate with or merge into the Company, or directly or indirectly transfer, sell, lease or otherwise dispose of all or substantially all of its property or assets (a "**disposition**") to any Person, but may do so if:

(a) The Company shall be the surviving Person, or the Person (if other than the Company) formed by such amalgamation, consolidation or into which the Company is merged or that acquires by disposition all or substantially all of the properties or assets of the Company shall be a corporation, partnership or trust organized and validly existing under the federal laws of Canada or any province or territory thereof and shall expressly assume, by an agreement executed and delivered to OEFC in form satisfactory to OEFC, all of the Company's obligations under this Agreement and the Note and, in the case of an entity organized other than under the laws of the Province of Ontario, shall attorn to the jurisdiction of the courts of the Province of Ontario (the Company or such other Person who becomes such a successor obligor under this Agreement being herein referred to as the "**Successor Person**");

(b) Immediately before and after giving effect to such transaction, no default or Event of Default shall have occurred and be continuing; and

(c) The Successor Person shall have delivered to OEFC a certificate of the Successor Person and an opinion of counsel, each stating that such amalgamation, consolidation, merger or disposition by the Company, and, if an agreement is required to be entered into by the Successor Person in connection with such transaction pursuant to Section 5.1(a), such agreement, comply with Section 5.1(a) and the certificate of the Successor Person shall also state that all conditions precedent in this Section 5.1 relating to such transaction have been satisfied.

Section 5.2 Successor Substituted.

Upon any consolidation, amalgamation, merger or disposition described in, and complying with the provisions of, Section 5.1 in which the Company is not the continuing corporation, the Successor Person shall succeed to all of the rights and obligations of the Company under this Agreement and the Note, and from time to time may exercise every right and power of the Company under this Agreement and the Note.

ARTICLE 6
GENERAL

Section 6.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy addressed:

If to the Company, to it at:

Independent Electricity Market Operator
P.O. Box 1
Suite 410
655 Bay Street
Toronto, Ontario
M5G 2K4

Attention: Douglas Thomas, CA, Treasurer
Telephone: (416) 506-2818
Telecopier: (416) 506-2843

If to OEFC, to it at:

Ontario Electricity Financial Corporation
c/o Ontario Financing Authority
1 Dundas Street West
Suite 1400
Toronto, Ontario
M3A 1Y7

Attention: Executive Director - Capital Markets Division
Telephone: (416) 325-8128
Telecopier: (416) 325-8005

Any such communication shall be deemed to have been validly and effectively given if (i) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p.m. (Toronto time), otherwise on the next Business Day, (ii) transmitted by telecopier, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice given in accordance with this Section 6.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 6.1.

Section 6.2 Successors and Assigns.

Subject to Section 5.1, the Company cannot assign or transfer this Agreement or the Note or any of its rights or obligations under this Agreement or the Note without the prior written consent of OEFC. OEFC cannot assign or transfer this Agreement or the Note or any of its rights or obligations under this Agreement or the Note without the prior written consent of the Company.

Section 6.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of OEFC and the Company.

Section 6.4 Waiver.

(3) No waiver of any provision of the Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) of this Agreement nor shall such waiver be binding unless executed in writing by the party to be bound by the waiver.

(4) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude any other or further exercise of such right or the exercise of any other right.

Section 6.5 Further Assurances.

Each of the Company and OEFC shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement.

Section 6.6 Severability.

In case any provision in this Agreement or in the Note shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement or in the Note shall not in any way be affected or impaired thereby.

Section 6.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 6.8 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF the parties have executed this Agreement.

INDEPENDENT ELECTRICITY MARKET OPERATOR

By: Douglas J. Thomas

By: _____

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By: _____

By: _____

INDEPENDENT ELECTRICITY MARKET OPERATOR

as Issuer

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION

as Holder

AMENDING AGREEMENT IN RESPECT OF AGREEMENT PROVIDING FOR ISSUANCE OF A NOTE

March 23, 2000

THIS AGREEMENT is made on the 23rd day of March, 2000 between:

A. **INDEPENDENT ELECTRICITY MARKET OPERATOR** (the "**Company**")

B. **ONTARIO ELECTRICITY FINANCIAL CORPORATION** ("**OEFC**")

RECITALS:

1. Pursuant to section 116 of the *Electricity Act, 1998*, the Lieutenant Governor in Council has made an order (the "**Transfer Order**") transferring certain officers, employees, assets, liabilities, rights and obligations of Ontario Hydro (subsequently continued as OEFC) to the Company;

2. Pursuant to the Transfer Order, the Company and OEFC entered into an agreement dated April 1, 1999 (the "**Note Agreement**") under which the Company issued a note (the "**Note**") to OEFC in partial payment for the assets and rights described above;

3. Section 5.1 of the Transfer Order provides that the amount to be paid by the Company shall be determined by the Minister of Finance or a person designated by the Minister of Finance;

4. The Minister of Finance has determined that the principal amount of the Note, originally set at $70.3 million, should be increased by $7.9 million to reflect a revised valuation of the assets and rights transferred to the Company; and

5. The Company and OEFC have agreed to effect such an increase in the amount of the Note by replacing it with a new note (the "**New Note**"), and the Company has agreed to make a one-time payment to OEFC in respect of interest on the additional principal amount from April 1, 1999 until the date hereof.

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the parties agree as follows:

Section 1 Defined Terms.

Capitalized terms used in this amending agreement and not otherwise defined herein have the meanings specified in the Note Agreement.

Section 2 Amendment to Section 2.2 of the Note Agreement.

Section 2.2 of the Note Agreement is amended effective as of April 1, 1999 as follows:

(a) The words "aggregate principal amount of $70.3 million" are removed and replaced with the words "aggregate principal amount of $78.2 million".

Section 3 Payment of Interest in Respect of New Principal Amount

On the date hereof, the Company shall make a one-time lump sum payment (the "**Interest Adjustment**") to OEFC in respect of interest on the $7.9 million added to the principal amount of the Note (the "**Additional Principal**") by virtue of this amending agreement. The amount of the Interest Adjustment shall be determined by applying, without compounding, the interest rate of 7.90% per annum to the Additional Principal for the period from April 1, 1999 to November 1, 1999. Thereafter, interest on any amounts outstanding under the New Note from time to time shall be payable in accordance with the terms of the New Note.

Section 4 Exchange of Notes

Upon execution and delivery of this amending agreement, the parties shall replace the Note with the New Note by effecting the following steps simultaneously:

(a) OEFC shall deliver to the Company the Note, which shall thereupon be marked as being and thereby shall be cancelled and of no further force and effect; and

(b) the Company shall deliver to OEFC an executed New Note, in the form attached hereto as Schedule 4(b).

Section 5 Reference to and Effect on the Note Agreement.

On and after this date, each reference in the Note Agreement to "this Agreement" and each reference to the Note Agreement in any and all other agreements, documents and instruments delivered by the Company, OEFC, or any other Person (including, without limitation, the letter agreements dated April 1, 1999 between OEFC and the Company relating to interest rate and public debt covenants) shall mean and be a reference to the Note Agreement as amended by this amending agreement. Except as specifically amended by this amending agreement, the Note Agreement shall remain in full force and effect and is hereby ratified and confirmed.

Section 6 No Waiver, etc.

The execution, delivery and effectiveness of this amending agreement shall not, except as expressly provided herein, constitute a waiver of any provision of the Note Agreement.

Section 7 Governing Law.

This amending agreement shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

Section 8 Counterparts.

This amending agreement may be executed in any number of counterparts and all of such counterparts taken together shall be deemed to constitute one and the same instrument.

IN WITNESS WHEREOF the parties have executed this amending agreement.

INDEPENDENT ELECTRICITY MARKET OPERATOR

By: _____

By: _____

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By: Tony Salerno

By: By Power

SCHEDULE 4(b)
FORM OF NEW NOTE

INDEPENDENT ELECTRICITY MARKET OPERATOR

NOTE

Principal Amount: $78.2 million
Interest Rate: 7.90% per annum
Due: May 1, 2009

Date: April 1, 1999

FOR VALUE RECEIVED, the **INDEPENDENT ELECTRICITY MARKET OPERATOR** (the **"Company"**), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION** (**"OEFC"**) at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of $78.2 million in lawful money of Canada, with interest on such amount at the rate, calculated in the manner and payable at the times specified in this Note.

OEFC shall and is unconditionally and absolutely authorized and directed by the Company to record on the grid attached hereto the date and amount of each prepayment on account of the principal paid to OEFC and the resulting outstanding principal amount of this Note. Such notations, in the absence of manifest mathematical error, shall be *prima facie* evidence of such prepayments.

The outstanding principal amount of this Note together with all interest accrued thereon shall become due and payable on May 1, 2009.

The principal amount of this Note remaining from time to time unpaid and outstanding shall bear interest from the date of this Note both before and after maturity and both before and after default at the rate per annum equal to 7.90%. Interest at such rate shall accrue daily and shall be payable in arrears, in equal semi-annual payments on May 1 and November 1 of each year commencing May 1, 1999 until repaid in full. Whenever it is necessary to compute interest in respect of the Note for a period of less than one full year, other than such equal semi-annual payments, such interest shall be calculated on the basis of the actual number of days elapsed in a year of 365 days or 366 days, as the case may be. Overdue interest shall bear interest at the same rate, calculated as aforesaid.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, an agreement providing for the issuance of a note dated April 1, 1999 between Company and OEFC (the "**Agreement**"), which Agreement provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of the Company.

The Company waives presentment for payment and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF the Company has executed this Note.

INDEPENDENT ELECTRICITY MARKET OPERATOR

By: _____

By: _____

PAYMENT OF PRINCIPAL

Date	Principal Prepaid	Unpaid Principal Balance	Notation Made By

** JOB STATUS REPORT ** AS OF JAN 14 2003 16:18 PAGE. 01

MOF LEGAL SERV

JOB #945

	DATE	TIME	TO/FROM	MODE	MIN/SEC	PGS	STATUS
001	1/14	16:16	58111	EC--S	01' 26"	011	OK

To: Annette Pivnick

fax 5-8111

phone - 5-8129

From: Malle Hanslep

phone 5-1457

Private + Confidential

Total: 11 pages.

IN THE MATTER OF a Transfer Order respecting Independent Electricity Market Operator ("IMO") made under subsection 116(1) of the *Electricity Act, 1998*

Whereas pursuant to a designation by the Minister of Finance dated March 30, 1999 under section 121 of the *Electricity Act, 1998*, on March 31, 1999, the Deputy Minister of Finance determined $70.3 million to be the amount of the payment required to be made by the IMO to Ontario Hydro or its successors under the Transfer Order (the "March 31st Determination");

And whereas the March 31st Determination was subject to adjustment by a further determination if necessary after receipt of the audited financial statements of Ontario Hydro for the first quarter ending March 31, 1999;

And whereas a further determination is now considered necessary:

I, Bryne Purchase, Deputy Minister of Finance hereby determine $78.2 million to be the amount of the payment required to be made by the IMO to Ontario Hydro or its successors under the Transfer Order and hereby revoke the March 31st Determination.

DATED at Toronto as of this 21st day of March, 2000.

Bryne Purchase
Deputy Minister of Finance

INDEPENDENT ELECTRICITY MARKET OPERATOR

as Issuer

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION

as Holder

AGREEMENT
PROVIDING FOR ISSUANCE OF A NOTE

April 1, 1999

TABLE OF CONTENTS

ARTICLE 1
DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1	Definitions	1
Section 1.2	Effect of Headings and Table of Contents	8
Section 1.3	Singular, Plural, Gender, Certain Phrases, etc	8
Section 1.4	Accounting	8
Section 1.5	Non-Business Days	8

ARTICLE 2
THE NOTE

Section 2.1	Issue of Note	8
Section 2.2	Terms of the Note	8
Section 2.3	Interest	9
Section 2.4	Prepayment	9
Section 2.5	Public Debt Covenants	10
Section 2.6	Payment	11

ARTICLE 3
COVENANTS OF THE COMPANY

Section 3.1	Payment of the Note	11
Section 3.2	Company will Maintain its Corporate Existence	11
Section 3.3	Maintenance of Properties	11
Section 3.4	Insurance	12
Section 3.5	Conduct of Business	12
Section 3.6	Financial Statements	12
Section 3.7	Other Indebtedness	12
Section 3.8	Negative Pledge	12
Section 3.9	Payment of OEFC's Expenses	13

ARTICLE 4
EVENTS OF DEFAULT AND REMEDIES

Section 4.1	Event of Default	14
Section 4.2	Acceleration of Maturity; Rescission and Annulment	15
Section 4.3	Suits for Enforcement by OEFC	16
Section 4.4	OEFC May File Proof of Claim	16
Section 4.5	Rights and Remedies Cumulative	16
Section 4.6	Delay or Omission not Waiver	16

ARTICLE 5
CONSOLIDATION, AMALGAMATION, MERGER OF COMPANY

Section 5.1 Certain Requirements in Respect of Merger, etc. 17
Section 5.2 Successor Substituted. 18

ARTICLE 6
GENERAL

Section 6.1 Notices. 18
Section 6.2 Successors and Assigns. 19
Section 6.3 Amendments. 19
Section 6.4 Waiver. 19
Section 6.5 Further Assurances. 19
Section 6.6 Severability. 19
Section 6.7 Governing Law. 20
Section 6.8 Counterparts. 20

Schedule 2.2(1) – Form of Note

THIS AGREEMENT is made on the 1st day of April, 1999 between:

A. **INDEPENDENT ELECTRICITY MARKET OPERATOR** (the "**Company**")

B. **ONTARIO ELECTRICITY FINANCIAL CORPORATION** ("**OEFC**").

RECITALS:

1. Pursuant to section 116 of the *Electricity Act, 1998*, the Lieutenant Governor in Council has made an order (the "**Transfer Order**") transferring certain officers, employees, assets, liabilities, rights and obligations of Ontario Hydro to the Company;

2. Pursuant to the Transfer Order, the Company is required to issue certain debt securities to Ontario Hydro as partial payment for such assets and rights; and

3. On April 1, 1999, Ontario Hydro is continued as OEFC.

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the parties agree as follows:

ARTICLE 1
DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"**Agreement**", "**herein**", "**hereby**", "**hereof**", "**hereunder**" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression "**Article**" or "**Section**" followed by a number means the specified Article or Section of this Agreement.

"**Business Day**" means any day other than a Saturday, Sunday or a statutory or civic holiday in Toronto, Ontario.

"**Canadian Dollars**" or "**$**" means lawful currency of Canada.

"**Canadian Prime Rate**" means, at any time, the greater of (i) the average of the rates of interest per annum equal to the per annum rate of interest quoted, published and commonly known as the "prime rate" of each of the Reference

Lenders which each of the Reference Lenders establishes at its main office in Toronto, Ontario as the reference rate of interest in order to determine interest rates for loans in Canadian Dollars to its borrowers in Canada, adjusted automatically with each quoted or published change in such rate, and (ii) the sum of (y) the average of the rates per annum for Canadian Dollar bankers' acceptances having a term of one month that appears on the Reuters CDOR Page as of 10:00 a.m. (Toronto time) on the date of determination, as reported by OEFC (and if such screen is not available, any successor or similar service as may be selected by OEFC), and (z) 0.50%.

"**Capital Stock**" of any Person means any and all shares, or interests, participations or other equivalents (however designated) of shares, in the capital of such Person.

"**Company**" means the Independent Electricity Market Operator, a corporation existing under the laws of the Province of Ontario, until a successor corporation shall have succeeded to all of the rights and obligations of the Independent Electricity Market Operator pursuant to Section 5.1 and thereafter "**Company**" shall mean such successor corporation (or any successor thereto which shall have become such pursuant to Section 5.1).

"**Consolidated Assets**" means, at any time, the book value of the assets of the Company and the Subsidiaries, determined as of such time on a consolidated basis in accordance with generally accepted accounting principles.

"**default**" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"**disposition**" has the meaning specified in Section 5.1.

"**Event of Default**" has the meaning specified in Section 4.1.

"**Indebtedness**" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) Every obligation of such Person for borrowed money;

(b) Every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments, including obligations for borrowed money incurred in connection with the acquisition of property, assets or businesses;

(c) Every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) Every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) Every capital lease obligation of such Person;

(f) The Swap Termination Value of each Swap Contract of such Person; and

(g) Every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"**Lien**" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"**Material Subsidiary**" means, at any time, a Subsidiary which has consolidated assets with a book value of more than $25 million determined as of such time in accordance with generally accepted accounting principles.

"**Note**" means the note of the Company issued under this Agreement.

"**Ontario Yield Price**" means, with respect to the Note or part thereof to be prepaid pursuant to Section 2.4, a price equal to the price of the Note or part thereof to be so prepaid calculated to provide a yield to maturity, compounded semi-annually and calculated in accordance with generally accepted financial practice, equal to the Province of Ontario Yield on the Business Day preceding the date on which such prepayment is to be made by the Company to OEFC in accordance with Section 2.4.

"**Permitted Liens**" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) Any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) Any obligations or duties, affecting the property of the Company or a Subsidiary, to any municipality or governmental, statutory or public

authority, with respect to any franchise, grant, licence or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by the Company or such Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by the Company or such Subsidiary;

(d) Any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) The right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) Any undetermined or inchoate Liens and charges incidental to the current operations of the Company or a Subsidiary that have not at the time been filed against the Company or such Subsidiary; provided, however, that if any such Lien or charge shall have been filed, the Company or such Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) Any Lien the validity of which is being contested at the time by the Company or a Subsidiary in good faith and the enforcement of which has been stayed;

(h) Any easements, rights-of-way and servitudes that in the opinion of the Company will not in the aggregate materially and adversely impair the use or value of the land concerned for the purpose for which it is held by the Company or a Subsidiary;

(i) Any Liens and privileges arising out of judgments or awards with respect to which the Company or a Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall

have secured a stay of execution pending such appeal or proceedings for review;

(j) pledges of cash or cash equivalents to secure the Company's or a Subsidiary's liabilities from time to time under Permitted Swap Contracts; and

(k) Any other Liens of a nature similar to the foregoing which do not in the opinion of the Company, acting reasonably, materially impair the use of the property subject thereto or the operation of the business of the Company or any Subsidiary or the value of such property for the purpose of any such business.

"**Permitted Swap Contract**" means a Swap Contract to which the Company or a Subsidiary is a party, provided that:

(a) The Company or such Subsidiary enters into such Swap Contract in the ordinary course of business for the purpose of directly mitigating risks associated with fluctuations in interest rates or currency exchange rates with respect to Indebtedness of the Company or such Subsidiary and not for the purposes of speculation or taking a "market view";

(b) The notional amount of such Swap Contract does not exceed the payments due with respect to the Indebtedness being hedged thereby;

(c) Such Swap Contract does not contain any "walk-away" provision exonerating the non-defaulting party from its obligation to make payments on any outstanding transaction to the defaulting party; and

(d) Such Swap Contract is in a form approved by the International Swaps & Derivatives Association, Inc. at the time such Swap Contract is entered into or in such other form as shall be customary at such time for the documentation, in accordance with good market practise by regulated financial institutions carrying on business in Canada, of obligations similar to the obligations documented in such Swap Contract.

"**Person**" means any individual, corporation, partnership, joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"**Province of Ontario Yield**" means, with respect to the Note or part thereof to be prepaid pursuant to Section 2.4, the average of the quotations obtained by the Company from two major Canadian investment dealers selected by OEFC, as to the yield to maturity on the Business Day preceding the date on

which such prepayment is to be made by the Company to OEFC in accordance with Section 2.4, compounded semi-annually and calculated in accordance with generally accepted financial practice, which a non-callable Government of Ontario bond would carry if issued in Canadian Dollars in Canada at 100% of its principal amount on such date with a term to maturity approximately equal to the remaining term to maturity, calculated as at the applicable prepayment date, of the Note.

"**Purchase Money Mortgage**" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or part of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"**Reference Lenders**" means, collectively, any two major financial institutions in Canada who, in the ordinary course of business, provide loans in Canadian Dollars to borrowers in Canada, as selected from time to time by OEFC and, in the singular, any one of them.

"**Reuters CDOR Page**" means the display page so designated on the Reuters Monitor Money Rates Service (or such other page as may replace that page on that service for the purpose of displaying rates for Canadian Dollar bankers' acceptances).

"**Senior Debt**" means all Indebtedness of the Company, including the Note, which is not subordinated in right of payment to any other Indebtedness of the Company.

"**Stated Maturity**" when used with respect to any Indebtedness or any instalment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such instalment of interest is due and payable.

"**Subsidiary**" means:

(a) A corporation more than 50% of the voting power of the outstanding Voting Shares of which is owned, directly or indirectly, by the Company or by one or more other Subsidiaries or by the Company and one or more other Subsidiaries, or

(b) Any Person (other than a corporation) in which the Company, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

"Successor Person" has the meaning specified in Section 5.1.

"Swap Contract" means any agreement, whether or not in writing, relating to any transaction that is a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction, currency swap, cross-currency rate swap, swaption, currency option or any other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.

"Swap Termination Value" means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap Contracts:

(a) For any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and

(b) For any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.

"U.S. Dollars" means lawful currency of the United States of America.

"Voting Shares" of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings and Table of Contents.

The division of this Agreement into Articles and Sections, the insertion of headings and the provision of a Table of Contents are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and *vice versa* and words importing gender may include any gender. In this Agreement and the Note, (i) the words **"including"** and **"includes"** mean **"including (or includes) without limitation"**, and (ii) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word **"from"** means **"from and including"** and the words **"to"** and **"until"** each mean **"to but excluding"**.

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with generally accepted accounting principles. Generally accepted accounting principles refer to accounting principles generally accepted in Canada as recommended in the Handbook of the Canadian Institute of Chartered Accountants at the relevant time applied on a consistent basis.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the next succeeding Business Day.

ARTICLE 2
THE NOTE

Section 2.1 Issue of Note.

In consideration of the transfer of certain officers, employees, assets and rights of OEFC to the Company pursuant to the Transfer Order and as partial payment for such assets and rights, the Company issues and delivers the Note to OEFC.

Section 2.2 Terms of the Note.

(1) The Note shall be in substantially the form set out in Schedule 2.2(1), shall be in the aggregate principal amount of $70.3 million, shall be dated as of the

date of this Agreement, shall mature on May 1, 2009, and shall bear interest at the rate of 7.90% per annum (after as well as before default or judgment, with interest on the amounts in default at the same rate).

(2) The Note shall at all times rank pari passu with all other Senior Debt, except Senior Debt that is statutorily preferred and Senior Debt that is secured by a Lien referred to in Sections 3.8(a) to 3.8(f), inclusive.

(3) Interest shall be payable on the Note in accordance with Section 2.3.

(4) The Company may prepay all or part of the Note in accordance with Section 2.4.

(5) All amounts owing in respect of the Note shall be paid without exercising any right of set off or counterclaim by the Company irrespective of whether or not, at the time any such amount is due and payable, amounts are due and payable by OEFC to the Company.

Section 2.3 Interest.

Interest on the Note at the rate specified in Section 2.2(1) shall accrue daily, and shall be payable in equal semi-annual instalments on May 1 and November 1 in each year, the first such payment for the Note to be made for the period from the date of this Agreement to May 1, 1999 and, whenever it is necessary to compute interest in respect of the Note for a period of less than one full year, other than such equal semi-annual instalments, such interest shall be calculated on the basis of the actual number of days elapsed in a year of 365 days or 366 days, as the case may be.

Section 2.4 Prepayment.

(1) If the Company has, upon the number of days notice to OEFC determined in accordance with Section 2.4(2), delivered a notice to OEFC stating the proposed date and the Note or part thereof that the Company wishes to prepay, on such date the Company shall pay to OEFC the greater of:

(a) The principal amount of the Note or part thereof that is to be prepaid, as the case may be; and

(b) The Ontario Yield Price for the Note or such part;

together in each case with all interest accrued on the Note or such part to such date or, if the Company and OEFC agree, such amount as they agree upon.

(2) The Company may, at any time and from time to time, prepay all or part of the Note upon giving OEFC not less than 30 days' prior written notice of such prepayment.

Section 2.5 Public Debt Covenants.

(1) If the Company issues notes, bonds, debentures or other evidences of Senior Debt to the public with a term to maturity of at least 5 years and in an aggregate principal amount of at least 100 million in Canadian Dollars or at least 100 million in U.S. Dollars pursuant to a trust indenture, the Company shall, within 3 Business Days of the first such issuance, give OEFC notice of such issuance and a copy of such trust indenture. Effective upon such issuance, the representations and warranties, the positive and negative covenants of the Company (including any financial covenants but excluding covenants relating to interest rates, interest payment dates, maturity dates of principal, prepayments and manner and place of payments) and the events of default applicable to such Senior Debt as specified in such trust indenture shall automatically become applicable to the Note in lieu of the representations and warranties, covenants or Events of Default, as the case may be, included herein as if the same had been originally included in this Agreement when executed and delivered and this Agreement shall be deemed to be amended as of the date such Senior Debt is issued to the extent necessary to incorporate such representations and warranties, covenants and events of default into this Agreement. The Company, at the request of OEFC, shall promptly execute and deliver an agreement which sets out the terms and provisions of this Agreement, as so amended.

(2) If, at any time or from time to time, the representations or warranties, the positive or negative covenants (including any financial covenants but excluding covenants relating to interest rates, interest payment dates, maturity dates of principal, prepayments and manner and place of payments) or the events of default applicable to the Senior Debt referred to in Section 2.5(1) are amended, modified or restated, the Company shall, within 3 Business Days of such amendment, modification or restatement, give OEFC notice thereof and a copy of the agreement amending or modifying the trust indenture referred to in Section 2.5(1) or a copy of the restatement of such trust indenture, as the case may be. OEFC may, upon notice to the Company given at any time within 90 days of receipt by OEFC of a copy of such agreement or such restatement, elect to have such amendment, modification or restatement apply to the Note and this Agreement (as amended pursuant to Section 2.5(1)). If OEFC so elects, such amendment, modification or restatement shall become applicable to the Note and this Agreement (as so amended) as of the date of such election, as if such amendment, modification or restatement amended, modified or restated this Agreement (as so amended) as of such date and this Agreement shall be deemed to be amended, modified or restated as of such date to the extent necessary to incorporate such representations and warranties, positive and negative covenants (including any financial covenants but excluding covenants

relating to interest rates, interest payment dates, maturity dates of principal, prepayments and manner and place of payments) and events of default. The Company, at the request of OEFC, shall promptly execute and deliver an agreement which sets out the terms of this Agreement, as amended pursuant to Section 2.5(1) and as further amended, modified or restated pursuant to this Section 2.5(2).

Section 2.6 Payment.

All amounts required to be paid by the Company to OEFC pursuant to this Agreement shall be paid to or to the order of OEFC by electronic wire transfer of immediately available funds in accordance with transfer instructions given by OEFC to the Company from time to time, or in any such other manner as OEFC may specify to the Company from time to time.

ARTICLE 3
COVENANTS OF THE COMPANY

Section 3.1 Payment of the Note.

The Company will duly and punctually pay or cause to be paid all amounts owing in respect of the Note or under this Agreement in accordance with the terms and subject to the conditions of the Note and this Agreement.

Section 3.2 Company will Maintain its Corporate Existence.

Subject to Section 5.1, the Company will at all times maintain its corporate existence.

Section 3.3 Maintenance of Properties.

The Company will cause all property owned by the Company or any Subsidiary to be maintained and kept in good condition, repair and working order, all as in the judgment of the Company or any Subsidiary may be necessary for the proper operation of such property, except as and to the extent that the Company or any Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 3.3 shall prevent the Company or any Subsidiary from discontinuing the maintenance of any such property if such discontinuance is, in the judgment of the Company or any Subsidiary, desirable in the conduct of its business or the business of any such Subsidiary.

Section 3.4 Insurance.

The Company will cause all property owned by the Company or any Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the nature and to the extent that such property is usually insured by companies operating similar businesses.

Section 3.5 Conduct of Business.

The Company will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in a proper, efficient and business-like manner and in accordance with good business practice.

Section 3.6 Financial Statements.

The Company will furnish to OEFC:

(a) Within 140 days after the end of each fiscal year, beginning with the fiscal year ended December 31, 1999, audited financial statements of the Company consisting of a consolidated balance sheet of the Company at the end of each such fiscal year and related consolidated statements of income and retained earnings and, commencing with the financial statements relating to the fiscal year of the Company commencing January 1, 2000, changes in financial position for each such fiscal year prepared in accordance with generally accepted accounting principles; and

(b) Within 60 days after the end of each of the first three fiscal quarters of each fiscal year of the Company, unaudited interim consolidated financial statements of the Company for the interim period so ended prepared in accordance with generally accepted accounting principles.

Section 3.7 Other Indebtedness.

The Company covenants that if it shall cause any payment of principal, premium or interest on any of its Indebtedness to be subordinated or postponed to the prior payment of any other Indebtedness it shall in like manner subordinate or postpone such payment to the prior payment of the Note.

Section 3.8 Negative Pledge.

The Company will not, and will not permit any Subsidiary to, create, incur or assume any Lien, charging the interest of the Company or any Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, the Note is secured equally

and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) The creation, incurrence or assumption of any Purchase Money Mortgage;

(b) The grant of any Lien in the normal course of business to any banks or financial institutions for present or future Indebtedness of the Company or any Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) Liens granted by a Subsidiary to the Company;

(e) Any extension, renewal or replacement of any of the Liens referred to in Sections 3.8(a) to (d), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased.; and

(f) Any Lien charging the interest of the Company or any Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 3.8(a) to (d), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 3.8(f) which is outstanding at such time does not exceed 25% of Consolidated Assets at such time.

Section 3.9 Payment of OEFC's Expenses

The Company will, on demand, reimburse OEFC for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OEFC in connection with the preservation of rights under or enforcement of this Agreement at any time during the continuance of a default or Event of Default. All such costs, charges and expenses shall bear interest at the Canadian Prime Rate, payable monthly in arrears from the third Business Day after demand for reimbursement thereof is made by OEFC.

ARTICLE 4
EVENTS OF DEFAULT AND REMEDIES

Section 4.1 Event of Default.

"**Event of Default**", wherever used herein, means any one of the following events:

(a) Failure to pay any interest upon the Note when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) Failure to pay the principal of the Note at its Stated Maturity;

(c) Failure on the part of the Company to observe or perform its obligations set forth in Section 5.1;

(d) Failure on the part of the Company to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 30 days after the date on which written notice of such failure shall have been given to the Company by OEFC;

(e) One or more breaches by the Company or any Subsidiary of its covenants under one or more evidences of Indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $25 million, which breaches:

(i) Constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist, or

(ii) Have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived or rescinded);

(f) The Company or any Material Subsidiary:

(i) Becomes generally not able to pay its debts as they become due;

(ii) Admits in writing its inability to pay its debts generally or makes a general assignment for the benefit of its creditors or files a proposal or other scheme of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) Institutes or has instituted against it any proceeding seeking:

(A) To adjudicate it a bankrupt or insolvent,

(B) Liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors, or

(C) The entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets,

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismissed or unstayed for a period of 30 days, or any of the actions sought in such proceeding (including the entry of an order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

(iv) Takes any corporate action to authorize any of the actions in Sections 4.1(f)(i), (ii) or (iii); or

(g) If there shall be rendered against the Company or any Material Subsidiary a final judgment or judgments for the payment of money in an aggregate amount in excess of $25 million by a court or courts of competent jurisdiction, and the Company or such Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 4.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case OEFC may declare all amounts owing on the Note and all other amounts owing hereunder to be due and payable immediately, by a notice in writing to the Company, and upon any such declaration all such amounts shall become immediately due and payable.

Section 4.3 Suits for Enforcement by OEFC.

If an Event of Default occurs and is continuing, OEFC may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in OEFC by this Agreement or by law.

Section 4.4 OEFC May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of the Company under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property of the Company, or if any other judicial proceedings relative to the Company, its creditors or its property are pending, OEFC (irrespective of whether the principal amount of the Note shall then be due and payable as therein expressed or by declaration or otherwise and irrespective of whether OEFC shall have made any demand on the Company for the payment of any overdue principal or interest) shall be entitled and empowered, by intervention in such proceeding or otherwise:

(a) To file and prove a claim for all amounts owing on the Note or under this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of OEFC (including any claim for fees and disbursements of OEFC, its agents and counsel) allowed in such judicial proceeding; and

(b) To collect and receive any moneys or other property payable or deliverable on any such claim.

Section 4.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to OEFC is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 4.6 Delay or Omission not Waiver.

No delay or omission of OEFC to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right and remedy given

by this Article 4 or by law to OEFC may be exercised from time to time, and as often as may be deemed expedient, by OEFC.

ARTICLE 5
CONSOLIDATION, AMALGAMATION, MERGER OF COMPANY

Section 5.1 Certain Requirements in Respect of Merger, etc.

The Company may not, in a single transaction or a series of related transactions, amalgamate or consolidate with or merge into any other Person, or permit any other Person to amalgamate or consolidate with or merge into the Company, or directly or indirectly transfer, sell, lease or otherwise dispose of all or substantially all of its property or assets (a "**disposition**") to any Person, but may do so if:

(a) The Company shall be the surviving Person, or the Person (if other than the Company) formed by such amalgamation, consolidation or into which the Company is merged or that acquires by disposition all or substantially all of the properties or assets of the Company shall be a corporation, partnership or trust organized and validly existing under the federal laws of Canada or any province or territory thereof and shall expressly assume, by an agreement executed and delivered to OEFC in form satisfactory to OEFC, all of the Company's obligations under this Agreement and the Note and, in the case of an entity organized other than under the laws of the Province of Ontario, shall attorn to the jurisdiction of the courts of the Province of Ontario (the Company or such other Person who becomes such a successor obligor under this Agreement being herein referred to as the "**Successor Person**");

(b) Immediately before and after giving effect to such transaction, no default or Event of Default shall have occurred and be continuing; and

(c) The Successor Person shall have delivered to OEFC a certificate of the Successor Person and an opinion of counsel, each stating that such amalgamation, consolidation, merger or disposition by the Company, and, if an agreement is required to be entered into by the Successor Person in connection with such transaction pursuant to Section 5.1(a), such agreement, comply with Section 5.1(a) and the certificate of the Successor Person shall also state that all conditions precedent in this Section 5.1 relating to such transaction have been satisfied.

Section 5.2 Successor Substituted.

Upon any consolidation, amalgamation, merger or disposition described in, and complying with the provisions of, Section 5.1 in which the Company is not the continuing corporation, the Successor Person shall succeed to all of the rights and obligations of the Company under this Agreement and the Note, and from time to time may exercise every right and power of the Company under this Agreement and the Note.

ARTICLE 6
GENERAL

Section 6.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy addressed:

If to the Company, to it at:

Independent Electricity Market Operator
P.O. Box 1
Suite 410
655 Bay Street
Toronto, Ontario
M5G 2K4

Attention: Douglas Thomas, CA, Treasurer
Telephone: (416) 506-2818
Telecopier: (416) 506-2843

If to OEFC, to it at:

Ontario Electricity Financial Corporation
c/o Ontario Financing Authority
1 Dundas Street West
Suite 1400
Toronto, Ontario
M3A 1Y7

Attention: Executive Director - Capital Markets Division
Telephone: (416) 325-8128
Telecopier: (416) 325-8005

Any such communication shall be deemed to have been validly and effectively given if (i) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p.m. (Toronto time), otherwise on the next Business Day, (ii) transmitted by telecopier, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice given in accordance with this Section 6.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 6.1.

Section 6.2 Successors and Assigns.

Subject to Section 5.1, the Company cannot assign or transfer this Agreement or the Note or any of its rights or obligations under this Agreement or the Note without the prior written consent of OEFC. OEFC cannot assign or transfer this Agreement or the Note or any of its rights or obligations under this Agreement or the Note without the prior written consent of the Company.

Section 6.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of OEFC and the Company.

Section 6.4 Waiver.

(3) No waiver of any provision of the Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) of this Agreement nor shall such waiver be binding unless executed in writing by the party to be bound by the waiver.

(4) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude any other or further exercise of such right or the exercise of any other right.

Section 6.5 Further Assurances.

Each of the Company and OEFC shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement.

Section 6.6 Severability.

In case any provision in this Agreement or in the Note shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement or in the Note shall not in any way be affected or impaired thereby.

Section 6.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 6.8 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF the parties have executed this Agreement.

INDEPENDENT ELECTRICITY MARKET OPERATOR

By: Douglas J. Thomas

By: _____

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By: _____

By: _____

AMENDING AGREEMENT NO. 2 TO NOTE AGREEMENT

THIS AGREEMENT is made as of April 23, 2009 between:

A. INDEPENDENT ELECTRICITY SYSTEM OPERATOR, (the "Company")

B. ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")

RECITALS:

1. Pursuant to section 116 of the *Electricity Act, 1998*, the Lieutenant Governor in Council made an order ("Transfer Order") transferring certain officers, employees, assets, liabilities, rights and obligations of Ontario Hydro to the Company;

2. Pursuant to the Transfer Order, the Company and OEFC entered into an agreement dated April 1, 1999 ("Note Agreement") under which the Company issued a note in the amount of $70.3 million ("Initial Note") to OEFC in partial payment for the assets and rights described above;

3. The Company and OEFC entered into an amending agreement dated March 23, 2000 (which together with the Note Agreement is referred to in this amending agreement as the "Amended Note Agreement") to provide for the issuance of a new note ("Existing Note") in the amount of $78.2 million in replacement for the Initial Note;

4. The Company was continued under the name Independent Electricity System Operator pursuant to subsection 4(1) of the Electricity Act, 1998 effective January 1, 2005;

5. The Minister of Finance has directed OEFC to extend the term of the loan from May 1, 2009 to May 1, 2011.

6. The parties wish to further amend the Amended Note Agreement.

NOW THEREFORE, in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the parties agree as follows:

1. **Defined Terms.**
Capitalized terms used in this amending agreement and not otherwise defined herein have the meanings specified in the Amended Note Agreement;

2. **Amendment to Article 2 of the Amended Note Agreement.**

The following sections are added after Section 2.6.

2.7 Refinancing Note

On May 1, 2009, the Company shall execute and deliver to OEFC a grid promissory note in the form attached as Schedule 2.7 (the "Refinancing Note") which shall be in an aggregate principal amount equal to $78.2 million, dated as of May 1, 2009 and maturing on May 1, 2011 and bearing interest at a per annum rate equal to the yield earned on ninety day Province of Ontario treasury bills as determined by the OEFC, plus 25 basis points (after as well as before default or judgment, with interest on the amounts in default at the same rate). Upon receipt of the Refinancing Note by OEFC, the Existing Note shall be of no further force or effect and shall be returned by OEFC to the Company marked "cancelled".

2.8 Interest on Refinancing Note

From May 1, 2009 to April 30, 2011, interest on the Refinancing Note at the rate specified in Section 2.7 shall accrue daily and shall be payable in quarterly installments on February 1, May 1, August 1 and November 1 in each year (each an "Interest Payment Date"), with the first such payment for the Refinancing Note to be made for the period from and including May 1, 2009 to but excluding August 1, 2009.

The interest rate on the Refinancing Note shall be reset automatically by the OEFC on the first business day of each quarter from and including May 1, 2009, to but excluding May 1, 2011 (each, an "Interest Reset Date"), at the interest rate equal to the yield earned on ninety-day Province of Ontario treasury bills on each Interest Reset Date as determined by the OEFC, plus 25 basis points

OEFC will provide the Company with written notice by email of the interest rate, date of interest payment and the interest payment amount due, as soon as possible after its determination, but in no event later than five business days following each Interest Reset Date.

For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Refinancing Note for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

2.9 Prepayment on Refinancing Note

The Company may, prepay all or part of the Refinancing Note subject to the following restrictions in respect of each said prepayment:

(a) the prepayment shall be in a multiple of $5 million;
(b) the prepayment shall be made on an Interest Payment Date;
(c) the Company shall give irrevocable written notice substantially in the form attached as Schedule 2.9 (a "Notice of Prepayment") to OEFC of the amount of the prepayment at least fifteen (15) Business Days before the date on which the prepayment shall be made.

3. **Reference to and Effect on the Amended Note Agreement.** On and after this date, each reference in the Amended Note Agreement to "this Agreement" and each reference to the Amended Note Agreement in any and all other agreements, documents and instruments delivered by the Company and OEFC shall mean and be a reference to the Amended Note Agreement as amended by this amending agreement. Except as specifically amended by this amending agreement, the Amended Note Agreement shall remain in full force and effect.

4. **No Waiver.** The execution, delivery and effectiveness of this amending agreement shall not, except as expressly provided herein, constitute a waiver of any provision of the Amended Note Agreement.

5. **Governing Law**. This amending agreement shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

6. **Counterparts**. This amending agreement may be executed in any number of counterparts and all of such counterparts taken together shall be deemed to constitute one and the same instrument.

IN WITNESS WHEREOF the parties have executed this amending agreement.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By: Gary Henley
CFO.

~~By:~~ _____

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By: _____
Michael Manning
Executive Director

~~By:~~ _____

SCHEDULE 2.7
FORM OF REFINANCING NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

NOTE

Principal Amount:	$78.2 million	Date: May 1, 2009
Interest Rate:	A variable rate of interest equal to the yield earned on ninety day Province of Ontario Treasury Bills, as determined by the Lender, plus 25 basis points	
Due:	May 1, 2011	

FOR VALUE RECEIVED, the INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("Company") existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, PROMISES TO PAY to or to the order of ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC") at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of $78.2 million in lawful money of Canada, with interest on such amount at the rate, calculated in the manner and payable at the times specified in this Note.

OEFC shall and is unconditionally and absolutely authorized and directed by the Company to record on the grid attached hereto the date and amount of each prepayment on account of the principal paid to OEFC and the resulting outstanding principal amount of this Note provided that such prepayment is made on an Interest Payment Date (as defined below) and in accordance with the terms of the Agreement as amended (as defined below). Such notations, in the absence of manifest mathematical error, shall be *prima facie* evidence of such prepayments.

The outstanding principal amount of this Note together with all interest accrued thereon shall become due and payable on May 1, 2011.

The principal amount of this Note remaining from time to time unpaid and outstanding shall bear interest from the date of this Note both before and after maturity and both before and after default at the rate per annum equal to the yield earned on ninety-day Province of Ontario treasury bills , as determined by OEFC, plus 25 basis points. Interest at such rate shall accrue daily and shall be payable in arrears in quarterly installments on February 1, May 1, August 1 and November 1 in each year (each an "Interest Payment Date") commencing August 1, 2009.

For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Note for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of an agreement providing for the issuance of a note dated April 1, 1999 between the Company and OEFC ("Agreement") and amended by an amending agreement dated March 23, 2000 and an amending agreement dated April 23, 2009, which Agreement provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of the Company.

The Company waives presentment for payment and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF the Company has executed this Note.

INDEPENDENT ELECTRICITY
SYSTEM OPERATOR

By: _____

By: _____

Amending Agreement #2 in Respect of Agreement Providing For Issuance of a Note
dated April 23, 2009

DATE	PRINCIPAL ADVANCED ($)	DATE OF EACH PREPAYMENT	AMOUNT OF EACH PREPAYMENT	OUTSTANDING PRINCIPAL AMOUNT ($)	Notation Made By
May 1, 2009	78,200,000			78,200,000	

Schedule 2.9

PREPAYMENT NOTICE

To: OEFC
c/o Ontario Financing Authority
Attention: Manager, Electricity and Nuclear Fund

Fax: (416) 325-8111

From: Independent Electricity System Operator
Treasury Department, Finance

Date: _____

Reference is made to the Note Agreement made between the Independent Electricity System Operator as borrower (the "Company"), and OEFC as lender dated as of April 1, 1999, as amended by agreement as of March 23, 2000 and April 23, 2009 (collectively the "Note Agreement"). Unless otherwise defined herein, all terms used in this notice with initial capital letters (other than for grammatical purposes) shall have the respective meanings ascribed thereto in the Note Agreement.

Pursuant to section 2.9 of the Note Agreement, the Company hereby gives notice to OEFC that the Company will make a prepayment on account of the principal amount of Refinancing Note as follows:

amount of prepayment: _____

date of prepayment: _____

DATED this _____ day of _____, _____.

Yours very truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By: _____

Title: _____

AMENDING AGREEMENT NO. 3

This Agreement is made as of May 1, 2011 between:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR
("IESO")

- and -

ONTARIO ELECTRICITY FINANCIAL CORPORATION
("OEFC")

WHEREAS the IESO and OEFC have entered into an Agreement Providing for the Issuance of a Note dated April 1, 1999 as amended by an Amending Agreement dated March 23, 2000 to provide for the issuance of a Note maturing May 1, 2009 and by Amending Agreement No. 2 dated April 23, 2009 to provide for the issuance of a Refinancing Note maturing May 1, 2011 (the "Agreement");

AND WHEREAS the parties wish to amend the Agreement to provide for the issuance of a Second Refinancing Note maturing May 1, 2013, and to delete the prepayment provisions of the Agreement .

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and sufficiency of which are hereby acknowledged by each party), the parties agree as follows:

1. **Defined Terms**

Capitalized terms used in this amending agreement and not otherwise defined herein have the meanings specified in the Agreement.

2. **Amendments to Agreement**

(a) Section 2.4 of the Agreement is hereby deleted.

(b) The Agreement is amending by adding the following sections after Section 2.9:

"Section 2.10 Second Refinancing Note

On May 1, 2011, the IESO shall execute and deliver to OEFC a promissory note in the form attached as Schedule 1 (the "Second Refinancing Note") which shall be in an aggregate principal amount equal to $78.2 million, dated as of May 1, 2011 and maturing on May 1, 2013 and bearing interest at a per annum rate equal to the Province of Ontario's cost of borrowing for a two year term, determined by the Chief Executive Officer of OEFC or the Chief Operating Officer of OEFC, or by a person designated by either of them, plus twenty five basis points (0.25%) (after as well as before default or judgment, with interest on the amounts in default at the same rate). Upon receipt of the Second Refinancing Note by OEFC, the Refinancing Note dated May 1, 2009 shall be of no further force or effect and shall be returned by OEFC to the IESO marked "cancelled".

Section 2.11 Interest on Second Refinancing Note

Interest on the Second Refinancing Note at the rate specified in Section 2.10 shall accrue daily and shall be payable in equal semi-annual instalments on November 1 and May 1 in each year (each an "Interest Payment Date"), with the first such payment for the Second Refinancing Note to be made for the period from and including May 1, 2011 to but excluding November 1, 2011.

For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under the Second Refinancing Note for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period."

3. **Reference to and Effect on the Agreement.**

On and after this date, each reference in the Agreement to "this Agreement" and each reference to the Agreement in any and all other agreements, documents and instruments delivered by the IESO and OEFC shall mean and be a reference to the Agreement as amended by this amending agreement. On and after this date, each reference in the Agreement to either "the Note" or "the New Note" and each reference to either "the Note" or "the New Note" in any and all other agreements, documents and instruments delivered by the the IESO and OEFC shall mean and be a reference to the Second Refinancing Note. Except as specifically amended by this amending agreement, the Agreement shall remain in full force and effect.

4. **Governing Law**

This amending agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

5. **Counterparts**

This amending agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.

6. **Enurement**

This amending agreement shall be binding upon and shall enure to the benefit of the parties and their respective successors and permitted assigns.

IN WITNESS WHEREOF the parties have executed and delivered this amending agreement.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Ted Leonard
title: VP Finance, Chief Financial Officer

ONTARIO ELECTRICITY FINANCIAL CORPORATION,

by: _____
Michael D. Manning
title:

SCHEDULE 1
FORM OF SECOND REFINANCING NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

NOTE

Principal Amount: $78.2 million Date: May 1, 2011
Interest Rate:
Due: May 1, 2013

FOR VALUE RECEIVED, the INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO") existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, PROMISES TO PAY to or to the order of ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC") at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of $78.2 million in lawful money of Canada, with interest on such amount at the rate, calculated in the manner and payable at the times specified in this Note.

The principal amount of this Note together with all interest accrued thereon shall become due and payable on May 1, 2013.

The principal amount of this Note remaining from time to time unpaid and outstanding shall bear interest from the date of this Note both before and after maturity and both before and after default at the rate per annum equal to the Province of Ontario's cost of borrowing for a two year term, determined by the Chief Executive Officer of OEFC or the Chief Operating Officer of OEFC, or by a person designated by either of them, plus twenty five basis points (0.25%). Interest at such rate shall accrue daily and shall be payable in arrears in equal semi-annual instalments on May 1 and November 1 in each year (each an "Interest Payment Date") commencing November 1, 2011.

For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Note for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of an agreement providing for the issuance of a note dated April 1, 1999 between the IESO and OEFC ("Agreement") and amended by an amending agreement dated March 23, 2000, an amending agreement dated April 23, 2009 and an amending agreement dated May 1, 2011 which Agreement provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of the IESO.

IESO waives presentment for payment and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY
SYSTEM OPERATOR

By: _____
Ted Leonard
VP and Chief Financial Officer

By: _____

AMENDING AGREEMENT NO. 4

This Agreement is made as of May 1, 2013 between:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR
("IESO")

- and -

ONTARIO ELECTRICITY FINANCIAL CORPORATION
("OEFC")

WHEREAS IESO and OEFC have entered into an Agreement Providing for the Issuance of a Note dated April 1, 1999 as amended by an Amending Agreement dated March 23, 2000 to provide for the issuance of a Note maturing May 1, 2009, by Amending Agreement No. 2 dated April 23, 2009 to provide for the issuance of a Refinancing Note maturing May 1, 2011 and by Amending Agreement No. 3 dated May 1, 2011 to provide for the issuance of a Second Refinancing Note maturing May 1, 2013 (the "Agreement");

AND WHEREAS the parties wish to amend the Agreement to provide for the issuance of a Third Refinancing Note maturing April 30, 2014.

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and sufficiency of which are hereby acknowledged by each party), the parties agree as follows:

1. Defined Terms

Capitalized terms used in this amending agreement and not otherwise defined herein have the meanings specified in the Agreement.

2. **Amendments to Agreement**

(a) The Agreement is amended by adding the following sections after Section 2.11:

"Section 2.12 Third Refinancing Note

On May 1, 2013, IESO shall execute and deliver to OEFC a promissory note in the form attached as Schedule 1 (the "Third Refinancing Note") which shall be in an aggregate principal amount equal to $78.2 million, dated as of May 1, 2013 and maturing on April 30, 2014 and bearing interest at a per annum rate equal to the Province of Ontario's cost of borrowing for a one year term as at May 1, 2013, determined by the Chief Executive Officer of OEFC or the Chief Operating Officer of OEFC, or by a person designated by either of them, plus fifty basis points (0.50%) (after as well as before default or judgment, with interest on the amounts in default at the same rate). Upon receipt of the Third Refinancing Note by OEFC, the Second Refinancing Note dated May 1, 2011 shall be of no further force or effect and shall be returned by OEFC to IESO marked "cancelled".

Section 2.13 Interest on Third Refinancing Note

Interest on the Third Refinancing Note at the rate specified in Section 2.12 shall accrue daily and shall be payable in equal semi-annual instalments on November 1 and April 30 (each an "Interest Payment Date"), with the first such payment for the Third Refinancing Note to be made for the period from and including May 1, 2013 to but excluding November 1, 2013.

For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under the Third Refinancing Note for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period."

3. **Reference to and Effect on the Agreement.**

On and after this date, each reference in the Agreement to "this Agreement" and each reference to the Agreement in any and all other agreements, documents and instruments delivered by IESO and OEFC shall mean and be a reference to the Agreement as amended by this amending agreement. On and after this date,

each reference in the Agreement to either "the Note" or "the New Note" and each reference to either "the Note" or "the New Note" in any and all other agreements, documents and instruments delivered by IESO and OEFC shall mean and be a reference to the Third Refinancing Note. Except as specifically amended by this amending agreement, the Agreement shall remain in full force and effect.

4. **Governing Law**

This amending agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

5. **Counterparts**

This amending agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.

6. **Enurement**

This amending agreement shall be binding upon and shall enure to the benefit of the parties and their respective successors and permitted assigns.

IN WITNESS WHEREOF the parties have executed and delivered this amending agreement.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Ted Leonard
title: VP Finance, CFO and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION,

by: _____
Michael D. Manning
title: Chief Operating Officer

SCHEDULE 1
FORM OF THIRD REFINANCING NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

NOTE

Principal Amount: $78.2 million Date: May 1, 2013
Interest Rate: (One Year Ontario Rate + 50 basis points)
Due: April 30, 2014

FOR VALUE RECEIVED, the INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO") existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, PROMISES TO PAY to or to the order of ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC") at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of $78.2 million in lawful money of Canada, with interest on such amount at the rate, calculated in the manner and payable at the times specified in this Note.

The principal amount of this Note together with all interest accrued thereon shall become due and payable on April 30, 2014.

The principal amount of this Note remaining from time to time unpaid and outstanding shall bear interest from the date of this Note both before and after maturity and both before and after default at the rate per annum equal to the Province of Ontario's cost of borrowing for a one year term as at May 1, 2013, determined by the Chief Executive Officer of OEFC or the Chief Operating Officer of OEFC, or by a person designated by either of them, plus fifty basis points (0.50%). Interest at such rate shall accrue daily and shall be payable in arrears in equal semi-annual instalments on November 1 and April 30 (each an "Interest Payment Date") commencing November 1, 2013.

For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Note for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of an agreement providing for the issuance of a note dated April 1, 1999 between the IESO and OEFC ("Agreement") and amended by an amending agreement dated March 23, 2000, an amending agreement dated April 23, 2009, an amending agreement dated May 1, 2011 and an amending agreement dated May 1, 2013 which Agreement provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY
SYSTEM OPERATOR

By: _____

Ted Leonard
Vice President Finance,
Chief Financial Officer,
and Treasurer

AMENDING AGREEMENT NO. 5

This Agreement is made as of April 30, 2014 between:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR
("IESO")

- and -

ONTARIO ELECTRICITY FINANCIAL CORPORATION
("OEFC")

WHEREAS IESO and OEFC have entered into an Agreement Providing for the Issuance of a Note dated April 1, 1999 as amended by an Amending Agreement dated March 23, 2000 to provide for the issuance of a Note maturing May 1, 2009, by Amending Agreement No. 2 dated April 23, 2009 to provide for the issuance of a Refinancing Note maturing May 1, 2011, by Amending Agreement No. 3 dated May 1, 2011 to provide for the issuance of a Second Refinancing Note maturing May 1, 2013 and by Amending Agreement No. 4 dated May 1, 2013 to provide for the issuance of a Third Refinancing Note maturing April 30, 2014 (the "Agreement");

AND WHEREAS the parties wish to amend the Agreement to provide for the Loan and the issuance of a Fourth Refinancing Note maturing April 30, 2017.

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and sufficiency of which are hereby acknowledged by each party), the parties agree as follows:

1. **Defined Terms**

Capitalized terms used in this amending agreement and not otherwise defined herein have the meanings specified in the Agreement.

Amendments to Agreement

Section 1.1 of the Agreement is amended as follows:

The following is added after the definition of Lien:

"Loan" means, at any time, the advance made by OEFC to IESO pursuant to Section 1a.1.

The following is added after the definition of Reuters CDOR Page:

"Revolving Credit Facility Agreement" means the Revolving Credit Facility Agreement between IESO, as borrower, and OEFC, as lender, dated April 23, 2010, as amended to date and as the same may be further amended from time to time.

The following is added after ARTICLE 1:

ARTICLE 1a

THE LOAN

Section 1a.1 The Loan

On April 30, 2014, OEFC will make an advance to IESO in the amount of $11.8 million. IESO directs OEFC to apply, and OEFC agrees to apply, all of the proceeds of such advance to repay Advances Outstanding (as such term is defined in the Revolving Credit Facility Agreement) under the Revolving Credit Facility Agreement.

Section 1a.2 Terms of the Loan

The Fourth Refinancing Note issued pursuant to Section 2.14 shall evidence the indebtedness of IESO in respect of the Loan, in addition to the indebtedness of IESO in the principal amount of $78.2 million under the Third Refinancing Note. The principal amount of the Fourth Refinancing Note shall include the principal amount of the Loan and the Loan shall be repayable, mature and bear interest as set forth in the Fourth Refinancing Note and in the other terms of this Agreement applicable to indebtedness under and evidenced by the Fourth Refinancing Note.

Section 2.2 of the Agreement is amended as follows:

Effective April 30, 2014, the words "aggregate principal amount of $78.2 million" are deleted and replaced with the words "aggregate principal amount of $90 million."

The Agreement is amended by adding the following sections after Section 2.13:

"Section 2.14 Fourth Refinancing Note

On April 30, 2014, IESO shall execute and deliver to OEFC a promissory note in the form attached as Schedule 1 (the "Fourth Refinancing Note") which shall be in an aggregate principal amount equal to $90 million, dated as of April 30, 2014 and maturing on April 30, 2017 and bearing interest at a per annum rate equal to the Province of Ontario's cost of borrowing for a three year term as at April 30, 2014, determined by the Chief Executive Officer of OEFC or the Chief Operating Officer of OEFC, or by a person designated by either of them, plus fifty basis points (0.50%) (after as well as before default or judgment, with interest on the amounts in default at the same rate). Upon receipt of the Fourth Refinancing Note by OEFC, the Third Refinancing Note dated May 1, 2013 shall be of no further force or effect and shall be returned by OEFC to IESO marked "cancelled".

For greater clarity, the principal amount of the Fourth Refinancing Note ($90 million) is the aggregate of the principal amounts of (i) the Third Refinancing Note ($78.2 million); plus (ii) the Loan ($11.8 million).

Section 2.15 Interest on Fourth Refinancing Note

Interest on the Fourth Refinancing Note at the rate specified in Section 2.14 shall accrue daily and shall be payable in equal semi-annual instalments on October 30 and April 30 (each an "Interest Payment Date"), with the first such payment for the Fourth Refinancing Note to be made for the period from and including April 30, 2014 to but excluding October 30, 2014.

For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under the Fourth Refinancing Note for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period."

3. **Reference to and Effect on the Agreement.**

On and after this date, each reference in the Agreement to "this Agreement" and each reference to the Agreement in any and all other agreements, documents and instruments delivered by IESO and OEFC shall mean and be a reference to the Agreement as amended by this amending agreement. On and after this date, each reference in the Agreement to either "the Note" or "the New Note" and each reference to either "the Note" or "the New Note" in any and all other agreements, documents and instruments delivered by IESO and OEFC shall mean and be a reference to the Fourth Refinancing Note. Except as specifically

amended by this amending agreement, the Agreement shall remain in full force and effect.

4. **Governing Law**

This amending agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

5. **Counterparts**

This amending agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.

6. **Enurement**

This amending agreement shall be binding upon and shall enure to the benefit of the parties and their respective successors and permitted assigns.

IN WITNESS WHEREOF the parties have executed and delivered this amending agreement.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Ted Leonard
title: Vice President Markets,
Chief Financial Officer
and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION,

by: _____
Michael D. Manning
title: Chief Operating Officer

SCHEDULE 1
FORM OF FOURTH REFINANCING NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

NOTE

Principal Amount: $90 million Date: April 30, 2014
Interest Rate: (Three Year Ontario Rate + 50 basis points)
Due: April 30, 2017

FOR VALUE RECEIVED, the INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO") existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, PROMISES TO PAY to or to the order of ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC") at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of $90 million in lawful money of Canada, with interest on such amount at the rate, calculated in the manner and payable at the times specified in this Note.

The principal amount of this Note together with all interest accrued thereon shall become due and payable on April 30, 2017.

The principal amount of this Note remaining from time to time unpaid and outstanding shall bear interest from the date of this Note both before and after maturity and both before and after default at the rate per annum equal to the Province of Ontario's cost of borrowing for a three year term as at April 30, 2014, determined by the Chief Executive Officer of OEFC or the Chief Operating Officer of OEFC, or by a person designated by either of them, plus fifty basis points (0.50%). Interest at such rate shall accrue daily and shall be payable in arrears in equal semi-annual instalments on October 30 and April 30 (each an "Interest Payment Date") commencing October 30, 2014.

For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Note for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of an agreement providing for the issuance of a note dated April 1, 1999 between the IESO and OEFC ("Agreement") and amended by an amending agreement dated March 23, 2000, an amending agreement dated April 23, 2009, an amending agreement dated May 1, 2011, an amending agreement dated May 1, 2013 and an amending agreement dated April 30, 2014, which Agreement provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY
SYSTEM OPERATOR

By: _____

Ted Leonard
Vice President Markets,
Chief Financial Officer,
and Treasurer

AMENDING AGREEMENT NO. 6

This Amending Agreement is made as of the 30th day of April, 2017

between:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR
("IESO")

- and -

ONTARIO ELECTRICITY FINANCIAL CORPORATION
("OEFC")

WHEREAS IESO and OEFC have entered into an agreement Providing for the Issuance of a Note dated April 1, 1999 (the "Original Agreement");

AND WHEREAS pursuant to amending agreements dated March 23, 2000, April 23, 2009, May 1, 2011, May 1, 2013, and April 30, 2014 the parties amended the Original Agreement (as so amended, the "Agreement");

AND WHEREAS the parties wish to further amend the Agreement to increase the loan advanced to IESO from a principal amount of C$90 million to a principal amount of up to C$120 million and to extend the maturity date of the loan to June 30, 2020, all of which is to be evidenced through the the issuance of a Fifth Refinancing Note.

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and sufficiency of which are hereby acknowledged by each party), the parties agree as follows:

1. **Defined Terms**

Capitalized terms used in this Amending Agreement and not otherwise defined herein have the meanings specified in the Agreement.

2. **Amendments to Agreement**

(a) Definition of "Loan" in the Agreement is deleted.

(b) Article 1a (The Loan) of the Agreement is deleted in its entirety and replaced with the following:

Article 1a $30 Million Advance

Section 1a.1

Effective April 30, 2017, OEFC will make an advance to IESO in the amount of $30 million (the "$30 Million Advance"). IESO directs OEFC to apply, and OEFC agrees to apply, the $30 Million Advance, first to repay Advances Outstanding (as such term is defined in the Revolving Credit Facility Agreement), if any, under the Revolving Credit Facility Agreement, with any amount remaining out of the $30 Million Advance after repaying all Advances Outstanding to be used by IESO for the purpose of funding new IESO capital expenditures.

(c) The following sections are added to the Agreement following Section 2.15:

" Section 2.16 Fifth Refinancing Note

On April 30, 2017, IESO shall execute and deliver to OEFC a promissory note in the form attached as Schedule 1 (the "Fifth Refinancing Note") which shall be in an aggregate principal amount equal to $120 million, dated as of April 30, 2017 and maturing on June 30, 2020 and bearing interest at a per annum rate equal to the Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020, as determined by the Chief Executive Officer of OEFC or the Chief Operating Officer of OEFC, or by a person designated by either of them, plus fifty basis points (0.50%) (after as well as before default or judgment, with interest on the amounts in default at the same rate). Upon receipt of the Fifth Refinancing Note by OEFC, the Fourth Refinancing Note dated April 30, 2014 shall be of no further force or effect and shall be returned by OEFC to IESO marked "cancelled".

For greater clarity, the Fifth Refinancing Note shall evidence the indebtedness of IESO to OEFC in respect of the principal amount of $90 million under the Fourth Refinancing Note ("Part A") and the additional $30 Million Advance ("Part B"), for a total aggregate principal amount of $120 million.

Notwithstanding Section 1.5 herein, the interest rate on the Fifth Refinancing Note shall be set on Monday, May 1, 2017, with interest accruing on Part A commencing on Sunday, April 30, 2017, and interest accruing on Part B commencing on Monday, May 1, 2017.

Section 2.17 Interest on Fifth Refinancing Note

Notwithstanding Section 1.5 herein, interest on the Fifth Refinancing Note at the rate specified in Section 2.16 shall accrue daily and shall be payable in equal semi-annual instalments on June 30 and December 31(each an "Interest Payment Date"), provided however that the calculation of the amount of the first such interest payment for Part A shall be in respect only of the period from and including April 30, 2017 to but excluding June 30, 2017, and for Part B in respect only of the period from May 1, 2017 to but excluding June 30, 2017.

For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under the Fifth Refinancing Note for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period."

3. **Reference to and Effect on the Agreement.**

On and after this date, each reference in the Agreement to "this Agreement" and each reference to the Agreement in any and all other agreements, documents and instruments delivered by IESO and OEFC shall mean and be a reference to the Agreement as amended by this Amending Agreement. On and after this date, each reference in the Agreement to either "the Note" or "the New Note" and each reference to either "the Note" or "the New Note" in any and all other agreements, documents and instruments delivered by IESO and OEFC shall mean and be a reference to the Fifth Refinancing Note.

4. **Governing Law**

This Amending Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

5. **Counterparts**

This Amending Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.

6. **Enurement**

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

IN ALL OTHER RESPECTS, the Agreement is confirmed by the parties.

IN WITNESS WHEREOF the parties have executed and delivered this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

SCHEDULE 1
FORM OF FIFTH REFINANCING NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

NOTE

Aggregate Principal Amount: $120 million, consisting of: a Part A amount of $90 million ("Part A"), whereon interest accrues commencing on April 30, 2017, and a Part B amount of $30 million ("Part B"), whereon interest accrues commencing on May 1, 2017.

Date: April 30, 2017

Interest Rate: (Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020 + 50 basis points)

Due: June 30, 2020

FOR VALUE RECEIVED, the INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO") existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, PROMISES TO PAY to or to the order of ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC") at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of $120 million in lawful money of Canada, with interest on such amount at the rate, calculated in the manner and payable at the times specified in this Note.

The principal amount of this Note together with all interest accrued thereon shall become due and payable on June 30, 2020.

The principal amount of this Note remaining from time to time unpaid and outstanding shall bear interest from the date of this Note both before and after maturity and both before and after default at the rate per annum equal to the Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020, as determined by the Chief Executive Officer of OEFC or the Chief Operating Officer of OEFC, or by a person designated by either of them, plus fifty basis points (0.50%). Interest at such rate shall accrue daily and shall be payable in arrears in equal semi-annual instalments on June 30 and December 31 (each an "Interest Payment Date") commencing June 30, 2017, provided however that the calculation of the amount of the first such interest payment for Part A shall be in respect only of the period from and including April 30, 2017 to but excluding June 30, 2017, and for Part B in respect only of the period from and including May 1, 2017 to but excluding June 30, 2017.

For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Note for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of an agreement providing for the issuance of a note dated April 1, 1999 between the IESO and OEFC and amended by an amending agreement dated March 23, 2000, an amending agreement dated April 23, 2009, an amending agreement dated May 1, 2011, an amending agreement dated May 1, 2013, an amending agreement dated April 30, 2014, and an amending agreement dated April 30, 2017 (as so amended, the "Agreement"), which Agreement provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

From:	William Tan
To:	Opal Kandelas
Cc:	Sarah Harris
Subject:	IESO OEFC $160M Revolving Credit Facility Agreement
Date:	Friday, November 17, 2017 12:25:01 PM
Attachments:	Credit Facility Agreement. April 23. 2010. executed..pdf Amending Agreement #1 (Executed).pdf (executed) Amending Agreement No. 2 14-Oct-11.pdf IESO $110 M credit facility Amending Agreement No. 3 (executed copy).PDF IESO $95 M Credit Facility Amending Agreement No. 4 Executed Copy.PDF IESO Amending Agreement No 5 (Amalgamation) (Draft).doc Amending Agrt no.6 - Revolving Credit Facility - OEFC_IESO_IESO Signed.pdf

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Hello Opal,

Please find the attachments for the $160M Revolving Credit Facility Agreement. Amending Agreement No. 5, has only a word version in the folder. Let me know if your require the word versions for any of the attachments.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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INDEPENDENT ELECTRICITY SYSTEM OPERATOR

as Borrower

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION

as Lender

REVOLVING CREDIT FACILITY AGREEMENT

Dated: April 23, 2010

THIS CREDIT FACILITY AGREEMENT is made on the 23rd day of April, 2010

between:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")

RECITAL:

IESO has requested a revolving line of credit from OEFC in the amount of up to Sixty Million Dollars for the purpose of replacing the current IESO revolving line of credit with the Toronto-Dominion Bank which is used for liquidity purposes that may also be used to fund corporate requirements. OEFC has agreed to lend such amount to IESO on the terms and conditions set out herein.

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the parties agree as follows:

ARTICLE 1
DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"Advance Date" has the meaning set forth in Section 3.2.

"Advances" means advances made by OEFC to IESO under Article 3 and **"Advance"** means any one of such advances.

"Advances Outstanding" means, at any time, an amount equal to the aggregate principal amount of all Advances outstanding at such time.

"Agreement", "herein", "hereby", "hereof", "hereunder" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression **"Article"** or **"Section"** followed by a number means the specified Article or Section of this Agreement.

"Borrowing Notice" has the meaning specified in Section 3.2.

"Business Day" means any day other than a Saturday, Sunday or a statutory or civic holiday in Toronto, Ontario.

"Commitment" means, at any time, an amount equal to the principal amount of Sixty Million Dollars.

"Consolidated Assets" means, at any time, the book value of IESO and the Subsidiaries, determined as of such time on a consolidated basis in accordance with generally accepted accounting principles.

"Credit Facility" means the revolving credit facility to be made available to IESO by OEFC under this Agreement for the purposes specified in Section 2.3.

"Default" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"Disposition" has the meaning specified in Section 6.1.

"Dollars" or "$" means lawful currency of Canada.

"Event of Default" has the meaning specified in Section 5.1.

"IESO" means Independent Electricity System Operator, a corporation existing under the laws of the Province of Ontario, until a successor corporation shall have succeeded to all of the rights and obligations of Independent Electricity System Operator pursuant to Section 6.1 and thereafter **"IESO"** shall mean such successor corporation (or any successor thereto which shall have become such pursuant to Section 6.1).

"Indebtedness" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) every obligation of such Person for borrowed money;

(b) every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments;

(c) every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) every capital lease obligation of such Person; and

(f) the Swap Termination Value of each Swap Contract of such Person; and

(g) every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"Interest Payment Date" means with respect to each Advance means the first Business Day of each month.

"Interest Rate" means the Province of Ontario's cost of borrowing for a 30 day term, as determined as of the first Business Day of each month by OEFC, plus 0.25 percent per annum.

"Interest Reset Date" has the meaning specified in section 3.3(2)(i).

"Lien" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"Material Subsidiary" means, at any time, a Subsidiary which, together with its subsidiaries, has consolidated assets with a book value of more than Twenty-Five Million Dollars determined as of such time in accordance with generally accepted accounting principles.

"Note" means the note of IESO issued under this Agreement.

"Permitted Liens" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) any obligations or duties, affecting the property of IESO or a Material Subsidiary, to any municipality or governmental, statutory or public authority, with respect to any franchise, grant, license or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by IESO or such Material Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by IESO or such Material Subsidiary;

(d) any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) the right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) any undetermined or inchoate Liens and charges incidental to the current operations of IESO or a Material Subsidiary that have not at the time been filed against IESO or such Material Subsidiary; provided, however, that if any such Lien or charge shall have been filed, IESO or such Material Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) any Lien the validity of which is being contested at the time by IESO or a Material Subsidiary in good faith and the enforcement of which has been stayed;

(h) any easements, rights-of-way and servitudes that in the opinion of IESO will not in the aggregate materially and adversely impair the use or value of the land for the purpose for which it is held or occupied by IESO or a Material Subsidiary;

(i) any Liens and privileges arising out of judgments or awards with respect to which IESO or a Material Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall have secured a stay of execution pending such appeal or proceedings for review; and

(j) pledges of cash or cash equivalents to secure IESO's or a Material Subsidiary's liabilities from time to time under Swap Contracts and pledges of cash or cash equivalents in an aggregate amount not exceeding $25 million at any time to secure IESO's or a Material Subsidiary's liabilities from time to time under commodity swap, commodity option and commodity future contracts entered into in the ordinary course of business for the purpose of directly mitigating risks associated with fluctuations in prices or availability of commodities purchased or to be purchased by IESO or a Material Subsidiary in the ordinary course of business, and not entered into for the purposes of speculation; and

(k) any other Liens of a nature similar to the foregoing which do not in the opinion of IESO, acting reasonably, materially impair the use of the property subject thereto or the operation of the business of IESO or any Material Subsidiary or the value of such property for the purpose of any such business.

"Person" means any individual, corporation, partnership joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"Purchase Money Mortgage" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or part of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"Stated Maturity" when used with respect to any Indebtedness or any installment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such installment of interest is due and payable.

"Subsidiary" means:

(a) a corporation: (i) more than 50% of the voting power or the outstanding Voting Shares of which is owned, directly or indirectly, by IESO or by one or more other Subsidiaries or by IESO and one or more other Subsidiaries; or (ii) in the case of a non-share capital corporation, that the IESO has the power to appoint a majority of the Board of Directors; or

(b) any Person (other than a corporation) in which IESO, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

"Swap Contract" means any agreement whether or not in writing, relating to any transaction or derivative transaction including a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction currency swap, cross-currency rate swap, swaption, currency option or other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.

"Swap Termination Value" means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap contracts:

(a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and

(b) for any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.

"Voting Shares" of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings and Table of Contents.

The division of this Agreement into Articles and Sections the insertion of headings and the provision of a Table of Contents are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and vice versa and words importing gender may include any gender. In this Agreement, (a) the words **"including"** and **"includes"** mean "including (or includes) without limitation", and (b) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" each mean "to but excluding".

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with generally accepted accounting principles. Generally accepted accounting principles refer to accounting principles generally accepted in Canada as recommended in the Handbook of the Canadian Institute of Chartered Accountants at the relevant time applied on a consistent basis.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the following Business Day.

ARTICLE 2
REVOLVING CREDIT FACILITY

Section 2.1 Availability.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO up to the amount of the Commitment. OEFC shall make each Advance in Canadian Dollars.

Section 2.2 Commitment and Facility Limits.

The Advances Outstanding to IESO under the Credit Facility shall not at any time exceed the Commitment. The Credit Facility shall revolve and no payment under the Credit Facility shall reduce the Commitment.

Section 2.3 Use of Proceeds.

IESO shall use the proceeds of Advances for the following purposes for which it is authorized to borrow funds:

(a) to repay the revolving line of credit with the Toronto Dominion Bank;

(b) for liquidity purposes; and

(c) to fund corporate requirements.

Section 2.4 Mandatory Repayment.

Subject to Sections 3.5 and 5.2, IESO, shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder in full on or before April 30, 2013.

Section 2.5 Advances and Payments under this Agreement.

(1) OEFC shall make Advances to IESO under this Agreement to the order of IESO by wire transfer of immediately available funds in accordance with wire transfer instructions given by IESO to OEFC from time to time, or in such other manner as IESO may specify to OEFC from time to time.

(2) IESO shall make any payment required hereunder to be made by it to OEFC, to or to the order of OEFC, by wire transfer of immediately available funds in accordance with wire transfer instruction given by OEFC to IESO from time to time, or in such other manner as OEFC may specify to IESO from time to time. IESO shall make each such payment in Canadian Dollars

Section 2.6 Evidence of Indebtedness.

IESO authorizes OEFC to open and maintain records evidencing IESO's obligations under this Agreement and to record therein all advances, interest rates, accrued interest, payments of principal and interest and the aggregate principal and accrued interest outstanding from time to time under this Agreement. IESO agrees that the records kept by the OEFC in the absence of manifest error, shall be prima facie evidence of the indebtedness of IESO and the matters recorded provided that the failure of the OEFC to record or correctly record any amount or date shall not affect the obligation of IESO to repay the aggregate principal amounts and accrued interest thereon owing under this Agreement.

ARTICLE 3
ADVANCES AND INTEREST

Section 3.1 Advances.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO under the Credit Facility on the first Business Day of each month from and including May 3, 2010 to and including April 1, 2013.

Section 3.2 Procedure for Advances.

(1) Each Advance shall be made subject to four Business Day's prior notice given not later than 10:00 a.m. (Toronto time) by IESO to OEFC. Each notice of an Advance (a **"Borrowing Notice"**) shall be substantially in the form of Schedule 1, shall be irrevocable and binding on IESO and shall specify (a) the requested date of the Advance (the **"Advance Date"**), and (b) the principal amount of the Advance which shall be in a minimum amount of $1,000,000.00 (unless otherwise agreed to by OEFC), and in increments of $1,000,000.00 (or such other increments as may be agreed to by OEFC). OEFC will make the principal amount of each Advance available to IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, IESO shall execute and deliver to OEFC a grid promissory note (the "Note") in respect of Advances substantially in the form of Schedule 2. IESO authorizes OEFC to record on the grid promissory note (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal amount of the grid promissory note. Such notations, in the absence of manifest error, shall be prima facie evidence of the such advances and repayments; provided that the failure of OEFC to record any amount, rate or date shall not affect the obligation of IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement.

(3) In the event that funds are not received by IESO on the Advance Date, IESO and OEFC agree to take all steps necessary to amend the date of the Advance, without amending the Interest Rate that was agreed to with respect to such Advance.

(4) The Note shall at all times rank *pari passu* with all other unsubordinated Indebtedness of IESO, subject to the existence of any Permitted Liens of IESO.

(5) All amounts owing in respect of the Advances shall be paid without exercising any right or set off or counterclaim by IESO.

Section 3.3 Interest on Advances.

(1) IESO shall pay interest on the principal amount of each Advance then outstanding in accordance with this Section 3.3 from and including the date of such Advance until the principal amount of such Advance is repaid in full.

(2) Interest shall accrue on the principal amount of each Advance from and including the date of the Advance to but excluding the first Interest Payment Date following the date of the Advance, at the rate equal to the Interest Rate, and shall be payable on the Interest Payment Date for such Advance. The amount of interest payable on an Advance will be calculated by OEFC by dividing the Interest Rate applicable to the Advance by 365 or 366, as the case may be, and multiplying the result by the principal amount of the Advance then outstanding and further multiplying the result by the number of days in the period from the date of the Advance to the Interest Payment Date.

(i) If an Advance is outstanding on an Interest Payment Date, the interest rate applicable to such Advance shall be reset automatically by OEFC on that date (the "Interest Reset Date"), at the Interest Rate determined as of the Interest Reset Date.

(ii) For each Advance, OEFC shall notify IESO via email of the Interest Rate on the Advance Date and on each Interest Reset Date.

(3) Upon four Business Days prior notice by IESO, OEFC may at its discretion agree to capitalize the interest on any Advance on an Interest Payment Date, which shall be determined in the following manner: each such interest payment due on the Interest Payment Date shall be deemed to form part of the principal amount of the outstanding Advance and interest shall accrue and be payable thereon in accordance with Section 3.3(2). OEFC shall record on the grid forming part of the note: (a) the date and amount of the new Advance; (b) the applicable rate of interest for the Advance; and (c) the outstanding principal amount of the grid promissory note.

(4) Interest shall accrue on the principal amount of each Advance at the Interest Rate as determined from time to time, before as well as after the date such principal amount or interest thereon becomes due hereunder and both before and after default.

Section 3.4 Computations of Interest.

(1) All computations of interest shall be made by OEFC taking into account the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest is payable on the basis of a year of 365 days or 366 days, as the case may be.

(2) For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Agreement for any

period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

Section 3.5 Limit on Rate of Interest.

(1) Notwithstanding any provision contained in this Agreement, IESO shall not be obliged to make any payments of interest or other amounts payable to OEFC hereunder in excess of the amount or rate which would be prohibited by applicable law or would result in the receipt by OEFC of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada), as amended from time to time).

(2) In the event that any such payments are limited or prohibited as provided in Section 3.5(1), OEFC shall have no further obligation to make any Advances available hereunder and the Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, shall become immediately due and payable.

Section 3.6 Conditions Precedent

The obligation of OEFC to make the Advances pursuant to Section 2.1 is subject to the following conditions being met to OEFC's satisfaction at the time of making each Advance:

(a) that the representations and warranties of IESO contained in this Agreement are true and correct as at the date of making the Advance;

(b) that no Event of Default has occurred and is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default;

(c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO; and

(d) that OEFC has received such other documentation which it has reasonably requested to ensure that IESO is in compliance with the terms and conditions of this Agreement, including certified true copies of any necessary resolutions including resolutions authorizing the borrowing and authorized signatories.

ARTICLE 4

COVENANTS OF IESO

Section 4.1 Payment of Advances.

IESO will duly and punctually pay or cause to be paid all amounts owing under this Agreement in accordance with the terms and subject to the conditions of this Agreement.

Section 4.2 Use of Proceeds

The monies advanced under this Agreement shall be used only by IESO for the purposes set out in Section 2.3.

Section 4.3 IESO will Maintain its Corporate Existence.

Subject to Section 6.1, IESO will at all times maintain its corporate existence.

Section 4.4 Maintenance of Properties.

IESO will cause all property owned by IESO or any Material Subsidiary to be maintained and kept in good condition, repair and working order, all as in the judgment of IESO or any Material Subsidiary may be necessary for the proper operation of such property, except as and to the extent that IESO or any Material Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 4.4 shall prevent IESO or any Material Subsidiary from discontinuing the maintenance of any such property or decommissioning any such property if such discontinuance or decommissioning is, in the judgment of IESO or any Material Subsidiary, desirable in the conduct of its business or the business of any such Material Subsidiary, or has been directly or indirectly requested or required by the Province of Ontario.

Section 4.5 Insurance.

IESO will cause all property owned by IESO or any Material Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the nature and to the extent that such property is usually insured by companies operating similar businesses.

Section 4.6 Conduct of Business.

Subject to Section 4.3, IESO will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in a proper, efficient and business-like manner and in accordance with good business practice.

Section 4.7 Negative Pledge.

IESO will not, and will not permit any Material Subsidiary to, create, incur or assume any Lien, charging the interest of IESO or any Material Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, all amounts owing under this Agreement are secured equally and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) the creation, incurrence or assumption of any Purchase Money Mortgage;

(b) the grant of any Lien in the normal course of business to any banks or financial institutions for present or future indebtedness of IESO or any Material Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) any extension, renewal or replacement of any of the Liens referred to in Sections 4.7(a), (b) or (c), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased; and

(e) any Lien charging the interest of IESO or any Material Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 4.7(a), (b) or (c), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 4.6(e) which is outstanding at such time does not exceed 10% of Consolidated Assets at such time.

Section 4.8 Payment of OEFC Expenses.

IESO will, on demand, reimburse and indemnify OEFC for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OEFC in connection with the preservation of rights under or enforcement of this Agreement at

any time during the continuance of a Default or Event of Default. All such costs, charges and expenses shall bear interest at the Province's cost of funds plus 0.25 percent per annum (as determined by OEFC) calculated and payable monthly not in advance from in each case from the date on which OEFC incurs the cost, charge or expense until the date on which IESO reimbursement OEFC therefor. OEFC agrees, acting reasonably, to invoice IESO for any such costs, charges and expense as they are incurred, together with interest at the aforesaid rate (with interest on overdue interest).

Section 4.9 Reporting Requirements.

IESO covenants to provide to OEFC, or at its direction, to the Province of Ontario and the Ontario Financing Authority,

(a) any available information respecting its financial position which may be reasonably requested by OEFC, the Province of Ontario or the Ontario Financing Authority from time to time; and

(b) any additional reports or supporting documentation which may be reasonably requested by the OEFC, the Province of Ontario or the Ontario Financing Authority from time to time.

ARTICLE 5
EVENTS OF DEFAULT AND REMEDIES

Section 5.1 Event of Default.

Wherever used in this Agreement, the term **"Event of Default"** means any of the following:

(a) failure to pay any interest upon any Advance when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) failure to pay the principal amount of the Advances Outstanding, all interest accrued thereon and all other amounts owing under this Agreement on April 30, 2013;

(c) failure on the part of IESO to observe or perform its obligations set forth in Section 6.1;

(d) failure on the part of IESO to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 30 days after

the date on which written notice of such failure shall have been given to IESO by OEFC;

(e) any representation or warranty made by IESO in this Agreement or in any certificate or other document at any time delivered hereunder to OEFC was incorrect or misleading in any material respect;

(f) one or more breaches by IESO of its covenants under one or more evidences of indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $25 million, which breaches:

(i) constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist; or

(ii) have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived or rescinded);

(g) IESO, or any Material Subsidiary:

(i) becomes generally not able to pay its debts as they become due;

(ii) admits in writing its inability to pay its debts generally or makes a general assignment for the benefit of its creditors or files a proposal or other scheme of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) institutes or has instituted against it any proceeding seeking:

(A) to adjudicate it a bankrupt or insolvent;

(B) liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy / insolvency / reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors; or

(C) the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets;

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismisssed or unstayed for a period of 30 days, or any remedy sought in any such proceeding (including the entry of order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

(iv) takes any corporate action to authorize any of the actions in Sections 5.1(g)(i) to (iii); or

(h) if there shall be rendered against IESO or any Material Subsidiary a final judgment or judgments for the payment of money in an aggregate amount in excess of $5 million by a court or courts of competent jurisdiction, and IESO or any Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 5.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case OEFC may declare all amounts owing hereunder to be due and payable immediately, by a notice in writing to IESO, and upon any such declaration all such amounts shall become immediately due and payable.

Section 5.3 Suits for Enforcement by OEFC.

If an Event of Default occurs and is continuing, OEFC may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in OEFC by this Agreement or by law.

Section 5.4 OEFC May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of IESO under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property

of IESO, or if any other judicial proceedings relative to IESO, its creditors or its property are pending, OEFC shall be entitled and empowered, by intention in such proceeding or otherwise:

(a) to file and prove a claim for all amounts owing under this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of OEFC (including any claim for fees and disbursements of OEFC, its agents and counsel as contemplated under Section 4.7) allowed in such judicial proceeding; and

(b) to collect and receive any moneys or other property payable or deliverable on any such claim.

Section 5.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to OEFC is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.6 Delay or Omission not Waiver.

No delay or omission of OEFC to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right or remedy given by this Article 5 or by law to OEFC may be exercised from time to time, and as often as may be deemed expedient, by OEFC.

ARTICLE 6

CONSOLIDATION, AMALGAMATION, MERGER OF IESO

Section 6.1 Certain Requirements in Respect of Merger, etc.

IESO may not and may not cause any Material Subsidiary, in a single transaction or a series of related transactions, amalgamate or consolidate with or merge into any other Person, or permit any other Person to amalgamate or consolidate with or merge into IESO or the Material Subsidiary, or directly or indirectly transfer, sell, lease or otherwise dispose of all or substantially all of its property or assets (a "Disposition") to any Person without the written consent of OEFC.

Section 6.2 Successor Substituted.

Upon any consolidation, amalgamation, merger or Disposition described in, and complying with the provisions of, Section 6.1 in which IESO is not the continuing corporation, the successor Person shall succeed to all of the rights and obligations of IESO under this Agreement, and from time to time may exercise every right and power of IESO under this Agreement.

ARTICLE 7
REPRESENTATIONS AND WARRANTIES OF IESO

Section 7.1 Representations and Warranties of IESO.

IESO represents and warrants to OEFC that:

(a) the borrowing of money (including principal and accrued interest) by IESO and the execution, delivery and performance of this Agreement are within the powers and capacities of IESO and have been duly authorized by all necessary legal action and proper proceedings;

(b) the execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the compliance with the terms and conditions of this Agreement will not conflict with or result in a breach of any of the terms or provisions of the constituting documents or by-laws of IESO, laws of Ontario, including laws of Canada applicable therein, applicable to IESO or any contractual or other obligation binding on IESO; and

(c) this Agreement will, when executed and delivered, constitute the legal, valid and binding obligation of IESO enforceable against it in accordance with its terms.

Section 7.2 Continuation of Representation and Warranties.

The representations and warranties set out in Section 7.1 herein shall survive the execution and delivery of this Agreement, the making of each advance by OEFC, notwithstanding any investigations or examinations which may be made by counsel for OEFC.

ARTICLE 8

GENERAL

Section 8.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy or other means of electronic communication addressed:

If to IESO, to it at:
Independent Electricity System Operator
655 Bay Street, Suite 410
Toronto, ON M5G 2K4
Attention: Chief Financial Officer
Telephone:
Telecopier:

If to OEFC, to it at:

Ontario Electricity Financial Corporation
c/o Ontario Financing Authority
1 Dundas Street West
Suite 1400
Toronto, ON M7A IY7

Attention: Executive Director - Capital Markets Division
Telephone: (416) 325-8930
Telecopier: (416) 325-8111

provided that any Borrowing Notice shall be addressed as indicated on Schedule 1.

Any communication hereunder shall be deemed to have been validly and effectively given if (a) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p. m (Toronto time), otherwise on the next Business Day, (b) transmitted by telecopier other means of electronic communication, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice given in accordance with this Section 8.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 8.1.

Section 8.2 Successors and Assigns.

This Agreement shall be binding on and enure to the benefit of OEFC and IESO and their respective successors and permitted assigns, except that IESO shall not, without the prior written consent of OEFC assign, pledge or hypothecate any rights or obligations with respect to this Agreement.

Section 8.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of OEFC and IESO.

Section 8.4 Waiver.

(1) No waiver of any provisions of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) or this Agreement nor shall such waiver be binding unless executed in writing by the party to be bound by the waiver.

(2) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude another or further exercise of such right or the exercise of any other right.

Section 8.5 Further Assurances.

Each of IESO and OEFC shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement.

Section 8.6 Severability.

In case any provision in this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement shall not in any way be affected or impaired thereby.

Section 8.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 8.8 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF the parties have executed this Agreement as of the 23rd day of April, 2010.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Ted Leonard
Vice President, Finance and Chief Financial Officer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: ~~Michael D. Manning~~ DAVID PETERS
Title: ~~Chief Operating Officer~~ DIRECTOR, DEBT MANAGEMENT
CAPITAL MARKETS DIVISION
ONTARIO FINANCING AUTHORITY

SCHEDULE 1

FORM OF BORROWING NOTICE

Date:

Ontario Electricity Financial Corporation **("OEFC")**
c/o Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A1Y7

Attention: Cash Management
(Fax No. (416-204-7920)

Dear Sirs:

The undersigned, Independent Electricity System Operator ("IESO"), refer to the Revolving Credit Facility Agreement dated •, 2010 (as amended, supplemented or restated from time to time, the **"Agreement"**, the terms defined therein being used herein as therein defined) between IESO and OEFC, and gives you notice pursuant to Section 3.2 of the Agreement that IESO requests an Advance under the Agreement, and, in that connection, sets forth below the information relating to such Advance (the **"Proposed Advance"**) as required by Section 3.2 of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is •;
(b) The aggregate amount of the Proposed Advance is •;

IESO hereby certifies that:

The representations and warranties of IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received previously as Advances under the Agreement have been expended or are being held solely for the purpose for which they were advanced; no part of said funds has been nor any part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Authorized Signature

Per: _____
Authorized Signature

*To be confirmed by telephone call to OEFC Cash Management (416) 325-8108

SCHEDULE 2

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $60,000,000 Date: •

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("**IESO**"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid (**"Grid"**) attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement (as defined below).

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before April 30, 2013.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Revolving Credit Facility Agreement dated as of April 30, 2010 between IESO and OEFC (the "**Agreement**"). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Credit Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment, demand, protest, notice of dishonest and notice of

non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Authorized Signature

Per: _____
Authorized Signature

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID
(Revolving Credit Facility April 30, 2010)

DATE	PRINCIPAL ADVANCED	INTEREST RATE	INTEREST RESET DATE	INTEREST RESET RATE	PRINCIPAL PAYMENT DATE AND AMOUNT	INTEREST PAYMENT DATE AND AMOUNT	UNPAID PRINCIPAL BALANCE	NOTATION MADE BY

AMENDING AGREEMENT NO.1

This Amending Agreement made as of the 21st day of July, 2010.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010 (the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $60 million.

AND WHEREAS IESO and OEFC now agree to amend the Agreement to allow IESO to repay all or a portion of Advances Outstanding prior to the Mandatory Repayment Date of April 30, 2013.

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. The Capitalised Terms used in this Amending Agreement which are not otherwise defined shall have the same meaning as established under Section 1.1 of the Agreement.

2. Section 2.2 of the Agreement is deleted and replaced by the following:

   "Section 2.2 Commitment and Facility Limits

   The Advances to IESO under the Credit Facility shall not at any time exceed the Commitment. The Credit Facility shall revolve and no payment under the Credit Facility shall reduce the Commitment. Subject to Section 2.7, on any stated Interest Payment Date, IESO shall have the right to repay in whole or in part the total amount outstanding to OEFC;"

3. The Agreement is amended by inserting after Section 2.6

   "Section 2.7 Repayments.

   (1) Upon four Business Days prior notice by IESO to OEFC (the "Repayment Notice"), IESO may repay all or a portion of the Advances Outstanding (the "Repayment Amount") on an Interest Payment Date; provided that the minimum Repayment Amount shall be $1,000,000.00;

   (2) Notwithstanding the provisions of Section 8.1 of this Agreement the Repayment Notice shall be deemed to have been validly and effectively given if (a) personally delivered, on the date of such delivery, if such date is a Business Day and such delivery was made prior to 10.00 a.m. (Toronto time), otherwise on the next Business Day, or if (b) transmitted by telecopier or other means of electronic communication, on the Business Day following the date of transmission provided that on the date of transmission, the addressee of such notice was notified by telephone of such transmission;

   (3) The Repayment Notice shall set out the Repayment Amount

(4) A Repayment Notice shall be irrevocable and binding on IESO and OEFC."

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Ted Leonard
Title: Vice President, Finance and Chief Financial Officer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

AMENDING AGREEMENT NO. 2

This Amending Agreement made as of the 14th day of October, 2011.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $60 million.

AND WHEREAS IESO and OEFC wish to amend the Agreement to increase the revolving line of credit from $60 million to $110 million;

AND WHEREAS IESO and OEFC wish to provide that the interest rate applicable to advances under the Agreement up to $60 million shall bear interest at a rate equal to the Province of Ontario's cost of funds plus 25 basis points and that the interest rate applicable to advances under the Agreement in excess of $60 million shall bear interest at a rate equal to the Province of Ontario's cost of funds plus 50 basis points;

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. Section 1.1 Definitions of the Agreement is amended as follows:

   The definition of Commitment is deleted and replaced with:

   "Commitment" means, at any time, an amount equal to the principal amount of One Hundred and Ten Million Dollars.

   The definition of Interest Rate is deleted and replaced with:

   "Interest Rate" means for any Advance or portion of an Advance which forms part of an amount of up to $60 million of Advances Outstanding the Province of Ontario's cost of borrowing for a 30 day term, as determined as of the first Business Day of each month by OEFC, plus 0.25 percent per annum, and means for any Advance or portion of an Advance which forms part of an amount of Advances Outstanding in excess of $60 million the Province of Ontario's cost of borrowing for a 30 day term, as determined as of the first Business Day of each month by OEFC, plus 0.50 percent per annum.

The definition of Note is deleted and replaced with:

"Note" means the $110 Million Note issued pursuant to Section 2 of the Amending Agreement dated as of the 14th day of October, 2011.

2. IESO shall execute and deliver to OEFC a grid promissory note in the form attached as Schedule I hereto which shall be in an aggregate principal amount of up to One Hundred and Ten Million Dollars (the "$110 Million Note") and on which shall be recorded the Advances Outstanding under the grid promissory note in the principal amount of up to $60 million dated April 23, 2010 delivered pursuant to the Agreement (the "$60 Million Note"). Upon receipt of the $110 Million Note by OEFC, the $60 Million Note shall be of no further force and effect and shall be returned to the IESO marked "cancelled".

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Ted Leonard
Title: Vice President, Finance and Chief Financial Officer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

AMENDING AGREEMENT NO. 3

This Amending Agreement made as of the 30 day of April, 2013.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010 and Amending Agreement No. 2 dated October 14, 2011 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $110 million.

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for a one year extension of the mandatory repayment date of the revolving line of credit ;

AND WHEREAS IESO and OEFC wish to provide that during the extension advances under the Agreement shall bear interest at a rate equal to the Province of Ontario's cost of funds plus 50 basis points;

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. Section 1.1 Definitions of the Agreement is amended as follows:

   The definition of Interest Rate is deleted and replaced with:

   "Interest Rate" means the Province of Ontario's cost of borrowing for a 30 day term, as determined as of the first Business Day of each month by OEFC, plus 0.50 percent per annum.

   The definition of Note is deleted and replaced with:

   "Note" means the $110 Million Note issued pursuant to Section 2 of Amending Agreement No. 3 dated as of the 30 day of April, 2013.

2. IESO shall execute and deliver to OEFC a grid promissory note in the form attached as Schedule I hereto which shall be in an aggregate principal amount of up to One Hundred and Ten Million Dollars (the "$110 Million Note") dated April 30, 2013 and on which shall be recorded the Advances Outstanding under the grid promissory note in the principal amount of up to $110 million dated October 14, 2011 delivered pursuant to the Agreement .Upon receipt by OEFC of the $110 Million Note dated April 30, 2013, the $110 Million Note dated October 14, 2011 shall be of no further force and effect and shall be returned to the IESO marked "cancelled".

3. Section 2.4 of the Agreement is deleted and replaced by the following:

   "Section 2.4 Mandatory Repayment.

   Subject to Sections 3.5 and 5.2, IESO shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, in full on or before April 30, 2014."

4. This Amending Agreement shall be effective as of April 30, 2013.

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Ted Leonard
Title: Vice President Finance, Chief Financial Officer and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

SCHEDULE 1

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $110,000,000 Date: 30 April, 2013

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("**IESO**"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid **("Grid")** attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No. 1 dated July 21, 2010, by Amending Agreement No. 2 dated October 14, 2011 and Amending Agreement No. 3 dated April 30, 2013 (collectively the "Agreement").

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before April 30, 2014.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance or part of an Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be p*rima facie* evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Agreement. All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment, demand, protest, notice of dishonour and notice

of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Ted Leonard
Vice President Finance, Chief Financial Officer, and Treasurer

AMENDING AGREEMENT NO. 4

This Amending Agreement made as of the 30 day of April, 2014.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011 and Amending Agreement No. 3 dated April 30, 2013 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $110 million.

AND WHEREAS IESO and OEFC wish to amend the Agreement to decrease the revolving line of credit from $110 million to $95 million;

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for a three year extension of the mandatory repayment date of the revolving line of credit;

AND WHEREAS IESO and OEFC wish to provide that during the extension advances under the Agreement shall bear interest at a rate equal to the Province of Ontario's cost of funds plus 50 basis points;

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. Section 1.1 Definitions of the Agreement is amended as follows:

   The definition of Commitment is deleted and replaced with:

   "Commitment" means, at any time, an amount equal to the principal amount of Ninety-Five Million Dollars.

   The definition of Interest Rate is deleted and replaced with:

   "Interest Rate" means the Province of Ontario's cost of borrowing for a 30 day term, as determined as of the first Business Day of each month by OEFC, plus 0.50 percent per annum.

   The definition of Note is deleted and replaced with:

   "Note" means the $95 Million Note issued pursuant to Section 2 of Amending Agreement No. 4 dated as of the 30 day of April, 2014.

2. IESO shall execute and deliver to OEFC a grid promissory note in the form attached as Schedule I hereto which shall be in an aggregate principal amount of up to Ninety-Five Million Dollars (the "$95 Million Note") dated April 30, 2014 and on which shall be recorded the Advances Outstanding under the grid promissory note in the principal amount of up to $110 million dated April 30, 2013 delivered pursuant to the Agreement .Upon receipt by OEFC of the $95 Million Note dated April 30, 2014, the $110 Million Note dated April 30, 2013 shall be of no further force and effect and shall be returned to the IESO marked "cancelled".

3. Section 2.4 of the Agreement is deleted and replaced by the following:

   "Section 2.4 Mandatory Repayment.

   Subject to Sections 3.5 and 5.2, IESO shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, in full on or before April 30, 2017."

4. This Amending Agreement shall be effective as of April 30, 2014.

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Ted Leonard
Title: Vice President Markets, Chief Financial Officer and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

SCHEDULE 1

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $95,000,000 Date: 30 April, 2014

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR (**"IESO"**), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid **("Grid")** attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No. 1 dated July 21, 2010, by Amending Agreement No. 2 dated October 14, 2011, by Amending Agreement No. 3 dated April 30, 2013 and Amending Agreement No. 4 dated April 30, 2014 (collectively the "Agreement").

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before April 30, 2017.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance or part of an Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Agreement. All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment, demand, protest, notice of dishonour and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Ted Leonard
Vice President Markets,
Chief Financial Officer,
and Treasurer

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID

(Revolving Credit Facility April 23, 2010)

DATE	PRINCIPAL ADVANCED	RATE	REPAYMENT DATE	INTEREST AMOUNT	AMOUNT OF PAYMENT		UNPAID BALANCE			NOTATION MADE BY
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	REFINANCED (AMOUNT & DATE)	

AMENDING AGREEMENT NO. 5

This Amending Agreement made as of the X day of December, 2014.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010.

AND WHEREAS pursuant to Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011, Amending Agreement No. 3 dated April 30, 2013 and Amending Agreement No. 4 dated April 30, 2014 the parties amended the Original Agreement (as so amended, the "Agreement").

AND WHEREAS IESO and OEFC wish to amend the Agreement pursuant to the direction prescribed in Schedule 7 of Bill 14, the Building Opportunity and Securing Our Future Act (the "Act") which received Royal Assent on July 24, 2014 and provides direction for the amalgamation of IESO with the Ontario Power Authority (OPA) to be effective as of January 1, 2015.

Per section 5. (1) of the Act, the predecessor Independent Electricity System Operator and the Ontario Power Authority are amalgamated and shall continue as one corporation.

Per section 5. (2) of the Act, the name of the corporation formed under subsection (1) is the Independent Electricity System Operator.

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. Section 2.3 Use of Proceeds – of the Agreement is deleted and replaced by the following:

   IESO or the continuing post amalgamation successor entity the "new" IESO shall use the proceeds of Advances for the same original intended purposes for which the predecessor IESO is authorized to borrow funds:

   (a) To repay the revolving line of credit with the Toronto Dominion Bank;

(b) For liquidity purposes; and
(c) To fund corporate requirements.

2. Schedule 1 of the Agreement, Form of Borrowing Notice, is deleted and replaced by the Form of Borrowing Notice attached hereto as Schedule 1.

3. Upon amalgamation, the borrower agrees to execute and deliver an Amendment and Restatement of the IESO Credit Facility Agreement (the "Amended and Restated IESO Credit Facility Agreement").

4. Upon amalgamation, the borrower agrees to deliver to OEFC a certificate of an officer certifying that on the date of the amalgamation:

(i) all the representations and warranties of the borrower (the new IESO) in the amended and restated IESO Credit Facility Agreement are true and correct;

(ii) no Default or event of default shall have occurred and be continuing;

(iii) a certificate of incumbency of the officers of the new IESO;

(iv) any such other documents as the OEFC may reasonable request.

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by:_____
Name:
Title:

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by:_____
Name: Michael D. Manning
Title: Chief Operating Officer

AMENDING AGREEMENT NO. 6

This Amending Agreement is effective as of the 30 day of April, 2017.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011, Amending Agreement No. 3 dated April 30, 2013, Amending Agreement No. 4 dated April 30, 2014 and Amending Agreement No. 5 dated December 19, 2014 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $95 million.

AND WHEREAS IESO and OEFC wish to amend the Agreement to increase the revolving line of credit from a principal amount of CDN $95 million to a principal amount of up to CDN $160 million to provide funding for IESO Corporate Requirements (as defined herein);

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for an extension of the mandatory repayment date established in the Agreement to June 30, 2020;

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for the ability for Advances to be made on any business day up to a maximum of 12 times per year;

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. Section 1.1 Definitions of the Agreement is amended as follows:

   i) The definition of "Amalgamation" is deleted.

   ii) The definition of "Commitment" is deleted and replaced with:

   "Commitment" means, at any time, an amount equal to the principal amount of One Hundred and Sixty Million Dollars.

   iii) A definition of "IESO Corporate Requirements" is added as follows:

   "IESO Corporate Requirements" means any borrowing purposes authorized by O. Reg. 280/14 made under the *Electricity Act, 1998* (as such regulation may be amended or

replaced from time to time), other than for funding liquidity requirements relating to the settlement of the Ontario wholesale electricity markets.

iv) A definition of "Ontario's Fair Hydro Plan" is added as follows:

"Ontario's Fair Hydro Plan" means the plan announced March 2, 2017 by the Government of Ontario to affect the Ontario Energy Board's setting of electricity prices for certain Ontario consumers of electricity, which plan is referred to in the Ontario Energy Board's report dated April 20, 2017 and titled "Regulated Price Plan Price Report – May 1, 2017 to April 30, 2018", and including all relevant developments in or changes to such plan from time to time.

v) The definition of "New IESO" is deleted.

vi) The definition of "Note" is deleted and replaced with:

"Note" means the $160 Million Note issued pursuant to Section 2 of Amending Agreement No. 6 dated as of the 30th day of April, 2017.

vii) The definition of "OPA" is deleted.

viii) The definition of "Pre-Amalgamation IESO" is deleted.

2. IESO shall execute and deliver to OEFC a grid promissory note in the form attached as Schedule I hereto which shall be in an aggregate principal amount of up to One Hundred and Sixty Million Dollars (the "$160 Million Note") dated April 30, 2017 and on which shall be recorded the Advances Outstanding under the grid promissory note delivered pursuant to Amending Agreement No. 4. Upon receipt by OEFC of the $160 Million Note dated April 30, 2017, the $95 Million Note dated April 30, 2014 shall be of no further force and effect and shall be returned to the IESO marked "cancelled".

3. Section 2.3 of the Agreement is deleted and replaced by the following:

Section 2.3 Use of Proceeds

IESO shall use the proceeds of Advances for the funding of IESO Corporate Requirements.

4. Section 2.4 of the Agreement is deleted and replaced by the following:

Section 2.4 Mandatory Repayment.

Subject to Sections 3.5 and 5.2 of this Agreement, IESO shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, in full on or before June 30, 2020.

5. Section 3.1 of the Agreement is deleted and replaced by the following:

Section 3.1 Advances.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO under the Credit Facility on any Business Day in a month up to twelve (12) times per annum from and including May 1, 2017 to and including May 29, 2020

6. Paragraph 3.6(c) of the Agreement is deleted and replaced by the following:
   (c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO, provided however that any adverse change in IESO's financial condition related to or resulting from the discharge by IESO of its responsibilities under Ontario's Fair Hydro Plan shall be deemed not to be a material adverse change for the purposes of this Section; and

7. The Form of Borrowing Notice is deleted and replaced with the Form of Borrowing Notice attached hereto as Schedule 1.

8. This Amending Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

SCHEDULE 1

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $160,000,000 Date: 30 April, 2017

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("**IESO**"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid **("Grid")** attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No. 1 dated July 21, 2010, by Amending Agreement No. 2 dated October 14, 2011, by Amending Agreement No. 3 dated April 30, 2013, by Amending Agreement No. 4 dated April 30, 2014, by Amending Agreement No. 5 dated December 19, 2014, and by Amending Agreement No. 6 dated April 30, 2017 (collectively the "Agreement").

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before June 30, 2020.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance or part of an Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be p*rima facie* evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Agreement. All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment, demand, protest, notice of dishonour and notice

of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

(Revolving Credit Facility April 30, 2017)

DATE	PRINCIPAL ADVANCED	RATE	REPAYMENT DATE	INTEREST AMOUNT	AMOUNT OF PAYMENT		UNPAID BALANCE			NOTATION MADE BY
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	REFINANCED (AMOUNT & DATE)	

From:	William Tan
To:	Opal Kandelas
Cc:	Sarah Harris
Subject:	IESO OEFC $160M Revolving Credit Facility Agreement
Date:	Friday, November 17, 2017 12:25:01 PM
Attachments:	Credit Facility Agreement. April 23. 2010. executed..pdf Amending Agreement #1 (Executed).pdf (executed) Amending Agreement No. 2 14-Oct-11.pdf IESO $110 M credit facility Amending Agreement No. 3 (executed copy).PDF IESO $95 M Credit Facility Amending Agreement No. 4 Executed Copy.PDF IESO Amending Agreement No 5 (Amalgamation) (Draft).doc Amending Agrt no.6 - Revolving Credit Facility - OEFC_IESO_IESO Signed.pdf

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Hello Opal,

Please find the attachments for the $160M Revolving Credit Facility Agreement. Amending Agreement No. 5, has only a word version in the folder. Let me know if your require the word versions for any of the attachments.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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INDEPENDENT ELECTRICITY SYSTEM OPERATOR

as Borrower

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION

as Lender

REVOLVING CREDIT FACILITY AGREEMENT

Dated: April 23, 2010

THIS CREDIT FACILITY AGREEMENT is made on the 23rd day of April, 2010

between:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")

RECITAL:

IESO has requested a revolving line of credit from OEFC in the amount of up to Sixty Million Dollars for the purpose of replacing the current IESO revolving line of credit with the Toronto-Dominion Bank which is used for liquidity purposes that may also be used to fund corporate requirements. OEFC has agreed to lend such amount to IESO on the terms and conditions set out herein.

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the parties agree as follows:

ARTICLE 1
DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"Advance Date" has the meaning set forth in Section 3.2.

"Advances" means advances made by OEFC to IESO under Article 3 and **"Advance"** means any one of such advances.

"Advances Outstanding" means, at any time, an amount equal to the aggregate principal amount of all Advances outstanding at such time.

"Agreement", "herein", "hereby", "hereof", "hereunder" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression **"Article"** or **"Section"** followed by a number means the specified Article or Section of this Agreement.

"Borrowing Notice" has the meaning specified in Section 3.2.

"Business Day" means any day other than a Saturday, Sunday or a statutory or civic holiday in Toronto, Ontario.

"Commitment" means, at any time, an amount equal to the principal amount of Sixty Million Dollars.

"Consolidated Assets" means, at any time, the book value of IESO and the Subsidiaries, determined as of such time on a consolidated basis in accordance with generally accepted accounting principles.

"Credit Facility" means the revolving credit facility to be made available to IESO by OEFC under this Agreement for the purposes specified in Section 2.3.

"Default" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"Disposition" has the meaning specified in Section 6.1.

"Dollars" or "$" means lawful currency of Canada.

"Event of Default" has the meaning specified in Section 5.1.

"IESO" means Independent Electricity System Operator, a corporation existing under the laws of the Province of Ontario, until a successor corporation shall have succeeded to all of the rights and obligations of Independent Electricity System Operator pursuant to Section 6.1 and thereafter **"IESO"** shall mean such successor corporation (or any successor thereto which shall have become such pursuant to Section 6.1).

"Indebtedness" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) every obligation of such Person for borrowed money;

(b) every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments;

(c) every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) every capital lease obligation of such Person; and

(f) the Swap Termination Value of each Swap Contract of such Person; and

(g) every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"Interest Payment Date" means with respect to each Advance means the first Business Day of each month.

"Interest Rate" means the Province of Ontario's cost of borrowing for a 30 day term, as determined as of the first Business Day of each month by OEFC, plus 0.25 percent per annum.

"Interest Reset Date" has the meaning specified in section 3.3(2)(i).

"Lien" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"Material Subsidiary" means, at any time, a Subsidiary which, together with its subsidiaries, has consolidated assets with a book value of more than Twenty-Five Million Dollars determined as of such time in accordance with generally accepted accounting principles.

"Note" means the note of IESO issued under this Agreement.

"Permitted Liens" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) any obligations or duties, affecting the property of IESO or a Material Subsidiary, to any municipality or governmental, statutory or public authority, with respect to any franchise, grant, license or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by IESO or such Material Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by IESO or such Material Subsidiary;

(d) any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) the right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) any undetermined or inchoate Liens and charges incidental to the current operations of IESO or a Material Subsidiary that have not at the time been filed against IESO or such Material Subsidiary; provided, however, that if any such Lien or charge shall have been filed, IESO or such Material Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) any Lien the validity of which is being contested at the time by IESO or a Material Subsidiary in good faith and the enforcement of which has been stayed;

(h) any easements, rights-of-way and servitudes that in the opinion of IESO will not in the aggregate materially and adversely impair the use or value of the land for the purpose for which it is held or occupied by IESO or a Material Subsidiary;

(i) any Liens and privileges arising out of judgments or awards with respect to which IESO or a Material Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall have secured a stay of execution pending such appeal or proceedings for review; and

(j) pledges of cash or cash equivalents to secure IESO's or a Material Subsidiary's liabilities from time to time under Swap Contracts and pledges of cash or cash equivalents in an aggregate amount not exceeding $25 million at any time to secure IESO's or a Material Subsidiary's liabilities from time to time under commodity swap, commodity option and commodity future contracts entered into in the ordinary course of business for the purpose of directly mitigating risks associated with fluctuations in prices or availability of commodities purchased or to be purchased by IESO or a Material Subsidiary in the ordinary course of business, and not entered into for the purposes of speculation; and

(k) any other Liens of a nature similar to the foregoing which do not in the opinion of IESO, acting reasonably, materially impair the use of the property subject thereto or the operation of the business of IESO or any Material Subsidiary or the value of such property for the purpose of any such business.

"Person" means any individual, corporation, partnership joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"Purchase Money Mortgage" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or part of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"Stated Maturity" when used with respect to any Indebtedness or any installment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such installment of interest is due and payable.

"Subsidiary" means:

(a) a corporation: (i) more than 50% of the voting power or the outstanding Voting Shares of which is owned, directly or indirectly, by IESO or by one or more other Subsidiaries or by IESO and one or more other Subsidiaries; or (ii) in the case of a non-share capital corporation, that the IESO has the power to appoint a majority of the Board of Directors; or

(b) any Person (other than a corporation) in which IESO, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

"Swap Contract" means any agreement whether or not in writing, relating to any transaction or derivative transaction including a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction currency swap, cross-currency rate swap, swaption, currency option or other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.

"Swap Termination Value" means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap contracts:

(a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and

(b) for any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.

"Voting Shares" of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings and Table of Contents.

The division of this Agreement into Articles and Sections the insertion of headings and the provision of a Table of Contents are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and vice versa and words importing gender may include any gender. In this Agreement, (a) the words **"including"** and **"includes"** mean "including (or includes) without limitation", and (b) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" each mean "to but excluding".

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with generally accepted accounting principles. Generally accepted accounting principles refer to accounting principles generally accepted in Canada as recommended in the Handbook of the Canadian Institute of Chartered Accountants at the relevant time applied on a consistent basis.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the following Business Day.

ARTICLE 2
REVOLVING CREDIT FACILITY

Section 2.1 Availability.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO up to the amount of the Commitment. OEFC shall make each Advance in Canadian Dollars.

Section 2.2 Commitment and Facility Limits.

The Advances Outstanding to IESO under the Credit Facility shall not at any time exceed the Commitment. The Credit Facility shall revolve and no payment under the Credit Facility shall reduce the Commitment.

Section 2.3 Use of Proceeds.

IESO shall use the proceeds of Advances for the following purposes for which it is authorized to borrow funds:

(a) to repay the revolving line of credit with the Toronto Dominion Bank;

(b) for liquidity purposes; and

(c) to fund corporate requirements.

Section 2.4 Mandatory Repayment.

Subject to Sections 3.5 and 5.2, IESO, shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder in full on or before April 30, 2013.

Section 2.5 Advances and Payments under this Agreement.

(1) OEFC shall make Advances to IESO under this Agreement to the order of IESO by wire transfer of immediately available funds in accordance with wire transfer instructions given by IESO to OEFC from time to time, or in such other manner as IESO may specify to OEFC from time to time.

(2) IESO shall make any payment required hereunder to be made by it to OEFC, to or to the order of OEFC, by wire transfer of immediately available funds in accordance with wire transfer instruction given by OEFC to IESO from time to time, or in such other manner as OEFC may specify to IESO from time to time. IESO shall make each such payment in Canadian Dollars

Section 2.6 Evidence of Indebtedness.

IESO authorizes OEFC to open and maintain records evidencing IESO's obligations under this Agreement and to record therein all advances, interest rates, accrued interest, payments of principal and interest and the aggregate principal and accrued interest outstanding from time to time under this Agreement. IESO agrees that the records kept by the OEFC in the absence of manifest error, shall be prima facie evidence of the indebtedness of IESO and the matters recorded provided that the failure of the OEFC to record or correctly record any amount or date shall not affect the obligation of IESO to repay the aggregate principal amounts and accrued interest thereon owing under this Agreement.

ARTICLE 3
ADVANCES AND INTEREST

Section 3.1 Advances.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO under the Credit Facility on the first Business Day of each month from and including May 3, 2010 to and including April 1, 2013.

Section 3.2 Procedure for Advances.

(1) Each Advance shall be made subject to four Business Day's prior notice given not later than 10:00 a.m. (Toronto time) by IESO to OEFC. Each notice of an Advance (a **"Borrowing Notice"**) shall be substantially in the form of Schedule 1, shall be irrevocable and binding on IESO and shall specify (a) the requested date of the Advance (the **"Advance Date"**), and (b) the principal amount of the Advance which shall be in a minimum amount of $1,000,000.00 (unless otherwise agreed to by OEFC), and in increments of $1,000,000.00 (or such other increments as may be agreed to by OEFC). OEFC will make the principal amount of each Advance available to IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, IESO shall execute and deliver to OEFC a grid promissory note (the "Note") in respect of Advances substantially in the form of Schedule 2. IESO authorizes OEFC to record on the grid promissory note (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal amount of the grid promissory note. Such notations, in the absence of manifest error, shall be prima facie evidence of the such advances and repayments; provided that the failure of OEFC to record any amount, rate or date shall not affect the obligation of IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement.

(3) In the event that funds are not received by IESO on the Advance Date, IESO and OEFC agree to take all steps necessary to amend the date of the Advance, without amending the Interest Rate that was agreed to with respect to such Advance.

(4) The Note shall at all times rank *pari passu* with all other unsubordinated Indebtedness of IESO, subject to the existence of any Permitted Liens of IESO.

(5) All amounts owing in respect of the Advances shall be paid without exercising any right or set off or counterclaim by IESO.

Section 3.3 Interest on Advances.

(1) IESO shall pay interest on the principal amount of each Advance then outstanding in accordance with this Section 3.3 from and including the date of such Advance until the principal amount of such Advance is repaid in full.

(2) Interest shall accrue on the principal amount of each Advance from and including the date of the Advance to but excluding the first Interest Payment Date following the date of the Advance, at the rate equal to the Interest Rate, and shall be payable on the Interest Payment Date for such Advance. The amount of interest payable on an Advance will be calculated by OEFC by dividing the Interest Rate applicable to the Advance by 365 or 366, as the case may be, and multiplying the result by the principal amount of the Advance then outstanding and further multiplying the result by the number of days in the period from the date of the Advance to the Interest Payment Date.

(i) If an Advance is outstanding on an Interest Payment Date, the interest rate applicable to such Advance shall be reset automatically by OEFC on that date (the "Interest Reset Date"), at the Interest Rate determined as of the Interest Reset Date.

(ii) For each Advance, OEFC shall notify IESO via email of the Interest Rate on the Advance Date and on each Interest Reset Date.

(3) Upon four Business Days prior notice by IESO, OEFC may at its discretion agree to capitalize the interest on any Advance on an Interest Payment Date, which shall be determined in the following manner: each such interest payment due on the Interest Payment Date shall be deemed to form part of the principal amount of the outstanding Advance and interest shall accrue and be payable thereon in accordance with Section 3.3(2). OEFC shall record on the grid forming part of the note: (a) the date and amount of the new Advance; (b) the applicable rate of interest for the Advance; and (c) the outstanding principal amount of the grid promissory note.

(4) Interest shall accrue on the principal amount of each Advance at the Interest Rate as determined from time to time, before as well as after the date such principal amount or interest thereon becomes due hereunder and both before and after default.

Section 3.4 Computations of Interest.

(1) All computations of interest shall be made by OEFC taking into account the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest is payable on the basis of a year of 365 days or 366 days, as the case may be.

(2) For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Agreement for any

period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

Section 3.5 Limit on Rate of Interest.

(1) Notwithstanding any provision contained in this Agreement, IESO shall not be obliged to make any payments of interest or other amounts payable to OEFC hereunder in excess of the amount or rate which would be prohibited by applicable law or would result in the receipt by OEFC of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada), as amended from time to time).

(2) In the event that any such payments are limited or prohibited as provided in Section 3.5(1), OEFC shall have no further obligation to make any Advances available hereunder and the Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, shall become immediately due and payable.

Section 3.6 Conditions Precedent

The obligation of OEFC to make the Advances pursuant to Section 2.1 is subject to the following conditions being met to OEFC's satisfaction at the time of making each Advance:

(a) that the representations and warranties of IESO contained in this Agreement are true and correct as at the date of making the Advance;

(b) that no Event of Default has occurred and is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default;

(c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO; and

(d) that OEFC has received such other documentation which it has reasonably requested to ensure that IESO is in compliance with the terms and conditions of this Agreement, including certified true copies of any necessary resolutions including resolutions authorizing the borrowing and authorized signatories.

ARTICLE 4

COVENANTS OF IESO

Section 4.1 Payment of Advances.

IESO will duly and punctually pay or cause to be paid all amounts owing under this Agreement in accordance with the terms and subject to the conditions of this Agreement.

Section 4.2 Use of Proceeds

The monies advanced under this Agreement shall be used only by IESO for the purposes set out in Section 2.3.

Section 4.3 IESO will Maintain its Corporate Existence.

Subject to Section 6.1, IESO will at all times maintain its corporate existence.

Section 4.4 Maintenance of Properties.

IESO will cause all property owned by IESO or any Material Subsidiary to be maintained and kept in good condition, repair and working order, all as in the judgment of IESO or any Material Subsidiary may be necessary for the proper operation of such property, except as and to the extent that IESO or any Material Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 4.4 shall prevent IESO or any Material Subsidiary from discontinuing the maintenance of any such property or decommissioning any such property if such discontinuance or decommissioning is, in the judgment of IESO or any Material Subsidiary, desirable in the conduct of its business or the business of any such Material Subsidiary, or has been directly or indirectly requested or required by the Province of Ontario.

Section 4.5 Insurance.

IESO will cause all property owned by IESO or any Material Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the nature and to the extent that such property is usually insured by companies operating similar businesses.

Section 4.6 Conduct of Business.

Subject to Section 4.3, IESO will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in a proper, efficient and business-like manner and in accordance with good business practice.

Section 4.7 Negative Pledge.

IESO will not, and will not permit any Material Subsidiary to, create, incur or assume any Lien, charging the interest of IESO or any Material Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, all amounts owing under this Agreement are secured equally and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) the creation, incurrence or assumption of any Purchase Money Mortgage;

(b) the grant of any Lien in the normal course of business to any banks or financial institutions for present or future indebtedness of IESO or any Material Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) any extension, renewal or replacement of any of the Liens referred to in Sections 4.7(a), (b) or (c), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased; and

(e) any Lien charging the interest of IESO or any Material Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 4.7(a), (b) or (c), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 4.6(e) which is outstanding at such time does not exceed 10% of Consolidated Assets at such time.

Section 4.8 Payment of OEFC Expenses.

IESO will, on demand, reimburse and indemnify OEFC for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OEFC in connection with the preservation of rights under or enforcement of this Agreement at

any time during the continuance of a Default or Event of Default. All such costs, charges and expenses shall bear interest at the Province's cost of funds plus 0.25 percent per annum (as determined by OEFC) calculated and payable monthly not in advance from in each case from the date on which OEFC incurs the cost, charge or expense until the date on which IESO reimbursement OEFC therefor. OEFC agrees, acting reasonably, to invoice IESO for any such costs, charges and expense as they are incurred, together with interest at the aforesaid rate (with interest on overdue interest).

Section 4.9 Reporting Requirements.

IESO covenants to provide to OEFC, or at its direction, to the Province of Ontario and the Ontario Financing Authority,

(a) any available information respecting its financial position which may be reasonably requested by OEFC, the Province of Ontario or the Ontario Financing Authority from time to time; and

(b) any additional reports or supporting documentation which may be reasonably requested by the OEFC, the Province of Ontario or the Ontario Financing Authority from time to time.

ARTICLE 5
EVENTS OF DEFAULT AND REMEDIES

Section 5.1 Event of Default.

Wherever used in this Agreement, the term **"Event of Default"** means any of the following:

(a) failure to pay any interest upon any Advance when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) failure to pay the principal amount of the Advances Outstanding, all interest accrued thereon and all other amounts owing under this Agreement on April 30, 2013;

(c) failure on the part of IESO to observe or perform its obligations set forth in Section 6.1;

(d) failure on the part of IESO to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 30 days after

the date on which written notice of such failure shall have been given to IESO by OEFC;

(e) any representation or warranty made by IESO in this Agreement or in any certificate or other document at any time delivered hereunder to OEFC was incorrect or misleading in any material respect;

(f) one or more breaches by IESO of its covenants under one or more evidences of indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $25 million, which breaches:

(i) constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist; or

(ii) have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived or rescinded);

(g) IESO, or any Material Subsidiary:

(i) becomes generally not able to pay its debts as they become due;

(ii) admits in writing its inability to pay its debts generally or makes a general assignment for the benefit of its creditors or files a proposal or other scheme of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) institutes or has instituted against it any proceeding seeking:

(A) to adjudicate it a bankrupt or insolvent;

(B) liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy / insolvency / reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors; or

(C) the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets;

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismisssed or unstayed for a period of 30 days, or any remedy sought in any such proceeding (including the entry of order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

(iv) takes any corporate action to authorize any of the actions in Sections 5.1(g)(i) to (iii); or

(h) if there shall be rendered against IESO or any Material Subsidiary a final judgment or judgments for the payment of money in an aggregate amount in excess of $5 million by a court or courts of competent jurisdiction, and IESO or any Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 5.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case OEFC may declare all amounts owing hereunder to be due and payable immediately, by a notice in writing to IESO, and upon any such declaration all such amounts shall become immediately due and payable.

Section 5.3 Suits for Enforcement by OEFC.

If an Event of Default occurs and is continuing, OEFC may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in OEFC by this Agreement or by law.

Section 5.4 OEFC May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of IESO under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property

of IESO, or if any other judicial proceedings relative to IESO, its creditors or its property are pending, OEFC shall be entitled and empowered, by intention in such proceeding or otherwise:

(a) to file and prove a claim for all amounts owing under this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of OEFC (including any claim for fees and disbursements of OEFC, its agents and counsel as contemplated under Section 4.7) allowed in such judicial proceeding; and

(b) to collect and receive any moneys or other property payable or deliverable on any such claim.

Section 5.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to OEFC is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.6 Delay or Omission not Waiver.

No delay or omission of OEFC to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right or remedy given by this Article 5 or by law to OEFC may be exercised from time to time, and as often as may be deemed expedient, by OEFC.

ARTICLE 6

CONSOLIDATION, AMALGAMATION, MERGER OF IESO

Section 6.1 Certain Requirements in Respect of Merger, etc.

IESO may not and may not cause any Material Subsidiary, in a single transaction or a series of related transactions, amalgamate or consolidate with or merge into any other Person, or permit any other Person to amalgamate or consolidate with or merge into IESO or the Material Subsidiary, or directly or indirectly transfer, sell, lease or otherwise dispose of all or substantially all of its property or assets (a "Disposition") to any Person without the written consent of OEFC.

Section 6.2 Successor Substituted.

Upon any consolidation, amalgamation, merger or Disposition described in, and complying with the provisions of, Section 6.1 in which IESO is not the continuing corporation, the successor Person shall succeed to all of the rights and obligations of IESO under this Agreement, and from time to time may exercise every right and power of IESO under this Agreement.

ARTICLE 7
REPRESENTATIONS AND WARRANTIES OF IESO

Section 7.1 Representations and Warranties of IESO.

IESO represents and warrants to OEFC that:

(a) the borrowing of money (including principal and accrued interest) by IESO and the execution, delivery and performance of this Agreement are within the powers and capacities of IESO and have been duly authorized by all necessary legal action and proper proceedings;

(b) the execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the compliance with the terms and conditions of this Agreement will not conflict with or result in a breach of any of the terms or provisions of the constituting documents or by-laws of IESO, laws of Ontario, including laws of Canada applicable therein, applicable to IESO or any contractual or other obligation binding on IESO; and

(c) this Agreement will, when executed and delivered, constitute the legal, valid and binding obligation of IESO enforceable against it in accordance with its terms.

Section 7.2 Continuation of Representation and Warranties.

The representations and warranties set out in Section 7.1 herein shall survive the execution and delivery of this Agreement, the making of each advance by OEFC, notwithstanding any investigations or examinations which may be made by counsel for OEFC.

ARTICLE 8

GENERAL

Section 8.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy or other means of electronic communication addressed:

If to IESO, to it at:
Independent Electricity System Operator
655 Bay Street, Suite 410
Toronto, ON M5G 2K4
Attention: Chief Financial Officer
Telephone:
Telecopier:

If to OEFC, to it at:

Ontario Electricity Financial Corporation
c/o Ontario Financing Authority
1 Dundas Street West
Suite 1400
Toronto, ON M7A IY7

Attention: Executive Director - Capital Markets Division
Telephone: (416) 325-8930
Telecopier: (416) 325-8111

provided that any Borrowing Notice shall be addressed as indicated on Schedule 1.

Any communication hereunder shall be deemed to have been validly and effectively given if (a) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p. m (Toronto time), otherwise on the next Business Day, (b) transmitted by telecopier other means of electronic communication, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice given in accordance with this Section 8.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 8.1.

Section 8.2 Successors and Assigns.

This Agreement shall be binding on and enure to the benefit of OEFC and IESO and their respective successors and permitted assigns, except that IESO shall not, without the prior written consent of OEFC assign, pledge or hypothecate any rights or obligations with respect to this Agreement.

Section 8.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of OEFC and IESO.

Section 8.4 Waiver.

(1) No waiver of any provisions of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) or this Agreement nor shall such waiver be binding unless executed in writing by the party to be bound by the waiver.

(2) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude another or further exercise of such right or the exercise of any other right.

Section 8.5 Further Assurances.

Each of IESO and OEFC shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement.

Section 8.6 Severability.

In case any provision in this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement shall not in any way be affected or impaired thereby.

Section 8.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 8.8 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF the parties have executed this Agreement as of the 23rd day of April, 2010.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Ted Leonard
Vice President, Finance and Chief Financial Officer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: ~~Michael D. Manning~~ DAVID PETERS
Title: ~~Chief Operating Officer~~ DIRECTOR, DEBT MANAGEMENT
CAPITAL MARKETS DIVISION
ONTARIO FINANCING AUTHORITY

SCHEDULE 1

FORM OF BORROWING NOTICE

Date:

Ontario Electricity Financial Corporation **("OEFC")**
c/o Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A1Y7

Attention: Cash Management
(Fax No. (416-204-7920)

Dear Sirs:

The undersigned, Independent Electricity System Operator ("IESO"), refer to the Revolving Credit Facility Agreement dated •, 2010 (as amended, supplemented or restated from time to time, the **"Agreement"**, the terms defined therein being used herein as therein defined) between IESO and OEFC, and gives you notice pursuant to Section 3.2 of the Agreement that IESO requests an Advance under the Agreement, and, in that connection, sets forth below the information relating to such Advance (the **"Proposed Advance"**) as required by Section 3.2 of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is •;
(b) The aggregate amount of the Proposed Advance is •;

IESO hereby certifies that:

The representations and warranties of IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received previously as Advances under the Agreement have been expended or are being held solely for the purpose for which they were advanced; no part of said funds has been nor any part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Authorized Signature

Per: _____
Authorized Signature

*To be confirmed by telephone call to OEFC Cash Management (416) 325-8108

SCHEDULE 2

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $60,000,000 Date: •

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("**IESO**"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid (**"Grid"**) attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement (as defined below).

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before April 30, 2013.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Revolving Credit Facility Agreement dated as of April 30, 2010 between IESO and OEFC (the "**Agreement**"). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Credit Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment, demand, protest, notice of dishonest and notice of

non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Authorized Signature

Per: _____
Authorized Signature

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID
(Revolving Credit Facility April 30, 2010)

DATE	PRINCIPAL ADVANCED	INTEREST RATE	INTEREST RESET DATE	INTEREST RESET RATE	PRINCIPAL PAYMENT DATE AND AMOUNT	INTEREST PAYMENT DATE AND AMOUNT	UNPAID PRINCIPAL BALANCE	NOTATION MADE BY

AMENDING AGREEMENT NO.1

This Amending Agreement made as of the 21st day of July, 2010.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010 (the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $60 million.

AND WHEREAS IESO and OEFC now agree to amend the Agreement to allow IESO to repay all or a portion of Advances Outstanding prior to the Mandatory Repayment Date of April 30, 2013.

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. The Capitalised Terms used in this Amending Agreement which are not otherwise defined shall have the same meaning as established under Section 1.1 of the Agreement.

2. Section 2.2 of the Agreement is deleted and replaced by the following:

   "Section 2.2 Commitment and Facility Limits

   The Advances to IESO under the Credit Facility shall not at any time exceed the Commitment. The Credit Facility shall revolve and no payment under the Credit Facility shall reduce the Commitment. Subject to Section 2.7, on any stated Interest Payment Date, IESO shall have the right to repay in whole or in part the total amount outstanding to OEFC;"

3. The Agreement is amended by inserting after Section 2.6

   "Section 2.7 Repayments.

   (1) Upon four Business Days prior notice by IESO to OEFC (the "Repayment Notice"), IESO may repay all or a portion of the Advances Outstanding (the "Repayment Amount") on an Interest Payment Date; provided that the minimum Repayment Amount shall be $1,000,000.00;

   (2) Notwithstanding the provisions of Section 8.1 of this Agreement the Repayment Notice shall be deemed to have been validly and effectively given if (a) personally delivered, on the date of such delivery, if such date is a Business Day and such delivery was made prior to 10.00 a.m. (Toronto time), otherwise on the next Business Day, or if (b) transmitted by telecopier or other means of electronic communication, on the Business Day following the date of transmission provided that on the date of transmission, the addressee of such notice was notified by telephone of such transmission;

   (3) The Repayment Notice shall set out the Repayment Amount

(4) A Repayment Notice shall be irrevocable and binding on IESO and OEFC."

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Ted Leonard
Title: Vice President, Finance and Chief Financial Officer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

AMENDING AGREEMENT NO. 2

This Amending Agreement made as of the 14th day of October, 2011.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $60 million.

AND WHEREAS IESO and OEFC wish to amend the Agreement to increase the revolving line of credit from $60 million to $110 million;

AND WHEREAS IESO and OEFC wish to provide that the interest rate applicable to advances under the Agreement up to $60 million shall bear interest at a rate equal to the Province of Ontario's cost of funds plus 25 basis points and that the interest rate applicable to advances under the Agreement in excess of $60 million shall bear interest at a rate equal to the Province of Ontario's cost of funds plus 50 basis points;

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. Section 1.1 Definitions of the Agreement is amended as follows:

   The definition of Commitment is deleted and replaced with:

   "Commitment" means, at any time, an amount equal to the principal amount of One Hundred and Ten Million Dollars.

   The definition of Interest Rate is deleted and replaced with:

   "Interest Rate" means for any Advance or portion of an Advance which forms part of an amount of up to $60 million of Advances Outstanding the Province of Ontario's cost of borrowing for a 30 day term, as determined as of the first Business Day of each month by OEFC, plus 0.25 percent per annum, and means for any Advance or portion of an Advance which forms part of an amount of Advances Outstanding in excess of $60 million the Province of Ontario's cost of borrowing for a 30 day term, as determined as of the first Business Day of each month by OEFC, plus 0.50 percent per annum.

The definition of Note is deleted and replaced with:

"Note" means the $110 Million Note issued pursuant to Section 2 of the Amending Agreement dated as of the 14th day of October, 2011.

2. IESO shall execute and deliver to OEFC a grid promissory note in the form attached as Schedule I hereto which shall be in an aggregate principal amount of up to One Hundred and Ten Million Dollars (the "$110 Million Note") and on which shall be recorded the Advances Outstanding under the grid promissory note in the principal amount of up to $60 million dated April 23, 2010 delivered pursuant to the Agreement (the "$60 Million Note"). Upon receipt of the $110 Million Note by OEFC, the $60 Million Note shall be of no further force and effect and shall be returned to the IESO marked "cancelled".

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Ted Leonard
Title: Vice President, Finance and Chief Financial Officer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

AMENDING AGREEMENT NO. 3

This Amending Agreement made as of the 30 day of April, 2013.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010 and Amending Agreement No. 2 dated October 14, 2011 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $110 million.

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for a one year extension of the mandatory repayment date of the revolving line of credit ;

AND WHEREAS IESO and OEFC wish to provide that during the extension advances under the Agreement shall bear interest at a rate equal to the Province of Ontario's cost of funds plus 50 basis points;

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. Section 1.1 Definitions of the Agreement is amended as follows:

   The definition of Interest Rate is deleted and replaced with:

   "Interest Rate" means the Province of Ontario's cost of borrowing for a 30 day term, as determined as of the first Business Day of each month by OEFC, plus 0.50 percent per annum.

   The definition of Note is deleted and replaced with:

   "Note" means the $110 Million Note issued pursuant to Section 2 of Amending Agreement No. 3 dated as of the 30 day of April, 2013.

2. IESO shall execute and deliver to OEFC a grid promissory note in the form attached as Schedule I hereto which shall be in an aggregate principal amount of up to One Hundred and Ten Million Dollars (the "$110 Million Note") dated April 30, 2013 and on which shall be recorded the Advances Outstanding under the grid promissory note in the principal amount of up to $110 million dated October 14, 2011 delivered pursuant to the Agreement .Upon receipt by OEFC of the $110 Million Note dated April 30, 2013, the $110 Million Note dated October 14, 2011 shall be of no further force and effect and shall be returned to the IESO marked "cancelled".

3. Section 2.4 of the Agreement is deleted and replaced by the following:

   "Section 2.4 Mandatory Repayment.

   Subject to Sections 3.5 and 5.2, IESO shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, in full on or before April 30, 2014."

4. This Amending Agreement shall be effective as of April 30, 2013.

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Ted Leonard
Title: Vice President Finance, Chief Financial Officer and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

SCHEDULE 1

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $110,000,000 Date: 30 April, 2013

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("**IESO**"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid **("Grid")** attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No. 1 dated July 21, 2010, by Amending Agreement No. 2 dated October 14, 2011 and Amending Agreement No. 3 dated April 30, 2013 (collectively the "Agreement").

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before April 30, 2014.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance or part of an Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be p*rima facie* evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Agreement. All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment, demand, protest, notice of dishonour and notice

of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Ted Leonard
Vice President Finance, Chief Financial Officer, and Treasurer

AMENDING AGREEMENT NO. 4

This Amending Agreement made as of the 30 day of April, 2014.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011 and Amending Agreement No. 3 dated April 30, 2013 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $110 million.

AND WHEREAS IESO and OEFC wish to amend the Agreement to decrease the revolving line of credit from $110 million to $95 million;

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for a three year extension of the mandatory repayment date of the revolving line of credit;

AND WHEREAS IESO and OEFC wish to provide that during the extension advances under the Agreement shall bear interest at a rate equal to the Province of Ontario's cost of funds plus 50 basis points;

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. Section 1.1 Definitions of the Agreement is amended as follows:

   The definition of Commitment is deleted and replaced with:

   "Commitment" means, at any time, an amount equal to the principal amount of Ninety-Five Million Dollars.

   The definition of Interest Rate is deleted and replaced with:

   "Interest Rate" means the Province of Ontario's cost of borrowing for a 30 day term, as determined as of the first Business Day of each month by OEFC, plus 0.50 percent per annum.

   The definition of Note is deleted and replaced with:

   "Note" means the $95 Million Note issued pursuant to Section 2 of Amending Agreement No. 4 dated as of the 30 day of April, 2014.

2. IESO shall execute and deliver to OEFC a grid promissory note in the form attached as Schedule I hereto which shall be in an aggregate principal amount of up to Ninety-Five Million Dollars (the "$95 Million Note") dated April 30, 2014 and on which shall be recorded the Advances Outstanding under the grid promissory note in the principal amount of up to $110 million dated April 30, 2013 delivered pursuant to the Agreement .Upon receipt by OEFC of the $95 Million Note dated April 30, 2014, the $110 Million Note dated April 30, 2013 shall be of no further force and effect and shall be returned to the IESO marked "cancelled".

3. Section 2.4 of the Agreement is deleted and replaced by the following:

   "Section 2.4 Mandatory Repayment.

   Subject to Sections 3.5 and 5.2, IESO shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, in full on or before April 30, 2017."

4. This Amending Agreement shall be effective as of April 30, 2014.

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Ted Leonard
Title: Vice President Markets, Chief Financial Officer and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

SCHEDULE 1

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $95,000,000 Date: 30 April, 2014

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR (**"IESO"**), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid **("Grid")** attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No. 1 dated July 21, 2010, by Amending Agreement No. 2 dated October 14, 2011, by Amending Agreement No. 3 dated April 30, 2013 and Amending Agreement No. 4 dated April 30, 2014 (collectively the "Agreement").

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before April 30, 2017.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance or part of an Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Agreement. All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment, demand, protest, notice of dishonour and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Ted Leonard
Vice President Markets,
Chief Financial Officer,
and Treasurer

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID

(Revolving Credit Facility April 23, 2010)

DATE	PRINCIPAL ADVANCED	RATE	REPAYMENT DATE	INTEREST AMOUNT	AMOUNT OF PAYMENT		UNPAID BALANCE			NOTATION MADE BY
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	REFINANCED (AMOUNT & DATE)	

AMENDING AGREEMENT NO. 5

This Amending Agreement made as of the X day of December, 2014.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010.

AND WHEREAS pursuant to Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011, Amending Agreement No. 3 dated April 30, 2013 and Amending Agreement No. 4 dated April 30, 2014 the parties amended the Original Agreement (as so amended, the "Agreement").

AND WHEREAS IESO and OEFC wish to amend the Agreement pursuant to the direction prescribed in Schedule 7 of Bill 14, the Building Opportunity and Securing Our Future Act (the "Act") which received Royal Assent on July 24, 2014 and provides direction for the amalgamation of IESO with the Ontario Power Authority (OPA) to be effective as of January 1, 2015.

Per section 5. (1) of the Act, the predecessor Independent Electricity System Operator and the Ontario Power Authority are amalgamated and shall continue as one corporation.

Per section 5. (2) of the Act, the name of the corporation formed under subsection (1) is the Independent Electricity System Operator.

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. Section 2.3 Use of Proceeds – of the Agreement is deleted and replaced by the following:

   IESO or the continuing post amalgamation successor entity the "new" IESO shall use the proceeds of Advances for the same original intended purposes for which the predecessor IESO is authorized to borrow funds:

   (a) To repay the revolving line of credit with the Toronto Dominion Bank;

(b) For liquidity purposes; and
(c) To fund corporate requirements.

2. Schedule 1 of the Agreement, Form of Borrowing Notice, is deleted and replaced by the Form of Borrowing Notice attached hereto as Schedule 1.

3. Upon amalgamation, the borrower agrees to execute and deliver an Amendment and Restatement of the IESO Credit Facility Agreement (the "Amended and Restated IESO Credit Facility Agreement").

4. Upon amalgamation, the borrower agrees to deliver to OEFC a certificate of an officer certifying that on the date of the amalgamation:

(i) all the representations and warranties of the borrower (the new IESO) in the amended and restated IESO Credit Facility Agreement are true and correct;

(ii) no Default or event of default shall have occurred and be continuing;

(iii) a certificate of incumbency of the officers of the new IESO;

(iv) any such other documents as the OEFC may reasonable request.

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by:_____
Name:
Title:

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by:_____
Name: Michael D. Manning
Title: Chief Operating Officer

AMENDING AGREEMENT NO. 6

This Amending Agreement is effective as of the 30 day of April, 2017.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011, Amending Agreement No. 3 dated April 30, 2013, Amending Agreement No. 4 dated April 30, 2014 and Amending Agreement No. 5 dated December 19, 2014 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $95 million.

AND WHEREAS IESO and OEFC wish to amend the Agreement to increase the revolving line of credit from a principal amount of CDN $95 million to a principal amount of up to CDN $160 million to provide funding for IESO Corporate Requirements (as defined herein);

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for an extension of the mandatory repayment date established in the Agreement to June 30, 2020;

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for the ability for Advances to be made on any business day up to a maximum of 12 times per year;

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. Section 1.1 Definitions of the Agreement is amended as follows:

   i) The definition of "Amalgamation" is deleted.

   ii) The definition of "Commitment" is deleted and replaced with:

   "Commitment" means, at any time, an amount equal to the principal amount of One Hundred and Sixty Million Dollars.

   iii) A definition of "IESO Corporate Requirements" is added as follows:

   "IESO Corporate Requirements" means any borrowing purposes authorized by O. Reg. 280/14 made under the *Electricity Act, 1998* (as such regulation may be amended or

replaced from time to time), other than for funding liquidity requirements relating to the settlement of the Ontario wholesale electricity markets.

iv) A definition of "Ontario's Fair Hydro Plan" is added as follows:

"Ontario's Fair Hydro Plan" means the plan announced March 2, 2017 by the Government of Ontario to affect the Ontario Energy Board's setting of electricity prices for certain Ontario consumers of electricity, which plan is referred to in the Ontario Energy Board's report dated April 20, 2017 and titled "Regulated Price Plan Price Report – May 1, 2017 to April 30, 2018", and including all relevant developments in or changes to such plan from time to time.

v) The definition of "New IESO" is deleted.

vi) The definition of "Note" is deleted and replaced with:

"Note" means the $160 Million Note issued pursuant to Section 2 of Amending Agreement No. 6 dated as of the 30th day of April, 2017.

vii) The definition of "OPA" is deleted.

viii) The definition of "Pre-Amalgamation IESO" is deleted.

2. IESO shall execute and deliver to OEFC a grid promissory note in the form attached as Schedule I hereto which shall be in an aggregate principal amount of up to One Hundred and Sixty Million Dollars (the "$160 Million Note") dated April 30, 2017 and on which shall be recorded the Advances Outstanding under the grid promissory note delivered pursuant to Amending Agreement No. 4. Upon receipt by OEFC of the $160 Million Note dated April 30, 2017, the $95 Million Note dated April 30, 2014 shall be of no further force and effect and shall be returned to the IESO marked "cancelled".

3. Section 2.3 of the Agreement is deleted and replaced by the following:

Section 2.3 Use of Proceeds

IESO shall use the proceeds of Advances for the funding of IESO Corporate Requirements.

4. Section 2.4 of the Agreement is deleted and replaced by the following:

Section 2.4 Mandatory Repayment.

Subject to Sections 3.5 and 5.2 of this Agreement, IESO shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, in full on or before June 30, 2020.

5. Section 3.1 of the Agreement is deleted and replaced by the following:

Section 3.1 Advances.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO under the Credit Facility on any Business Day in a month up to twelve (12) times per annum from and including May 1, 2017 to and including May 29, 2020

6. Paragraph 3.6(c) of the Agreement is deleted and replaced by the following:
   (c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO, provided however that any adverse change in IESO's financial condition related to or resulting from the discharge by IESO of its responsibilities under Ontario's Fair Hydro Plan shall be deemed not to be a material adverse change for the purposes of this Section; and

7. The Form of Borrowing Notice is deleted and replaced with the Form of Borrowing Notice attached hereto as Schedule 1.

8. This Amending Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

SCHEDULE 1

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $160,000,000 Date: 30 April, 2017

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("**IESO**"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid **("Grid")** attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No. 1 dated July 21, 2010, by Amending Agreement No. 2 dated October 14, 2011, by Amending Agreement No. 3 dated April 30, 2013, by Amending Agreement No. 4 dated April 30, 2014, by Amending Agreement No. 5 dated December 19, 2014, and by Amending Agreement No. 6 dated April 30, 2017 (collectively the "Agreement").

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before June 30, 2020.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance or part of an Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be p*rima facie* evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Agreement. All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment, demand, protest, notice of dishonour and notice

of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

(Revolving Credit Facility April 30, 2017)

DATE	PRINCIPAL ADVANCED	RATE	REPAYMENT DATE	INTEREST AMOUNT	AMOUNT OF PAYMENT		UNPAID BALANCE			NOTATION MADE BY
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	REFINANCED (AMOUNT & DATE)	

From:	Lisa Stein
To:	John Kim
Cc:	Sarah Harris; William Tan; Opal Kandelas
Subject:	IESO OEFC credit facilities
Date:	Friday, November 24, 2017 5:17:37 PM

Hi John,

Do you have a status update regarding the IESO's request to amend the IESO-OEFC credit facilities? I understand that a briefing note is being circulated – please let me know if you require legal review.

Thank you,

Lisa

Lisa N. Stein
Legal Counsel
Ontario Financing Authority
416-325-2320

****
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****

From: Lisa Stein
To: Sarah Harris; Opal Kandelas
Subject: IESO OFA FHP agreement
Date: Tuesday, November 28, 2017 5:00:39 PM

Hi Sarah,
I discussed the sharing of the agreement with Opal last week and noted that it is a business decision. There are no contractual or legislative provisions which prohibit the sharing of the agreement. If there are concerns from a business perspective, we can discuss an NDA or other options if necessary.
Lisa

Lisa N. Stein
Legal Counsel
Ontario Financing Authority
416-325-2320
****
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****

From: Sarah Harris
Sent: Tuesday, November 28, 2017 4:49 PM
To: Opal Kandelas
Cc: Lisa Stein
Subject: RE: IESO - OEFC Nov 27

Hi Opal,
I took a look and asked Carlos as well. There is nothing from a market perspective that is controversial, and I don't see anything in the provisions that concern me. I thought about the intercept provision, but I think it is fine since the legislation 'publicly' allows for that carve out.
Lisa, do you have any objections about IESO sharing any of the contents of the $2B facility with TD?
Sarah

From: Opal Kandelas
Sent: Monday, November 27, 2017 3:35 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: RE: IESO - OEFC Nov 27

I forgot to ask. I haven't reviewed the agreement with the intention to have it shared, so should any information be redacted from the agreement before we agree to it being shared?
Opal.

From: Opal Kandelas
Sent: Monday, November 27, 2017 3:23 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: RE: IESO - OEFC Nov 27

Hi Sarah,
I was just in the midst of an email to you regarding this matter. John Kim has let IESO know they can move forward with working with CMO on the agreements, but also communicated that the inclusion of the requested language is pending approval. Its fine to work on amending the agreements, as

from all sides the indication is that final signoff will occur.
Regarding IESO's request to share the OFA-IESO agreement with TD, since there's nothing in the agreement prohibiting it and neither Gadi nor OFA legal is concerned about it being shared, it seems unreasonable to withhold it. As there is no obligation for us to provide/deny permission, perhaps we can just point that out to IESO (in an email) and tell them we are leaving the decision as to whether or not to share the agreement to their discretion. Not sure if a more formal response needs to be provided to IESO, but I can discuss with John the best way to convey that info to IESO.
Thanks,
Opal.

From: Sarah Harris
Sent: Monday, November 27, 2017 3:02 PM
To: Opal Kandelas <Opal.Kandelas@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: FW: IESO - OEFC Nov 27
Hi Opal,
Anthony is reaching out to provide drafts of the agreements. While we have started to work on them here, we haven't received word on final sign-off from Ron/Gadi. Any word?
I'm cc'ing Lisa, as she also wasn't cc'd on IESO's request.
Thanks,
Sarah

From: Jean-Francois Beaupre
Sent: Monday, November 27, 2017 2:55 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Subject: FW: IESO - OEFC Nov 27
Hi Sarah,
Do we have sign-off on the final briefing note and/or authorization to proceed?
Thanks,
J-F

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Monday, November 27, 2017 2:50 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>; Gavin He <Gavin.He@ofina.on.ca>
Subject: IESO - OEFC Nov 27
Ryan – are you able to send over draft documents for our review? I understand that we may start to work on them now.
Regards.

From: Anthony Martinello
Sent: November 07, 2017 4:07 PM
To: 'Ryan.Blackbyrne@ofina.on.ca'
Cc: 'Jean-Francois.Beaupre@ofina.on.ca'; William Tan; John Kim; Victor Buza
Subject: IESO - OEFC Nov 7
Ryan,
As discussed with Will today, I understand you will be co-ordinating the proposed 2 amendments to the existing IESO-OEFC credit facilities.

For starters, there are no expected changes being asked to the existing agreement's key business content (e.g. amounts, dates, interest, notices etc.), rather given that IESO-OFA have just finished two new agreements pertaining to the new fair hydro program, ….I suggest we just copy and paste the salient sections from these agreements that would now be relevant to the OEFC agreements for fair hydro namely;

1.DRAFT

The definition of "Permitted Liens" is amended by deleting the word "and" at the end of subsection (xx); replacing the "." at the end of subsection (xx) and replacing it with "; and" ; and adding the following subsection (xx):

"(xx) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

2.DRAFT

The OFA agreements had required an intercept provision, …..not sure if the same applies to OEFC if yes:

"Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of November 6th , 2017 herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the Capital Investment Plan Act, 1993 (the "Intercept Letter"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("Appropriated Funds"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("Intercept").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

The parties agree that, with respect to the exercise of the Intercept generally, the terms of this

section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail."

3.

If any… other relevant updates that make sense to do now……I do not anticipate any material ones.

We need your support to expedite the above in order to avoid delays in the Fair Hydro implementation.

Regards.

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From: Lisa Stein
To: Sarah Harris; Opal Kandelas
Subject: IESO OFA FHP agreement
Date: Tuesday, November 28, 2017 5:00:39 PM

Hi Sarah,
I discussed the sharing of the agreement with Opal last week and noted that it is a business decision. There are no contractual or legislative provisions which prohibit the sharing of the agreement. If there are concerns from a business perspective, we can discuss an NDA or other options if necessary.
Lisa

Lisa N. Stein
Legal Counsel
Ontario Financing Authority
416-325-2320
****
This message, including any attachments, is intended only for the use of the individual(s) to which it is addressed and contains information that is privileged/confidential. Any other distribution, copying or disclosure is strictly prohibited. If you are not the intended recipient or have received this message in error, please notify the sender immediately by reply e-mail and permanently delete this message, including any attachments, without reading it or making a copy. Thank you.
****

From: Sarah Harris
Sent: Tuesday, November 28, 2017 4:49 PM
To: Opal Kandelas
Cc: Lisa Stein
Subject: RE: IESO - OEFC Nov 27

Hi Opal,
I took a look and asked Carlos as well. There is nothing from a market perspective that is controversial, and I don't see anything in the provisions that concern me. I thought about the intercept provision, but I think it is fine since the legislation 'publicly' allows for that carve out.
Lisa, do you have any objections about IESO sharing any of the contents of the $2B facility with TD?
Sarah

From: Opal Kandelas
Sent: Monday, November 27, 2017 3:35 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: RE: IESO - OEFC Nov 27

I forgot to ask. I haven't reviewed the agreement with the intention to have it shared, so should any information be redacted from the agreement before we agree to it being shared?
Opal.

From: Opal Kandelas
Sent: Monday, November 27, 2017 3:23 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: RE: IESO - OEFC Nov 27

Hi Sarah,
I was just in the midst of an email to you regarding this matter. John Kim has let IESO know they can move forward with working with CMO on the agreements, but also communicated that the inclusion of the requested language is pending approval. Its fine to work on amending the agreements, as

from all sides the indication is that final signoff will occur.
Regarding IESO's request to share the OFA-IESO agreement with TD, since there's nothing in the agreement prohibiting it and neither Gadi nor OFA legal is concerned about it being shared, it seems unreasonable to withhold it. As there is no obligation for us to provide/deny permission, perhaps we can just point that out to IESO (in an email) and tell them we are leaving the decision as to whether or not to share the agreement to their discretion. Not sure if a more formal response needs to be provided to IESO, but I can discuss with John the best way to convey that info to IESO.
Thanks,
Opal.

From: Sarah Harris
Sent: Monday, November 27, 2017 3:02 PM
To: Opal Kandelas <Opal.Kandelas@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: FW: IESO - OEFC Nov 27
Hi Opal,
Anthony is reaching out to provide drafts of the agreements. While we have started to work on them here, we haven't received word on final sign-off from Ron/Gadi. Any word?
I'm cc'ing Lisa, as she also wasn't cc'd on IESO's request.
Thanks,
Sarah

From: Jean-Francois Beaupre
Sent: Monday, November 27, 2017 2:55 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Subject: FW: IESO - OEFC Nov 27
Hi Sarah,
Do we have sign-off on the final briefing note and/or authorization to proceed?
Thanks,
J-F

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Monday, November 27, 2017 2:50 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>; Gavin He <Gavin.He@ofina.on.ca>
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(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

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We need your support to expedite the above in order to avoid delays in the Fair Hydro implementation.

Regards.

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From:	William Tan
To:	Siva Nathan; John Psinas; Alfonso Soriano; Jensen Chong; Risa Thau; Nurudin Kaba; Carlos Yep; George Sakura
Cc:	Opal Kandelas; Sarah Harris; Ken Kandeepan; James Devine; Mike Manning
Subject:	IESO OFA FHP and Existing Credit Facility key provisions and Expected Advancements
Date:	Wednesday, November 15, 2017 4:46:25 PM

Dear all,

We have executed the following credit facilities:

1) $2B OFA-IESO Credit Facility in relation to the Ontario Fair Hydro Plan (FHP).

The FHP Credit Facility has the following key provisions:

- Revolving Credit Facility with a maximum limit at any time of C$2 billion;
- Term: 5 year term which expires September 30, 2022, with last draw possible on September 22, 2022;
- Draws: to be based on minimum of 5 days to a maximum of 95 days;
- IESO may roll-over some or all of the principal and interest;
- Notice Period: For an advance or a rollover, IESO is required to provide two business day prior notice given not later than 10:00 a.m.;
- Business day convention: Following;
- Use of Proceeds: Proceeds of Advances may be used only for IESO's financing needs and requirements of any kind arising in connection with the IESO's role with respect to and obligations under the FHP;
- Interest Rate on Advances: Annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum.

2) **Amending Agreement to reduce limit on Existing IESO-OFA $975M Revolving Credit Facility to $475M (with an Effective Date of November 21, end of day).**

Once effective, the existing Credit Facility will have the following key provisions:

- Revolving Credit Facility with a maximum limit at any time of $475M;
- Term: Agreement expires December 31, 2019, with last draw possible on November 29, 2019;
- Draws: to be based on minimum of 28 days to a maximum of 95 days;
- IESO may roll-over some or all of the principal and interest;
- Notice Period: For an advance or a rollover, IESO is required to provide two business day prior notice given not later than 10:00 a.m.;
- Business day convention: Following;
- Use of Proceeds: IESO shall use the proceeds of Advances for liquidity purposes;
- Interest Rate on Advances: Annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum.

NEXT DRAW FROM IESO

In relation to the next IESO draw on November 21st, the following transactions will occur:

November 17, 2017 -Three Notices to be received from IESO:

1) **Existing IESO-OFA $975M Revolving Credit Facility for "RRRP Program"**: IESO will send Election Notice instructions to rollover $10,649,081.37 + estimated new advance $2 million (IESO will pay accrued interest of $11,670.23 for Oct 20 to Nov 21 period to OFA).

2) **Existing IESO-OFA $975M Revolving Credit Facility for RPP Program:** IESO to send Election Notice to NOT rollover $825,639,102.00 (IESO will pay accrued interest of $904,809.97 for Oct 20 to Nov 21 period to OFA).
3) **$2B OFA-IESO FHP Credit Facility:** IESO to send a new borrowing notice for a first advance in an amount of approximately $1.05B.

NOTE: In the Borrowing Notice for the $2B OFA-IESO FHP Credit Facility, IESO will specify that instead of repaying (by funds transfer) the maturing $825,639,102.00 under the existing IESO-OFA Revolving $975M Credit Facility, it will instead use the $825,639,102.00 to fund a portion of the 'new' $1.05B advance under the $2B OFA-IESO FHP Credit Facility. As a result, for the Advance under $2B OFA-IESO FHP Credit Facility, the OFA will only transferring net amount of approximately $225 million (that is the difference between $1.05B and $825,639,102.00).

November 21, 2017 – The following transfers are to occur:

1) OFA to transfer to IESO total funds of approximately $227 million for the following:
   (i) Existing IESO-OFA $975M Revolving Credit Facility for RRRP Program: amount of new advance proceeds of approximately $2 million;
   (ii) $2B OFA-IESO FHP Credit Facility: amount of new advance of approximately $225 million.

2) IESO to transfer to OFA total funds for the following
   (i) **Existing IESO-OFA $975M Revolving Credit Facility for RRRP Program**: accrued interest totalling $916,480.20 for (being $11,607.23 for RRRP and $904,809.97 for RPP).

November 21, 2017 - Anticipated end of day balances:
1) **Existing IESO-OFA $475M Revolving Credit Facility for RPP Program**: $12,649,081.37 advanced under the existing credit facility (with a new facility limit of $475M effective end of day);
2) **$2B OFA-IESO FHP Credit Facility**: Approximately $1.05 billion advanced under the FHP Credit Facility.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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2) **$2B OFA-IESO FHP Credit Facility**: Approximately $1.05 billion advanced under the FHP Credit Facility.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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From:	Gavin He
To:	Lisa Stein; Ryan Blackbyrne
Cc:	Sarah Harris; Jean-Francois Beaupre; William Tan; John Kim
Subject:	IESO / OEFC - $120MM and $160MM Credit Facility Discussion
Attachments:	RE IESO OEFC - $120MM and $160MM.msg

Hi all,

I am just setting up a quick meeting to discuss the questions on the IESO credit facility agreements:

Thanks,
Gavin He

From: Gavin He []
To: Lisa Stein [Lisa.Stein@ofina.on.ca]; Ryan Blackbyrne [Ryan.Blackbyrne@ofina.on.ca]
CC: Sarah Harris [Sarah.Harris@ofina.on.ca]; Jean-Francois Beaupre [Jean-Francois.Beaupre@ofina.on.ca]; William Tan [William.Tan@ofina.on.ca]
Subject: RE: IESO / OEFC - $120MM and $160MM
Date: Thursday, November 09, 2017 18:49:52

Hi Lisa/Ryan,

Thank you very much for the responses and that's helpful!

I will go back to IESO to verify what's their rationale to for the request. But before I go back, I just want to make sure that I understand the concerns/suggestions from our side first.

The change we made for the OFA credit facility agreement was to allow IESO to take liens related to FHP in the event if IESO can't pay OFA back the loan, correct? What was the reason for this change? And wouldn't the same reason apply for the loans that IESO has with OEFC? And if IESO can't pay back the loans to OEFC, should they still be able to take any liens related to FHP, or not? But if they were able to do so under the OFA credit facility agreement, are there any reasons that they cannot do the same under the OEFC credit facility agreement?

I understand that the $120M and $160M credit facilities are not for FHP purposes, but I think this is a separate question from whether they can take liens related to FHP if IESO can't pay OEFC back the loans? Similarly, I believe the existing $475M IESO credit facility with OFA was not for the FHP purpose, but the agreement was amended by the amendment #10 to include the FHP lien clause in the actual agreement, right? So I am just a bit confused about this process and trying to find out whether we should apply a consistent approach for OEFC's credit facilities before I push this back to IESO.

Also, a separate question on the $160M credit facility agreement. Since it was amended to be used for FHP purpose previously, do we need to amend that now since a separate facility agreement was created specifically for FHP purposes? Or that amendment automatically expires when the $2B FHP credit facility was created, and for sure we don't need to update anything in the $160M credit facility agreement to that effect?

Thanks,
Gavin He

From: Lisa Stein
Sent: Thursday, November 09, 2017 12:49 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

I also recommend asking the IESO for the exact details of the proposed amendments.

From: Ryan Blackbyrne

Sent: Thursday, November 09, 2017 12:19 PM
To: Gavin He <Gavin.He@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: IESO / OEFC - $120MM and $160MM

Hi Gavin,

Thank you for your note. After reviewing your note and the attached agreements we had a few comments:

- We understand that the $160M credit facility agreement will not be used for FHP purposes, although an amendment was made earlier in 2017 to allow advances for the purposes of FHP.
- It is our assumption that the $160M credit facility agreement was amended in April, 2017, pursuant to Reg. 280/14 as a potential temporary option for FHP funding requirements until such time as a separate facility agreement was created specifically for FHP purposes (i.e. the $2B OFA-IESO credit facility)
- There is an existing $120M loan agreement, maturing June 30, 2020, which is not a credit facility, but a fixed term loan. No amendments were made here in relation to FHP, as it is non-revolving and used for capital purposes.
- Since the $160M credit facility agreement will not be used for FHP purposes, it is not clear to us why the change to definition of Permitted Liens is required, and how not making this change would prevent IESO from performing its obligations under the OFHP Act. Please clarify.
- Kindly confirm with Anthony why IESO believes these amendments are necessary in respect of the $160M credit facility and $120M loan agreement.

We look forward to hearing back from you. Happy to discuss further as always.

Thank You,

Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M7A 1Y7
416-325-8143
ryan.blackbyrne@ofina.on.ca

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Tuesday, November 07, 2017 4:07 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan

<William.Tan@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>
Subject: IESO - OEFC Nov 7

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For starters, there are no expected changes being asked to the existing agreement's key business content (e.g. amounts, dates, interest, notices etc.), rather given that IESO-OFA have just finished two new agreements pertaining to the new fair hydro program, ….I suggest we just copy and paste the salient sections from these agreements that would now be relevant to the OEFC agreements for fair hydro namely;

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If any… other relevant updates that make sense to do now……I do not anticipate any material ones.

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Sent: Thursday, November 09, 2017 8:29 AM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Hi Lisa, Sarah, and William,

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Subject: RE: IESO / OEFC - $120MM and $160MM

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To: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
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Subject: RE: IESO / OEFC - $120MM and $160MM

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<Opal.Kandelas@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>
Subject: Re: IESO / OEFC - $120MM and $160MM

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John

Sent from my iPhone

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Thanks,
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Sent from my iPhone

Begin forwarded message:

From: Anthony Martinello <Anthony.Martinello@ieso.ca>
Date: November 5, 2017 at 11:02:50 AM EST
To: William Tan <William.Tan@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>, Sarah Harris <Sarah.Harris@ofina.on.ca>, Victor Buza <Victor.Buza@ieso.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Will – unless any concerns, will appreciate if you please begin to draft the two OEFC amendments this week – given that the IESO is targeting to sign the OPG / IESO fair hydro agreement by this month's end,….we need to have the two OEFC's done before this.

Regards.

From: Anthony Martinello
Sent: November 01, 2017 12:56 PM
To: 'William Tan'
Cc: 'Lisa Stein'; 'Sarah Harris'; 'John Kim'; Victor Buza
Subject: IESO / OEFC - $120MM and $160MM

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outstanding IESO-OEFC credit facilities to contemplate any further amendments too.

Just ensuring that these 2 OEFC facilities are not missed.

Regards.

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From:	Gavin He
To:	Lisa Stein; Ryan Blackbyrne
Cc:	Sarah Harris; Jean-Francois Beaupre; William Tan; John Kim
Subject:	IESO / OEFC - $120MM and $160MM Credit Facility Discussion
Attachments:	RE IESO OEFC - $120MM and $160MM.msg

Hi all,

I am just setting up a quick meeting to discuss the questions on the IESO credit facility agreements:

Thanks,
Gavin He

From: Gavin He []
To: Lisa Stein [Lisa.Stein@ofina.on.ca]; Ryan Blackbyrne [Ryan.Blackbyrne@ofina.on.ca]
CC: Sarah Harris [Sarah.Harris@ofina.on.ca]; Jean-Francois Beaupre [Jean-Francois.Beaupre@ofina.on.ca]; William Tan [William.Tan@ofina.on.ca]
Subject: RE: IESO / OEFC - $120MM and $160MM
Date: Thursday, November 09, 2017 18:49:52

Hi Lisa/Ryan,

Thank you very much for the responses and that's helpful!

I will go back to IESO to verify what's their rationale to for the request. But before I go back, I just want to make sure that I understand the concerns/suggestions from our side first.

The change we made for the OFA credit facility agreement was to allow IESO to take liens related to FHP in the event if IESO can't pay OFA back the loan, correct? What was the reason for this change? And wouldn't the same reason apply for the loans that IESO has with OEFC? And if IESO can't pay back the loans to OEFC, should they still be able to take any liens related to FHP, or not? But if they were able to do so under the OFA credit facility agreement, are there any reasons that they cannot do the same under the OEFC credit facility agreement?

I understand that the $120M and $160M credit facilities are not for FHP purposes, but I think this is a separate question from whether they can take liens related to FHP if IESO can't pay OEFC back the loans? Similarly, I believe the existing $475M IESO credit facility with OFA was not for the FHP purpose, but the agreement was amended by the amendment #10 to include the FHP lien clause in the actual agreement, right? So I am just a bit confused about this process and trying to find out whether we should apply a consistent approach for OEFC's credit facilities before I push this back to IESO.

Also, a separate question on the $160M credit facility agreement. Since it was amended to be used for FHP purpose previously, do we need to amend that now since a separate facility agreement was created specifically for FHP purposes? Or that amendment automatically expires when the $2B FHP credit facility was created, and for sure we don't need to update anything in the $160M credit facility agreement to that effect?

Thanks,
Gavin He

From: Lisa Stein
Sent: Thursday, November 09, 2017 12:49 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

I also recommend asking the IESO for the exact details of the proposed amendments.

From: Ryan Blackbyrne

Sent: Thursday, November 09, 2017 12:19 PM
To: Gavin He <Gavin.He@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: IESO / OEFC - $120MM and $160MM

Hi Gavin,

Thank you for your note. After reviewing your note and the attached agreements we had a few comments:

- We understand that the $160M credit facility agreement will not be used for FHP purposes, although an amendment was made earlier in 2017 to allow advances for the purposes of FHP.
- It is our assumption that the $160M credit facility agreement was amended in April, 2017, pursuant to Reg. 280/14 as a potential temporary option for FHP funding requirements until such time as a separate facility agreement was created specifically for FHP purposes (i.e. the $2B OFA-IESO credit facility)
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We look forward to hearing back from you. Happy to discuss further as always.

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Subject: IESO - OEFC Nov 7

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From:	Ryan Blackbyrne
To:	Gavin He
Cc:	Sarah Harris; Jean-Francois Beaupre; William Tan; Lisa Stein
Subject:	IESO / OEFC - $120MM and $160MM
Date:	Thursday, November 09, 2017 12:18:32 PM
Attachments:	$160M revolving credit - Original Agreement - April 23, 2010.pdf $160M revolving credit - Amending Agreement no.6 - April 30, 2017.pdf $120M note - Original Agreement - April 1, 1999 .pdf $120M note - Amending Agreementt no.6 - April 30, 2017.pdf

---

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Subject: IESO - OEFC Nov 7

Ryan,

As discussed with Will today, I understand you will be co-ordinating the proposed 2 amendments to

the existing IESO-OEFC credit facilities.
For starters, there are no expected changes being asked to the existing agreement's key business content (e.g. amounts, dates, interest, notices etc.), rather given that IESO-OFA have just finished two new agreements pertaining to the new fair hydro program, ….I suggest we just copy and paste the salient sections from these agreements that would now be relevant to the OEFC agreements for fair hydro namely;

1.DRAFT

The definition of "Permitted Liens" is amended by deleting the word "and" at the end of subsection (xx); replacing the "." at the end of subsection (xx) and replacing it with "; and" ; and adding the following subsection (xx):
"(xx) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

2.DRAFT

The OFA agreements had required an intercept provision, …..not sure if the same applies to OEFC if yes:
"Section 5.7 Intercept
(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of November 6th , 2017 herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the Capital Investment Plan Act, 1993 (the "Intercept Letter"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("Appropriated Funds"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("Intercept").
(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.
(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.
(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail."

3.

If any… other relevant updates that make sense to do now……I do not anticipate any material ones.

We need your support to expedite the above in order to avoid delays in the Fair Hydro implementation.

Regards.

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From: Gavin He
Sent: Thursday, November 09, 2017 8:29 AM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Hi Lisa, Sarah, and William,

Following my email on Tuesday, EFB has drafted the attached note on the IESO's request on the OEFC credit facility, including the background information, our recommendation, and the rationale. Could you please review the accuracy of the note and would you be able to provide me with your feedback before noon today?

Sorry for the short turnaround time, but we all would like to move on this as soon as possible.

Thanks,

Gavin He

From: Lisa Stein
Sent: Wednesday, November 08, 2017 9:55 AM
To: Gavin He <Gavin.He@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Sarah Neville <Sarah.Neville@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Thanks for the update Gavin.

From: Gavin He
Sent: Tuesday, November 07, 2017 4:02 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Sarah Neville <Sarah.Neville@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>

Subject: RE: IESO / OEFC - $120MM and $160MM

Hi Lisa/Sarah H.,

We touched based with IESO and they told us that the OEFC agreements do not contemplate a general grant of security by IESO over its assets as is currently under discussion with the OPG Trust relative to the implementation of the OFHP. The changes required to allow for such a grant would be to amend the permitted liens and negative covenant language in the OEFC agreements so as to make it the same as, or very similar to, the language in the two OFA Agreements that were signed recently.

We will get a policy direction soon and will draft a note for you to review once it's ready.

Regards,

Gavin He

From: Lisa Stein
Sent: Monday, November 06, 2017 9:43 AM
To: John Kim <John.Kim@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Sarah Neville <Sarah.Neville@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

No, I don't think the OFA Lending Policy would apply to these OEFC loans. The OFA Lending Policy addresses lending activities to public bodies undertaken where the OFA is acting as an intermediary on behalf of the Province.

From: John Kim
Sent: Sunday, November 05, 2017 1:55 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>
Subject: Re: IESO / OEFC - $120MM and $160MM

Hi Sarah,

We will look at this but this is oefc so not sure if the same lending policy applies.

John

Sent from my iPhone

On Nov 5, 2017, at 12:06 PM, Sarah Harris <Sarah.Harris@ofina.on.ca> wrote:

> Hi John,
> We've received no internal direction on the nature of changes IESO is looking for in relation to existing OEFC credit facility with the IESO and the FHP. I surmise it may have to do with adjusting the agreement to allow FHP permitted liens (which we would need internal approval to do) or similar changes, but do you know if IESO communicated requirements to Gadi or Ron?
> Thanks,
> Sarah
> Sent from my iPhone
>
> Begin forwarded message:

From: Anthony Martinello <Anthony.Martinello@ieso.ca>
Date: November 5, 2017 at 11:02:50 AM EST
To: William Tan <William.Tan@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>, Sarah Harris <Sarah.Harris@ofina.on.ca>, Victor Buza <Victor.Buza@ieso.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Will – unless any concerns, will appreciate if you please begin to draft the two OEFC amendments this week – given that the IESO is targeting to sign the OPG / IESO fair hydro agreement by this month's end,….we need to have the two OEFC's done before this.
Regards.

From: Anthony Martinello
Sent: November 01, 2017 12:56 PM
To: 'William Tan'
Cc: 'Lisa Stein'; 'Sarah Harris'; 'John Kim'; Victor Buza
Subject: IESO / OEFC - $120MM and $160MM

Once we have completed the 2 OFA facilities and the intercept letter – we then have to turn to the 2 outstanding IESO-OEFC credit facilities to contemplate any further amendments too.
Just ensuring that these 2 OEFC facilities are not missed.
Regards.

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INDEPENDENT ELECTRICITY SYSTEM OPERATOR

as Borrower

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION

as Lender

REVOLVING CREDIT FACILITY AGREEMENT

Dated: April 23, 2010

THIS CREDIT FACILITY AGREEMENT is made on the 23rd day of April, 2010

between:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")

RECITAL:

IESO has requested a revolving line of credit from OEFC in the amount of up to Sixty Million Dollars for the purpose of replacing the current IESO revolving line of credit with the Toronto-Dominion Bank which is used for liquidity purposes that may also be used to fund corporate requirements. OEFC has agreed to lend such amount to IESO on the terms and conditions set out herein.

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the parties agree as follows:

ARTICLE 1
DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"Advance Date" has the meaning set forth in Section 3.2.

"Advances" means advances made by OEFC to IESO under Article 3 and **"Advance"** means any one of such advances.

"Advances Outstanding" means, at any time, an amount equal to the aggregate principal amount of all Advances outstanding at such time.

"Agreement", "herein", "hereby", "hereof", "hereunder" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression **"Article"** or **"Section"** followed by a number means the specified Article or Section of this Agreement.

"Borrowing Notice" has the meaning specified in Section 3.2.

"Business Day" means any day other than a Saturday, Sunday or a statutory or civic holiday in Toronto, Ontario.

"Commitment" means, at any time, an amount equal to the principal amount of Sixty Million Dollars.

"Consolidated Assets" means, at any time, the book value of IESO and the Subsidiaries, determined as of such time on a consolidated basis in accordance with generally accepted accounting principles.

"Credit Facility" means the revolving credit facility to be made available to IESO by OEFC under this Agreement for the purposes specified in Section 2.3.

"Default" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"Disposition" has the meaning specified in Section 6.1.

"Dollars" or "$" means lawful currency of Canada.

"Event of Default" has the meaning specified in Section 5.1.

"IESO" means Independent Electricity System Operator, a corporation existing under the laws of the Province of Ontario, until a successor corporation shall have succeeded to all of the rights and obligations of Independent Electricity System Operator pursuant to Section 6.1 and thereafter **"IESO"** shall mean such successor corporation (or any successor thereto which shall have become such pursuant to Section 6.1).

"Indebtedness" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) every obligation of such Person for borrowed money;

(b) every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments;

(c) every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) every capital lease obligation of such Person; and

(f) the Swap Termination Value of each Swap Contract of such Person; and

(g) every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"Interest Payment Date" means with respect to each Advance means the first Business Day of each month.

"Interest Rate" means the Province of Ontario's cost of borrowing for a 30 day term, as determined as of the first Business Day of each month by OEFC, plus 0.25 percent per annum.

"Interest Reset Date" has the meaning specified in section 3.3(2)(i).

"Lien" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"Material Subsidiary" means, at any time, a Subsidiary which, together with its subsidiaries, has consolidated assets with a book value of more than Twenty-Five Million Dollars determined as of such time in accordance with generally accepted accounting principles.

"Note" means the note of IESO issued under this Agreement.

"Permitted Liens" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) any obligations or duties, affecting the property of IESO or a Material Subsidiary, to any municipality or governmental, statutory or public authority, with respect to any franchise, grant, license or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by IESO or such Material Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by IESO or such Material Subsidiary;

(d) any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) the right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) any undetermined or inchoate Liens and charges incidental to the current operations of IESO or a Material Subsidiary that have not at the time been filed against IESO or such Material Subsidiary; provided, however, that if any such Lien or charge shall have been filed, IESO or such Material Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) any Lien the validity of which is being contested at the time by IESO or a Material Subsidiary in good faith and the enforcement of which has been stayed;

(h) any easements, rights-of-way and servitudes that in the opinion of IESO will not in the aggregate materially and adversely impair the use or value of the land for the purpose for which it is held or occupied by IESO or a Material Subsidiary;

(i) any Liens and privileges arising out of judgments or awards with respect to which IESO or a Material Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall have secured a stay of execution pending such appeal or proceedings for review; and

(j) pledges of cash or cash equivalents to secure IESO's or a Material Subsidiary's liabilities from time to time under Swap Contracts and pledges of cash or cash equivalents in an aggregate amount not exceeding $25 million at any time to secure IESO's or a Material Subsidiary's liabilities from time to time under commodity swap, commodity option and commodity future contracts entered into in the ordinary course of business for the purpose of directly mitigating risks associated with fluctuations in prices or availability of commodities purchased or to be purchased by IESO or a Material Subsidiary in the ordinary course of business, and not entered into for the purposes of speculation; and

(k) any other Liens of a nature similar to the foregoing which do not in the opinion of IESO, acting reasonably, materially impair the use of the property subject thereto or the operation of the business of IESO or any Material Subsidiary or the value of such property for the purpose of any such business.

"Person" means any individual, corporation, partnership joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"Purchase Money Mortgage" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or part of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"Stated Maturity" when used with respect to any Indebtedness or any installment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such installment of interest is due and payable.

"Subsidiary" means:

(a) a corporation: (i) more than 50% of the voting power or the outstanding Voting Shares of which is owned, directly or indirectly, by IESO or by one or more other Subsidiaries or by IESO and one or more other Subsidiaries; or (ii) in the case of a non-share capital corporation, that the IESO has the power to appoint a majority of the Board of Directors; or

(b) any Person (other than a corporation) in which IESO, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

"Swap Contract" means any agreement whether or not in writing, relating to any transaction or derivative transaction including a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction currency swap, cross-currency rate swap, swaption, currency option or other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.

"Swap Termination Value" means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap contracts:

(a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and

(b) for any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.

"Voting Shares" of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings and Table of Contents.

The division of this Agreement into Articles and Sections the insertion of headings and the provision of a Table of Contents are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and vice versa and words importing gender may include any gender. In this Agreement, (a) the words **"including"** and **"includes"** mean "including (or includes) without limitation", and (b) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" each mean "to but excluding".

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with generally accepted accounting principles. Generally accepted accounting principles refer to accounting principles generally accepted in Canada as recommended in the Handbook of the Canadian Institute of Chartered Accountants at the relevant time applied on a consistent basis.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the following Business Day.

ARTICLE 2
REVOLVING CREDIT FACILITY

Section 2.1 Availability.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO up to the amount of the Commitment. OEFC shall make each Advance in Canadian Dollars.

Section 2.2 Commitment and Facility Limits.

The Advances Outstanding to IESO under the Credit Facility shall not at any time exceed the Commitment. The Credit Facility shall revolve and no payment under the Credit Facility shall reduce the Commitment.

Section 2.3 Use of Proceeds.

IESO shall use the proceeds of Advances for the following purposes for which it is authorized to borrow funds:

(a) to repay the revolving line of credit with the Toronto Dominion Bank;

(b) for liquidity purposes; and

(c) to fund corporate requirements.

Section 2.4 Mandatory Repayment.

Subject to Sections 3.5 and 5.2, IESO, shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder in full on or before April 30, 2013.

Section 2.5 Advances and Payments under this Agreement.

(1) OEFC shall make Advances to IESO under this Agreement to the order of IESO by wire transfer of immediately available funds in accordance with wire transfer instructions given by IESO to OEFC from time to time, or in such other manner as IESO may specify to OEFC from time to time.

(2) IESO shall make any payment required hereunder to be made by it to OEFC, to or to the order of OEFC, by wire transfer of immediately available funds in accordance with wire transfer instruction given by OEFC to IESO from time to time, or in such other manner as OEFC may specify to IESO from time to time. IESO shall make each such payment in Canadian Dollars

Section 2.6 Evidence of Indebtedness.

IESO authorizes OEFC to open and maintain records evidencing IESO's obligations under this Agreement and to record therein all advances, interest rates, accrued interest, payments of principal and interest and the aggregate principal and accrued interest outstanding from time to time under this Agreement. IESO agrees that the records kept by the OEFC in the absence of manifest error, shall be prima facie evidence of the indebtedness of IESO and the matters recorded provided that the failure of the OEFC to record or correctly record any amount or date shall not affect the obligation of IESO to repay the aggregate principal amounts and accrued interest thereon owing under this Agreement.

ARTICLE 3
ADVANCES AND INTEREST

Section 3.1 Advances.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO under the Credit Facility on the first Business Day of each month from and including May 3, 2010 to and including April 1, 2013.

Section 3.2 Procedure for Advances.

(1) Each Advance shall be made subject to four Business Day's prior notice given not later than 10:00 a.m. (Toronto time) by IESO to OEFC. Each notice of an Advance (a **"Borrowing Notice"**) shall be substantially in the form of Schedule 1, shall be irrevocable and binding on IESO and shall specify (a) the requested date of the Advance (the **"Advance Date"**), and (b) the principal amount of the Advance which shall be in a minimum amount of $1,000,000.00 (unless otherwise agreed to by OEFC), and in increments of $1,000,000.00 (or such other increments as may be agreed to by OEFC). OEFC will make the principal amount of each Advance available to IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, IESO shall execute and deliver to OEFC a grid promissory note (the "Note") in respect of Advances substantially in the form of Schedule 2. IESO authorizes OEFC to record on the grid promissory note (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal amount of the grid promissory note. Such notations, in the absence of manifest error, shall be prima facie evidence of the such advances and repayments; provided that the failure of OEFC to record any amount, rate or date shall not affect the obligation of IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement.

(3) In the event that funds are not received by IESO on the Advance Date, IESO and OEFC agree to take all steps necessary to amend the date of the Advance, without amending the Interest Rate that was agreed to with respect to such Advance.

(4) The Note shall at all times rank *pari passu* with all other unsubordinated Indebtedness of IESO, subject to the existence of any Permitted Liens of IESO.

(5) All amounts owing in respect of the Advances shall be paid without exercising any right or set off or counterclaim by IESO.

Section 3.3 Interest on Advances.

(1) IESO shall pay interest on the principal amount of each Advance then outstanding in accordance with this Section 3.3 from and including the date of such Advance until the principal amount of such Advance is repaid in full.

(2) Interest shall accrue on the principal amount of each Advance from and including the date of the Advance to but excluding the first Interest Payment Date following the date of the Advance, at the rate equal to the Interest Rate, and shall be payable on the Interest Payment Date for such Advance. The amount of interest payable on an Advance will be calculated by OEFC by dividing the Interest Rate applicable to the Advance by 365 or 366, as the case may be, and multiplying the result by the principal amount of the Advance then outstanding and further multiplying the result by the number of days in the period from the date of the Advance to the Interest Payment Date.

(i) If an Advance is outstanding on an Interest Payment Date, the interest rate applicable to such Advance shall be reset automatically by OEFC on that date (the "Interest Reset Date"), at the Interest Rate determined as of the Interest Reset Date.

(ii) For each Advance, OEFC shall notify IESO via email of the Interest Rate on the Advance Date and on each Interest Reset Date.

(3) Upon four Business Days prior notice by IESO, OEFC may at its discretion agree to capitalize the interest on any Advance on an Interest Payment Date, which shall be determined in the following manner: each such interest payment due on the Interest Payment Date shall be deemed to form part of the principal amount of the outstanding Advance and interest shall accrue and be payable thereon in accordance with Section 3.3(2). OEFC shall record on the grid forming part of the note: (a) the date and amount of the new Advance; (b) the applicable rate of interest for the Advance; and (c) the outstanding principal amount of the grid promissory note.

(4) Interest shall accrue on the principal amount of each Advance at the Interest Rate as determined from time to time, before as well as after the date such principal amount or interest thereon becomes due hereunder and both before and after default.

Section 3.4 Computations of Interest.

(1) All computations of interest shall be made by OEFC taking into account the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest is payable on the basis of a year of 365 days or 366 days, as the case may be.

(2) For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Agreement for any

period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

Section 3.5 Limit on Rate of Interest.

(1) Notwithstanding any provision contained in this Agreement, IESO shall not be obliged to make any payments of interest or other amounts payable to OEFC hereunder in excess of the amount or rate which would be prohibited by applicable law or would result in the receipt by OEFC of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada), as amended from time to time).

(2) In the event that any such payments are limited or prohibited as provided in Section 3.5(1), OEFC shall have no further obligation to make any Advances available hereunder and the Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, shall become immediately due and payable.

Section 3.6 Conditions Precedent

The obligation of OEFC to make the Advances pursuant to Section 2.1 is subject to the following conditions being met to OEFC's satisfaction at the time of making each Advance:

(a) that the representations and warranties of IESO contained in this Agreement are true and correct as at the date of making the Advance;

(b) that no Event of Default has occurred and is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default;

(c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO; and

(d) that OEFC has received such other documentation which it has reasonably requested to ensure that IESO is in compliance with the terms and conditions of this Agreement, including certified true copies of any necessary resolutions including resolutions authorizing the borrowing and authorized signatories.

ARTICLE 4

COVENANTS OF IESO

Section 4.1 Payment of Advances.

IESO will duly and punctually pay or cause to be paid all amounts owing under this Agreement in accordance with the terms and subject to the conditions of this Agreement.

Section 4.2 Use of Proceeds

The monies advanced under this Agreement shall be used only by IESO for the purposes set out in Section 2.3.

Section 4.3 IESO will Maintain its Corporate Existence.

Subject to Section 6.1, IESO will at all times maintain its corporate existence.

Section 4.4 Maintenance of Properties.

IESO will cause all property owned by IESO or any Material Subsidiary to be maintained and kept in good condition, repair and working order, all as in the judgment of IESO or any Material Subsidiary may be necessary for the proper operation of such property, except as and to the extent that IESO or any Material Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 4.4 shall prevent IESO or any Material Subsidiary from discontinuing the maintenance of any such property or decommissioning any such property if such discontinuance or decommissioning is, in the judgment of IESO or any Material Subsidiary, desirable in the conduct of its business or the business of any such Material Subsidiary, or has been directly or indirectly requested or required by the Province of Ontario.

Section 4.5 Insurance.

IESO will cause all property owned by IESO or any Material Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the nature and to the extent that such property is usually insured by companies operating similar businesses.

Section 4.6 Conduct of Business.

Subject to Section 4.3, IESO will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in a proper, efficient and business-like manner and in accordance with good business practice.

Section 4.7 Negative Pledge.

IESO will not, and will not permit any Material Subsidiary to, create, incur or assume any Lien, charging the interest of IESO or any Material Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, all amounts owing under this Agreement are secured equally and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) the creation, incurrence or assumption of any Purchase Money Mortgage;

(b) the grant of any Lien in the normal course of business to any banks or financial institutions for present or future indebtedness of IESO or any Material Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) any extension, renewal or replacement of any of the Liens referred to in Sections 4.7(a), (b) or (c), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased; and

(e) any Lien charging the interest of IESO or any Material Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 4.7(a), (b) or (c), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 4.6(e) which is outstanding at such time does not exceed 10% of Consolidated Assets at such time.

Section 4.8 Payment of OEFC Expenses.

IESO will, on demand, reimburse and indemnify OEFC for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OEFC in connection with the preservation of rights under or enforcement of this Agreement at

any time during the continuance of a Default or Event of Default. All such costs, charges and expenses shall bear interest at the Province's cost of funds plus 0.25 percent per annum (as determined by OEFC) calculated and payable monthly not in advance from in each case from the date on which OEFC incurs the cost, charge or expense until the date on which IESO reimbursement OEFC therefor. OEFC agrees, acting reasonably, to invoice IESO for any such costs, charges and expense as they are incurred, together with interest at the aforesaid rate (with interest on overdue interest).

Section 4.9 Reporting Requirements.

IESO covenants to provide to OEFC, or at its direction, to the Province of Ontario and the Ontario Financing Authority,

(a) any available information respecting its financial position which may be reasonably requested by OEFC, the Province of Ontario or the Ontario Financing Authority from time to time; and

(b) any additional reports or supporting documentation which may be reasonably requested by the OEFC, the Province of Ontario or the Ontario Financing Authority from time to time.

ARTICLE 5
EVENTS OF DEFAULT AND REMEDIES

Section 5.1 Event of Default.

Wherever used in this Agreement, the term **"Event of Default"** means any of the following:

(a) failure to pay any interest upon any Advance when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) failure to pay the principal amount of the Advances Outstanding, all interest accrued thereon and all other amounts owing under this Agreement on April 30, 2013;

(c) failure on the part of IESO to observe or perform its obligations set forth in Section 6.1;

(d) failure on the part of IESO to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 30 days after

the date on which written notice of such failure shall have been given to IESO by OEFC;

(e) any representation or warranty made by IESO in this Agreement or in any certificate or other document at any time delivered hereunder to OEFC was incorrect or misleading in any material respect;

(f) one or more breaches by IESO of its covenants under one or more evidences of indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $25 million, which breaches:

(i) constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist; or

(ii) have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived or rescinded);

(g) IESO, or any Material Subsidiary:

(i) becomes generally not able to pay its debts as they become due;

(ii) admits in writing its inability to pay its debts generally or makes a general assignment for the benefit of its creditors or files a proposal or other scheme of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) institutes or has instituted against it any proceeding seeking:

(A) to adjudicate it a bankrupt or insolvent;

(B) liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy / insolvency / reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors; or

(C) the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets;

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismisssed or unstayed for a period of 30 days, or any remedy sought in any such proceeding (including the entry of order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

(iv) takes any corporate action to authorize any of the actions in Sections 5.1(g)(i) to (iii); or

(h) if there shall be rendered against IESO or any Material Subsidiary a final judgment or judgments for the payment of money in an aggregate amount in excess of $5 million by a court or courts of competent jurisdiction, and IESO or any Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 5.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case OEFC may declare all amounts owing hereunder to be due and payable immediately, by a notice in writing to IESO, and upon any such declaration all such amounts shall become immediately due and payable.

Section 5.3 Suits for Enforcement by OEFC.

If an Event of Default occurs and is continuing, OEFC may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in OEFC by this Agreement or by law.

Section 5.4 OEFC May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of IESO under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property

of IESO, or if any other judicial proceedings relative to IESO, its creditors or its property are pending, OEFC shall be entitled and empowered, by intention in such proceeding or otherwise:

(a) to file and prove a claim for all amounts owing under this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of OEFC (including any claim for fees and disbursements of OEFC, its agents and counsel as contemplated under Section 4.7) allowed in such judicial proceeding; and

(b) to collect and receive any moneys or other property payable or deliverable on any such claim.

Section 5.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to OEFC is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.6 Delay or Omission not Waiver.

No delay or omission of OEFC to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right or remedy given by this Article 5 or by law to OEFC may be exercised from time to time, and as often as may be deemed expedient, by OEFC.

ARTICLE 6

CONSOLIDATION, AMALGAMATION, MERGER OF IESO

Section 6.1 Certain Requirements in Respect of Merger, etc.

IESO may not and may not cause any Material Subsidiary, in a single transaction or a series of related transactions, amalgamate or consolidate with or merge into any other Person, or permit any other Person to amalgamate or consolidate with or merge into IESO or the Material Subsidiary, or directly or indirectly transfer, sell, lease or otherwise dispose of all or substantially all of its property or assets (a "Disposition") to any Person without the written consent of OEFC.

Section 6.2 Successor Substituted.

Upon any consolidation, amalgamation, merger or Disposition described in, and complying with the provisions of, Section 6.1 in which IESO is not the continuing corporation, the successor Person shall succeed to all of the rights and obligations of IESO under this Agreement, and from time to time may exercise every right and power of IESO under this Agreement.

ARTICLE 7
REPRESENTATIONS AND WARRANTIES OF IESO

Section 7.1 Representations and Warranties of IESO.

IESO represents and warrants to OEFC that:

(a) the borrowing of money (including principal and accrued interest) by IESO and the execution, delivery and performance of this Agreement are within the powers and capacities of IESO and have been duly authorized by all necessary legal action and proper proceedings;

(b) the execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the compliance with the terms and conditions of this Agreement will not conflict with or result in a breach of any of the terms or provisions of the constituting documents or by-laws of IESO, laws of Ontario, including laws of Canada applicable therein, applicable to IESO or any contractual or other obligation binding on IESO; and

(c) this Agreement will, when executed and delivered, constitute the legal, valid and binding obligation of IESO enforceable against it in accordance with its terms.

Section 7.2 Continuation of Representation and Warranties.

The representations and warranties set out in Section 7.1 herein shall survive the execution and delivery of this Agreement, the making of each advance by OEFC, notwithstanding any investigations or examinations which may be made by counsel for OEFC.

ARTICLE 8

GENERAL

Section 8.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy or other means of electronic communication addressed:

If to IESO, to it at:
Independent Electricity System Operator
655 Bay Street, Suite 410
Toronto, ON M5G 2K4
Attention: Chief Financial Officer
Telephone:
Telecopier:

If to OEFC, to it at:

Ontario Electricity Financial Corporation
c/o Ontario Financing Authority
1 Dundas Street West
Suite 1400
Toronto, ON M7A IY7

Attention: Executive Director - Capital Markets Division
Telephone: (416) 325-8930
Telecopier: (416) 325-8111

provided that any Borrowing Notice shall be addressed as indicated on Schedule 1.

Any communication hereunder shall be deemed to have been validly and effectively given if (a) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p. m (Toronto time), otherwise on the next Business Day, (b) transmitted by telecopier other means of electronic communication, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice given in accordance with this Section 8.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 8.1.

Section 8.2 Successors and Assigns.

This Agreement shall be binding on and enure to the benefit of OEFC and IESO and their respective successors and permitted assigns, except that IESO shall not, without the prior written consent of OEFC assign, pledge or hypothecate any rights or obligations with respect to this Agreement.

Section 8.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of OEFC and IESO.

Section 8.4 Waiver.

(1) No waiver of any provisions of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) or this Agreement nor shall such waiver be binding unless executed in writing by the party to be bound by the waiver.

(2) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude another or further exercise of such right or the exercise of any other right.

Section 8.5 Further Assurances.

Each of IESO and OEFC shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement.

Section 8.6 Severability.

In case any provision in this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement shall not in any way be affected or impaired thereby.

Section 8.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 8.8 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF the parties have executed this Agreement as of the 23rd day of April, 2010.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Ted Leonard
Vice President, Finance and Chief Financial Officer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: ~~Michael D. Manning~~ DAVID PETERS
Title: ~~Chief Operating Officer~~ DIRECTOR, DEBT MANAGEMENT
CAPITAL MARKETS DIVISION
ONTARIO FINANCING AUTHORITY

SCHEDULE 1

FORM OF BORROWING NOTICE

Date:

Ontario Electricity Financial Corporation **("OEFC")**
c/o Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A1Y7

Attention: Cash Management
(Fax No. (416-204-7920)

Dear Sirs:

The undersigned, Independent Electricity System Operator ("IESO"), refer to the Revolving Credit Facility Agreement dated •, 2010 (as amended, supplemented or restated from time to time, the **"Agreement"**, the terms defined therein being used herein as therein defined) between IESO and OEFC, and gives you notice pursuant to Section 3.2 of the Agreement that IESO requests an Advance under the Agreement, and, in that connection, sets forth below the information relating to such Advance (the **"Proposed Advance"**) as required by Section 3.2 of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is •;
(b) The aggregate amount of the Proposed Advance is •;

IESO hereby certifies that:

The representations and warranties of IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received previously as Advances under the Agreement have been expended or are being held solely for the purpose for which they were advanced; no part of said funds has been nor any part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Authorized Signature

Per: _____
Authorized Signature

*To be confirmed by telephone call to OEFC Cash Management (416) 325-8108

SCHEDULE 2

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $60,000,000 Date: •

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("**IESO**"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid (**"Grid"**) attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement (as defined below).

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before April 30, 2013.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Revolving Credit Facility Agreement dated as of April 30, 2010 between IESO and OEFC (the "**Agreement**"). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Credit Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment, demand, protest, notice of dishonest and notice of

non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Authorized Signature

Per: _____
Authorized Signature

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID
(Revolving Credit Facility April 30, 2010)

DATE	PRINCIPAL ADVANCED	INTEREST RATE	INTEREST RESET DATE	INTEREST RESET RATE	PRINCIPAL PAYMENT DATE AND AMOUNT	INTEREST PAYMENT DATE AND AMOUNT	UNPAID PRINCIPAL BALANCE	NOTATION MADE BY

AMENDING AGREEMENT NO. 6

This Amending Agreement is effective as of the 30 day of April, 2017.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011, Amending Agreement No. 3 dated April 30, 2013, Amending Agreement No. 4 dated April 30, 2014 and Amending Agreement No. 5 dated December 19, 2014 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $95 million.

AND WHEREAS IESO and OEFC wish to amend the Agreement to increase the revolving line of credit from a principal amount of CDN $95 million to a principal amount of up to CDN $160 million to provide funding for IESO Corporate Requirements (as defined herein);

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for an extension of the mandatory repayment date established in the Agreement to June 30, 2020;

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for the ability for Advances to be made on any business day up to a maximum of 12 times per year;

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. Section 1.1 Definitions of the Agreement is amended as follows:

   i) The definition of "Amalgamation" is deleted.

   ii) The definition of "Commitment" is deleted and replaced with:

   "Commitment" means, at any time, an amount equal to the principal amount of One Hundred and Sixty Million Dollars.

   iii) A definition of "IESO Corporate Requirements" is added as follows:

   "IESO Corporate Requirements" means any borrowing purposes authorized by O. Reg. 280/14 made under the *Electricity Act, 1998* (as such regulation may be amended or

replaced from time to time), other than for funding liquidity requirements relating to the settlement of the Ontario wholesale electricity markets.

iv) A definition of "Ontario's Fair Hydro Plan" is added as follows:

"Ontario's Fair Hydro Plan" means the plan announced March 2, 2017 by the Government of Ontario to affect the Ontario Energy Board's setting of electricity prices for certain Ontario consumers of electricity, which plan is referred to in the Ontario Energy Board's report dated April 20, 2017 and titled "Regulated Price Plan Price Report – May 1, 2017 to April 30, 2018", and including all relevant developments in or changes to such plan from time to time.

v) The definition of "New IESO" is deleted.

vi) The definition of "Note" is deleted and replaced with:

"Note" means the $160 Million Note issued pursuant to Section 2 of Amending Agreement No. 6 dated as of the 30th day of April, 2017.

vii) The definition of "OPA" is deleted.

viii) The definition of "Pre-Amalgamation IESO" is deleted.

2. IESO shall execute and deliver to OEFC a grid promissory note in the form attached as Schedule I hereto which shall be in an aggregate principal amount of up to One Hundred and Sixty Million Dollars (the "$160 Million Note") dated April 30, 2017 and on which shall be recorded the Advances Outstanding under the grid promissory note delivered pursuant to Amending Agreement No. 4. Upon receipt by OEFC of the $160 Million Note dated April 30, 2017, the $95 Million Note dated April 30, 2014 shall be of no further force and effect and shall be returned to the IESO marked "cancelled".

3. Section 2.3 of the Agreement is deleted and replaced by the following:

Section 2.3 Use of Proceeds

IESO shall use the proceeds of Advances for the funding of IESO Corporate Requirements.

4. Section 2.4 of the Agreement is deleted and replaced by the following:

Section 2.4 Mandatory Repayment.

Subject to Sections 3.5 and 5.2 of this Agreement, IESO shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, in full on or before June 30, 2020.

5. Section 3.1 of the Agreement is deleted and replaced by the following:

Section 3.1 Advances.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO under the Credit Facility on any Business Day in a month up to twelve (12) times per annum from and including May 1, 2017 to and including May 29, 2020

6. Paragraph 3.6(c) of the Agreement is deleted and replaced by the following:
   (c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO, provided however that any adverse change in IESO's financial condition related to or resulting from the discharge by IESO of its responsibilities under Ontario's Fair Hydro Plan shall be deemed not to be a material adverse change for the purposes of this Section; and

7. The Form of Borrowing Notice is deleted and replaced with the Form of Borrowing Notice attached hereto as Schedule 1.

8. This Amending Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

SCHEDULE 1

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $160,000,000 Date: 30 April, 2017

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("**IESO**"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid **("Grid")** attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No. 1 dated July 21, 2010, by Amending Agreement No. 2 dated October 14, 2011, by Amending Agreement No. 3 dated April 30, 2013, by Amending Agreement No. 4 dated April 30, 2014, by Amending Agreement No. 5 dated December 19, 2014, and by Amending Agreement No. 6 dated April 30, 2017 (collectively the "Agreement").

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before June 30, 2020.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance or part of an Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be p*rima facie* evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Agreement. All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment, demand, protest, notice of dishonour and notice

of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

(Revolving Credit Facility April 30, 2017)

DATE	PRINCIPAL ADVANCED	RATE	REPAYMENT DATE	INTEREST AMOUNT	AMOUNT OF PAYMENT		UNPAID BALANCE			NOTATION MADE BY
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	REFINANCED (AMOUNT & DATE)	

INDEPENDENT ELECTRICITY MARKET OPERATOR

as Issuer

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION

as Holder

AGREEMENT
PROVIDING FOR ISSUANCE OF A NOTE

April 1, 1999

TABLE OF CONTENTS

ARTICLE 1
DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1	Definitions	1
Section 1.2	Effect of Headings and Table of Contents	8
Section 1.3	Singular, Plural, Gender, Certain Phrases, etc	8
Section 1.4	Accounting	8
Section 1.5	Non-Business Days	8

ARTICLE 2
THE NOTE

Section 2.1	Issue of Note	8
Section 2.2	Terms of the Note	8
Section 2.3	Interest	9
Section 2.4	Prepayment	9
Section 2.5	Public Debt Covenants	10
Section 2.6	Payment	11

ARTICLE 3
COVENANTS OF THE COMPANY

Section 3.1	Payment of the Note	11
Section 3.2	Company will Maintain its Corporate Existence	11
Section 3.3	Maintenance of Properties	11
Section 3.4	Insurance	12
Section 3.5	Conduct of Business	12
Section 3.6	Financial Statements	12
Section 3.7	Other Indebtedness	12
Section 3.8	Negative Pledge	12
Section 3.9	Payment of OEFC's Expenses	13

ARTICLE 4
EVENTS OF DEFAULT AND REMEDIES

Section 4.1	Event of Default	14
Section 4.2	Acceleration of Maturity; Rescission and Annulment	15
Section 4.3	Suits for Enforcement by OEFC	16
Section 4.4	OEFC May File Proof of Claim	16
Section 4.5	Rights and Remedies Cumulative	16
Section 4.6	Delay or Omission not Waiver	16

ARTICLE 5
CONSOLIDATION, AMALGAMATION, MERGER OF COMPANY

Section 5.1 Certain Requirements in Respect of Merger, etc. 17
Section 5.2 Successor Substituted. 18

ARTICLE 6
GENERAL

Section 6.1 Notices. 18
Section 6.2 Successors and Assigns. 19
Section 6.3 Amendments. 19
Section 6.4 Waiver. 19
Section 6.5 Further Assurances. 19
Section 6.6 Severability. 19
Section 6.7 Governing Law. 20
Section 6.8 Counterparts. 20

Schedule 2.2(1) – Form of Note

THIS AGREEMENT is made on the 1st day of April, 1999 between:

A. **INDEPENDENT ELECTRICITY MARKET OPERATOR** (the "**Company**")

B. **ONTARIO ELECTRICITY FINANCIAL CORPORATION** ("**OEFC**").

RECITALS:

1. Pursuant to section 116 of the *Electricity Act, 1998*, the Lieutenant Governor in Council has made an order (the "**Transfer Order**") transferring certain officers, employees, assets, liabilities, rights and obligations of Ontario Hydro to the Company;

2. Pursuant to the Transfer Order, the Company is required to issue certain debt securities to Ontario Hydro as partial payment for such assets and rights; and

3. On April 1, 1999, Ontario Hydro is continued as OEFC.

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the parties agree as follows:

ARTICLE 1
DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"**Agreement**", "**herein**", "**hereby**", "**hereof**", "**hereunder**" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression "**Article**" or "**Section**" followed by a number means the specified Article or Section of this Agreement.

"**Business Day**" means any day other than a Saturday, Sunday or a statutory or civic holiday in Toronto, Ontario.

"**Canadian Dollars**" or "**$**" means lawful currency of Canada.

"**Canadian Prime Rate**" means, at any time, the greater of (i) the average of the rates of interest per annum equal to the per annum rate of interest quoted, published and commonly known as the "prime rate" of each of the Reference

Lenders which each of the Reference Lenders establishes at its main office in Toronto, Ontario as the reference rate of interest in order to determine interest rates for loans in Canadian Dollars to its borrowers in Canada, adjusted automatically with each quoted or published change in such rate, and (ii) the sum of (y) the average of the rates per annum for Canadian Dollar bankers' acceptances having a term of one month that appears on the Reuters CDOR Page as of 10:00 a.m. (Toronto time) on the date of determination, as reported by OEFC (and if such screen is not available, any successor or similar service as may be selected by OEFC), and (z) 0.50%.

"**Capital Stock**" of any Person means any and all shares, or interests, participations or other equivalents (however designated) of shares, in the capital of such Person.

"**Company**" means the Independent Electricity Market Operator, a corporation existing under the laws of the Province of Ontario, until a successor corporation shall have succeeded to all of the rights and obligations of the Independent Electricity Market Operator pursuant to Section 5.1 and thereafter "**Company**" shall mean such successor corporation (or any successor thereto which shall have become such pursuant to Section 5.1).

"**Consolidated Assets**" means, at any time, the book value of the assets of the Company and the Subsidiaries, determined as of such time on a consolidated basis in accordance with generally accepted accounting principles.

"**default**" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"**disposition**" has the meaning specified in Section 5.1.

"**Event of Default**" has the meaning specified in Section 4.1.

"**Indebtedness**" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) Every obligation of such Person for borrowed money;

(b) Every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments, including obligations for borrowed money incurred in connection with the acquisition of property, assets or businesses;

(c) Every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) Every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) Every capital lease obligation of such Person;

(f) The Swap Termination Value of each Swap Contract of such Person; and

(g) Every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"**Lien**" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"**Material Subsidiary**" means, at any time, a Subsidiary which has consolidated assets with a book value of more than $25 million determined as of such time in accordance with generally accepted accounting principles.

"**Note**" means the note of the Company issued under this Agreement.

"**Ontario Yield Price**" means, with respect to the Note or part thereof to be prepaid pursuant to Section 2.4, a price equal to the price of the Note or part thereof to be so prepaid calculated to provide a yield to maturity, compounded semi-annually and calculated in accordance with generally accepted financial practice, equal to the Province of Ontario Yield on the Business Day preceding the date on which such prepayment is to be made by the Company to OEFC in accordance with Section 2.4.

"**Permitted Liens**" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) Any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) Any obligations or duties, affecting the property of the Company or a Subsidiary, to any municipality or governmental, statutory or public

authority, with respect to any franchise, grant, licence or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by the Company or such Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by the Company or such Subsidiary;

(d) Any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) The right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) Any undetermined or inchoate Liens and charges incidental to the current operations of the Company or a Subsidiary that have not at the time been filed against the Company or such Subsidiary; provided, however, that if any such Lien or charge shall have been filed, the Company or such Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) Any Lien the validity of which is being contested at the time by the Company or a Subsidiary in good faith and the enforcement of which has been stayed;

(h) Any easements, rights-of-way and servitudes that in the opinion of the Company will not in the aggregate materially and adversely impair the use or value of the land concerned for the purpose for which it is held by the Company or a Subsidiary;

(i) Any Liens and privileges arising out of judgments or awards with respect to which the Company or a Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall

have secured a stay of execution pending such appeal or proceedings for review;

(j) pledges of cash or cash equivalents to secure the Company's or a Subsidiary's liabilities from time to time under Permitted Swap Contracts; and

(k) Any other Liens of a nature similar to the foregoing which do not in the opinion of the Company, acting reasonably, materially impair the use of the property subject thereto or the operation of the business of the Company or any Subsidiary or the value of such property for the purpose of any such business.

"**Permitted Swap Contract**" means a Swap Contract to which the Company or a Subsidiary is a party, provided that:

(a) The Company or such Subsidiary enters into such Swap Contract in the ordinary course of business for the purpose of directly mitigating risks associated with fluctuations in interest rates or currency exchange rates with respect to Indebtedness of the Company or such Subsidiary and not for the purposes of speculation or taking a "market view";

(b) The notional amount of such Swap Contract does not exceed the payments due with respect to the Indebtedness being hedged thereby;

(c) Such Swap Contract does not contain any "walk-away" provision exonerating the non-defaulting party from its obligation to make payments on any outstanding transaction to the defaulting party; and

(d) Such Swap Contract is in a form approved by the International Swaps & Derivatives Association, Inc. at the time such Swap Contract is entered into or in such other form as shall be customary at such time for the documentation, in accordance with good market practise by regulated financial institutions carrying on business in Canada, of obligations similar to the obligations documented in such Swap Contract.

"**Person**" means any individual, corporation, partnership, joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"**Province of Ontario Yield**" means, with respect to the Note or part thereof to be prepaid pursuant to Section 2.4, the average of the quotations obtained by the Company from two major Canadian investment dealers selected by OEFC, as to the yield to maturity on the Business Day preceding the date on

which such prepayment is to be made by the Company to OEFC in accordance with Section 2.4, compounded semi-annually and calculated in accordance with generally accepted financial practice, which a non-callable Government of Ontario bond would carry if issued in Canadian Dollars in Canada at 100% of its principal amount on such date with a term to maturity approximately equal to the remaining term to maturity, calculated as at the applicable prepayment date, of the Note.

"**Purchase Money Mortgage**" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or part of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"**Reference Lenders**" means, collectively, any two major financial institutions in Canada who, in the ordinary course of business, provide loans in Canadian Dollars to borrowers in Canada, as selected from time to time by OEFC and, in the singular, any one of them.

"**Reuters CDOR Page**" means the display page so designated on the Reuters Monitor Money Rates Service (or such other page as may replace that page on that service for the purpose of displaying rates for Canadian Dollar bankers' acceptances).

"**Senior Debt**" means all Indebtedness of the Company, including the Note, which is not subordinated in right of payment to any other Indebtedness of the Company.

"**Stated Maturity**" when used with respect to any Indebtedness or any instalment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such instalment of interest is due and payable.

"**Subsidiary**" means:

(a) A corporation more than 50% of the voting power of the outstanding Voting Shares of which is owned, directly or indirectly, by the Company or by one or more other Subsidiaries or by the Company and one or more other Subsidiaries, or

(b) Any Person (other than a corporation) in which the Company, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

"Successor Person" has the meaning specified in Section 5.1.

"Swap Contract" means any agreement, whether or not in writing, relating to any transaction that is a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction, currency swap, cross-currency rate swap, swaption, currency option or any other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.

"Swap Termination Value" means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap Contracts:

(a) For any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and

(b) For any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.

"U.S. Dollars" means lawful currency of the United States of America.

"Voting Shares" of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings and Table of Contents.

The division of this Agreement into Articles and Sections, the insertion of headings and the provision of a Table of Contents are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and *vice versa* and words importing gender may include any gender. In this Agreement and the Note, (i) the words **"including"** and **"includes"** mean **"including (or includes) without limitation"**, and (ii) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word **"from"** means **"from and including"** and the words **"to"** and **"until"** each mean **"to but excluding"**.

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with generally accepted accounting principles. Generally accepted accounting principles refer to accounting principles generally accepted in Canada as recommended in the Handbook of the Canadian Institute of Chartered Accountants at the relevant time applied on a consistent basis.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the next succeeding Business Day.

ARTICLE 2
THE NOTE

Section 2.1 Issue of Note.

In consideration of the transfer of certain officers, employees, assets and rights of OEFC to the Company pursuant to the Transfer Order and as partial payment for such assets and rights, the Company issues and delivers the Note to OEFC.

Section 2.2 Terms of the Note.

(1) The Note shall be in substantially the form set out in Schedule 2.2(1), shall be in the aggregate principal amount of $70.3 million, shall be dated as of the

date of this Agreement, shall mature on May 1, 2009, and shall bear interest at the rate of 7.90% per annum (after as well as before default or judgment, with interest on the amounts in default at the same rate).

(2) The Note shall at all times rank pari passu with all other Senior Debt, except Senior Debt that is statutorily preferred and Senior Debt that is secured by a Lien referred to in Sections 3.8(a) to 3.8(f), inclusive.

(3) Interest shall be payable on the Note in accordance with Section 2.3.

(4) The Company may prepay all or part of the Note in accordance with Section 2.4.

(5) All amounts owing in respect of the Note shall be paid without exercising any right of set off or counterclaim by the Company irrespective of whether or not, at the time any such amount is due and payable, amounts are due and payable by OEFC to the Company.

Section 2.3 Interest.

Interest on the Note at the rate specified in Section 2.2(1) shall accrue daily, and shall be payable in equal semi-annual instalments on May 1 and November 1 in each year, the first such payment for the Note to be made for the period from the date of this Agreement to May 1, 1999 and, whenever it is necessary to compute interest in respect of the Note for a period of less than one full year, other than such equal semi-annual instalments, such interest shall be calculated on the basis of the actual number of days elapsed in a year of 365 days or 366 days, as the case may be.

Section 2.4 Prepayment.

(1) If the Company has, upon the number of days notice to OEFC determined in accordance with Section 2.4(2), delivered a notice to OEFC stating the proposed date and the Note or part thereof that the Company wishes to prepay, on such date the Company shall pay to OEFC the greater of:

(a) The principal amount of the Note or part thereof that is to be prepaid, as the case may be; and

(b) The Ontario Yield Price for the Note or such part;

together in each case with all interest accrued on the Note or such part to such date or, if the Company and OEFC agree, such amount as they agree upon.

(2) The Company may, at any time and from time to time, prepay all or part of the Note upon giving OEFC not less than 30 days' prior written notice of such prepayment.

Section 2.5 Public Debt Covenants.

(1) If the Company issues notes, bonds, debentures or other evidences of Senior Debt to the public with a term to maturity of at least 5 years and in an aggregate principal amount of at least 100 million in Canadian Dollars or at least 100 million in U.S. Dollars pursuant to a trust indenture, the Company shall, within 3 Business Days of the first such issuance, give OEFC notice of such issuance and a copy of such trust indenture. Effective upon such issuance, the representations and warranties, the positive and negative covenants of the Company (including any financial covenants but excluding covenants relating to interest rates, interest payment dates, maturity dates of principal, prepayments and manner and place of payments) and the events of default applicable to such Senior Debt as specified in such trust indenture shall automatically become applicable to the Note in lieu of the representations and warranties, covenants or Events of Default, as the case may be, included herein as if the same had been originally included in this Agreement when executed and delivered and this Agreement shall be deemed to be amended as of the date such Senior Debt is issued to the extent necessary to incorporate such representations and warranties, covenants and events of default into this Agreement. The Company, at the request of OEFC, shall promptly execute and deliver an agreement which sets out the terms and provisions of this Agreement, as so amended.

(2) If, at any time or from time to time, the representations or warranties, the positive or negative covenants (including any financial covenants but excluding covenants relating to interest rates, interest payment dates, maturity dates of principal, prepayments and manner and place of payments) or the events of default applicable to the Senior Debt referred to in Section 2.5(1) are amended, modified or restated, the Company shall, within 3 Business Days of such amendment, modification or restatement, give OEFC notice thereof and a copy of the agreement amending or modifying the trust indenture referred to in Section 2.5(1) or a copy of the restatement of such trust indenture, as the case may be. OEFC may, upon notice to the Company given at any time within 90 days of receipt by OEFC of a copy of such agreement or such restatement, elect to have such amendment, modification or restatement apply to the Note and this Agreement (as amended pursuant to Section 2.5(1)). If OEFC so elects, such amendment, modification or restatement shall become applicable to the Note and this Agreement (as so amended) as of the date of such election, as if such amendment, modification or restatement amended, modified or restated this Agreement (as so amended) as of such date and this Agreement shall be deemed to be amended, modified or restated as of such date to the extent necessary to incorporate such representations and warranties, positive and negative covenants (including any financial covenants but excluding covenants

relating to interest rates, interest payment dates, maturity dates of principal, prepayments and manner and place of payments) and events of default. The Company, at the request of OEFC, shall promptly execute and deliver an agreement which sets out the terms of this Agreement, as amended pursuant to Section 2.5(1) and as further amended, modified or restated pursuant to this Section 2.5(2).

Section 2.6 Payment.

All amounts required to be paid by the Company to OEFC pursuant to this Agreement shall be paid to or to the order of OEFC by electronic wire transfer of immediately available funds in accordance with transfer instructions given by OEFC to the Company from time to time, or in any such other manner as OEFC may specify to the Company from time to time.

ARTICLE 3
COVENANTS OF THE COMPANY

Section 3.1 Payment of the Note.

The Company will duly and punctually pay or cause to be paid all amounts owing in respect of the Note or under this Agreement in accordance with the terms and subject to the conditions of the Note and this Agreement.

Section 3.2 Company will Maintain its Corporate Existence.

Subject to Section 5.1, the Company will at all times maintain its corporate existence.

Section 3.3 Maintenance of Properties.

The Company will cause all property owned by the Company or any Subsidiary to be maintained and kept in good condition, repair and working order, all as in the judgment of the Company or any Subsidiary may be necessary for the proper operation of such property, except as and to the extent that the Company or any Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 3.3 shall prevent the Company or any Subsidiary from discontinuing the maintenance of any such property if such discontinuance is, in the judgment of the Company or any Subsidiary, desirable in the conduct of its business or the business of any such Subsidiary.

Section 3.4 Insurance.

The Company will cause all property owned by the Company or any Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the nature and to the extent that such property is usually insured by companies operating similar businesses.

Section 3.5 Conduct of Business.

The Company will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in a proper, efficient and business-like manner and in accordance with good business practice.

Section 3.6 Financial Statements.

The Company will furnish to OEFC:

(a) Within 140 days after the end of each fiscal year, beginning with the fiscal year ended December 31, 1999, audited financial statements of the Company consisting of a consolidated balance sheet of the Company at the end of each such fiscal year and related consolidated statements of income and retained earnings and, commencing with the financial statements relating to the fiscal year of the Company commencing January 1, 2000, changes in financial position for each such fiscal year prepared in accordance with generally accepted accounting principles; and

(b) Within 60 days after the end of each of the first three fiscal quarters of each fiscal year of the Company, unaudited interim consolidated financial statements of the Company for the interim period so ended prepared in accordance with generally accepted accounting principles.

Section 3.7 Other Indebtedness.

The Company covenants that if it shall cause any payment of principal, premium or interest on any of its Indebtedness to be subordinated or postponed to the prior payment of any other Indebtedness it shall in like manner subordinate or postpone such payment to the prior payment of the Note.

Section 3.8 Negative Pledge.

The Company will not, and will not permit any Subsidiary to, create, incur or assume any Lien, charging the interest of the Company or any Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, the Note is secured equally

and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) The creation, incurrence or assumption of any Purchase Money Mortgage;

(b) The grant of any Lien in the normal course of business to any banks or financial institutions for present or future Indebtedness of the Company or any Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) Liens granted by a Subsidiary to the Company;

(e) Any extension, renewal or replacement of any of the Liens referred to in Sections 3.8(a) to (d), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased.; and

(f) Any Lien charging the interest of the Company or any Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 3.8(a) to (d), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 3.8(f) which is outstanding at such time does not exceed 25% of Consolidated Assets at such time.

Section 3.9 Payment of OEFC's Expenses

The Company will, on demand, reimburse OEFC for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OEFC in connection with the preservation of rights under or enforcement of this Agreement at any time during the continuance of a default or Event of Default. All such costs, charges and expenses shall bear interest at the Canadian Prime Rate, payable monthly in arrears from the third Business Day after demand for reimbursement thereof is made by OEFC.

ARTICLE 4
EVENTS OF DEFAULT AND REMEDIES

Section 4.1 Event of Default.

"**Event of Default**", wherever used herein, means any one of the following events:

(a) Failure to pay any interest upon the Note when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) Failure to pay the principal of the Note at its Stated Maturity;

(c) Failure on the part of the Company to observe or perform its obligations set forth in Section 5.1;

(d) Failure on the part of the Company to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 30 days after the date on which written notice of such failure shall have been given to the Company by OEFC;

(e) One or more breaches by the Company or any Subsidiary of its covenants under one or more evidences of Indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $25 million, which breaches:

(i) Constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist, or

(ii) Have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived or rescinded);

(f) The Company or any Material Subsidiary:

(i) Becomes generally not able to pay its debts as they become due;

(ii) Admits in writing its inability to pay its debts generally or makes a general assignment for the benefit of its creditors or files a proposal or other scheme of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) Institutes or has instituted against it any proceeding seeking:

(A) To adjudicate it a bankrupt or insolvent,

(B) Liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors, or

(C) The entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets,

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismissed or unstayed for a period of 30 days, or any of the actions sought in such proceeding (including the entry of an order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

(iv) Takes any corporate action to authorize any of the actions in Sections 4.1(f)(i), (ii) or (iii); or

(g) If there shall be rendered against the Company or any Material Subsidiary a final judgment or judgments for the payment of money in an aggregate amount in excess of $25 million by a court or courts of competent jurisdiction, and the Company or such Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 4.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case OEFC may declare all amounts owing on the Note and all other amounts owing hereunder to be due and payable immediately, by a notice in writing to the Company, and upon any such declaration all such amounts shall become immediately due and payable.

Section 4.3 Suits for Enforcement by OEFC.

If an Event of Default occurs and is continuing, OEFC may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in OEFC by this Agreement or by law.

Section 4.4 OEFC May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of the Company under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property of the Company, or if any other judicial proceedings relative to the Company, its creditors or its property are pending, OEFC (irrespective of whether the principal amount of the Note shall then be due and payable as therein expressed or by declaration or otherwise and irrespective of whether OEFC shall have made any demand on the Company for the payment of any overdue principal or interest) shall be entitled and empowered, by intervention in such proceeding or otherwise:

(a) To file and prove a claim for all amounts owing on the Note or under this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of OEFC (including any claim for fees and disbursements of OEFC, its agents and counsel) allowed in such judicial proceeding; and

(b) To collect and receive any moneys or other property payable or deliverable on any such claim.

Section 4.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to OEFC is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 4.6 Delay or Omission not Waiver.

No delay or omission of OEFC to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right and remedy given

by this Article 4 or by law to OEFC may be exercised from time to time, and as often as may be deemed expedient, by OEFC.

ARTICLE 5
CONSOLIDATION, AMALGAMATION, MERGER OF COMPANY

Section 5.1 Certain Requirements in Respect of Merger, etc.

The Company may not, in a single transaction or a series of related transactions, amalgamate or consolidate with or merge into any other Person, or permit any other Person to amalgamate or consolidate with or merge into the Company, or directly or indirectly transfer, sell, lease or otherwise dispose of all or substantially all of its property or assets (a "**disposition**") to any Person, but may do so if:

(a) The Company shall be the surviving Person, or the Person (if other than the Company) formed by such amalgamation, consolidation or into which the Company is merged or that acquires by disposition all or substantially all of the properties or assets of the Company shall be a corporation, partnership or trust organized and validly existing under the federal laws of Canada or any province or territory thereof and shall expressly assume, by an agreement executed and delivered to OEFC in form satisfactory to OEFC, all of the Company's obligations under this Agreement and the Note and, in the case of an entity organized other than under the laws of the Province of Ontario, shall attorn to the jurisdiction of the courts of the Province of Ontario (the Company or such other Person who becomes such a successor obligor under this Agreement being herein referred to as the "**Successor Person**");

(b) Immediately before and after giving effect to such transaction, no default or Event of Default shall have occurred and be continuing; and

(c) The Successor Person shall have delivered to OEFC a certificate of the Successor Person and an opinion of counsel, each stating that such amalgamation, consolidation, merger or disposition by the Company, and, if an agreement is required to be entered into by the Successor Person in connection with such transaction pursuant to Section 5.1(a), such agreement, comply with Section 5.1(a) and the certificate of the Successor Person shall also state that all conditions precedent in this Section 5.1 relating to such transaction have been satisfied.

Section 5.2 Successor Substituted.

Upon any consolidation, amalgamation, merger or disposition described in, and complying with the provisions of, Section 5.1 in which the Company is not the continuing corporation, the Successor Person shall succeed to all of the rights and obligations of the Company under this Agreement and the Note, and from time to time may exercise every right and power of the Company under this Agreement and the Note.

ARTICLE 6
GENERAL

Section 6.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy addressed:

If to the Company, to it at:

Independent Electricity Market Operator
P.O. Box 1
Suite 410
655 Bay Street
Toronto, Ontario
M5G 2K4

Attention: Douglas Thomas, CA, Treasurer
Telephone: (416) 506-2818
Telecopier: (416) 506-2843

If to OEFC, to it at:

Ontario Electricity Financial Corporation
c/o Ontario Financing Authority
1 Dundas Street West
Suite 1400
Toronto, Ontario
M3A 1Y7

Attention: Executive Director - Capital Markets Division
Telephone: (416) 325-8128
Telecopier: (416) 325-8005

Any such communication shall be deemed to have been validly and effectively given if (i) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p.m. (Toronto time), otherwise on the next Business Day, (ii) transmitted by telecopier, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice given in accordance with this Section 6.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 6.1.

Section 6.2 Successors and Assigns.

Subject to Section 5.1, the Company cannot assign or transfer this Agreement or the Note or any of its rights or obligations under this Agreement or the Note without the prior written consent of OEFC. OEFC cannot assign or transfer this Agreement or the Note or any of its rights or obligations under this Agreement or the Note without the prior written consent of the Company.

Section 6.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of OEFC and the Company.

Section 6.4 Waiver.

(3) No waiver of any provision of the Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) of this Agreement nor shall such waiver be binding unless executed in writing by the party to be bound by the waiver.

(4) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude any other or further exercise of such right or the exercise of any other right.

Section 6.5 Further Assurances.

Each of the Company and OEFC shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement.

Section 6.6 Severability.

In case any provision in this Agreement or in the Note shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement or in the Note shall not in any way be affected or impaired thereby.

Section 6.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 6.8 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF the parties have executed this Agreement.

INDEPENDENT ELECTRICITY MARKET OPERATOR

By: Douglas J. Thomas

By: _____

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By: _____

By: _____

AMENDING AGREEMENT NO. 6

This Amending Agreement is made as of the 30th day of April, 2017

between:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR
("IESO")

- and -

ONTARIO ELECTRICITY FINANCIAL CORPORATION
("OEFC")

WHEREAS IESO and OEFC have entered into an agreement Providing for the Issuance of a Note dated April 1, 1999 (the "Original Agreement");

AND WHEREAS pursuant to amending agreements dated March 23, 2000, April 23, 2009, May 1, 2011, May 1, 2013, and April 30, 2014 the parties amended the Original Agreement (as so amended, the "Agreement");

AND WHEREAS the parties wish to further amend the Agreement to increase the loan advanced to IESO from a principal amount of C$90 million to a principal amount of up to C$120 million and to extend the maturity date of the loan to June 30, 2020, all of which is to be evidenced through the the issuance of a Fifth Refinancing Note.

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and sufficiency of which are hereby acknowledged by each party), the parties agree as follows:

1. **Defined Terms**

Capitalized terms used in this Amending Agreement and not otherwise defined herein have the meanings specified in the Agreement.

2. **Amendments to Agreement**

(a) Definition of "Loan" in the Agreement is deleted.

(b) Article 1a (The Loan) of the Agreement is deleted in its entirety and replaced with the following:

Article 1a $30 Million Advance

Section 1a.1

Effective April 30, 2017, OEFC will make an advance to IESO in the amount of $30 million (the "$30 Million Advance"). IESO directs OEFC to apply, and OEFC agrees to apply, the $30 Million Advance, first to repay Advances Outstanding (as such term is defined in the Revolving Credit Facility Agreement), if any, under the Revolving Credit Facility Agreement, with any amount remaining out of the $30 Million Advance after repaying all Advances Outstanding to be used by IESO for the purpose of funding new IESO capital expenditures.

(c) The following sections are added to the Agreement following Section 2.15:

" Section 2.16 Fifth Refinancing Note

On April 30, 2017, IESO shall execute and deliver to OEFC a promissory note in the form attached as Schedule 1 (the "Fifth Refinancing Note") which shall be in an aggregate principal amount equal to $120 million, dated as of April 30, 2017 and maturing on June 30, 2020 and bearing interest at a per annum rate equal to the Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020, as determined by the Chief Executive Officer of OEFC or the Chief Operating Officer of OEFC, or by a person designated by either of them, plus fifty basis points (0.50%) (after as well as before default or judgment, with interest on the amounts in default at the same rate). Upon receipt of the Fifth Refinancing Note by OEFC, the Fourth Refinancing Note dated April 30, 2014 shall be of no further force or effect and shall be returned by OEFC to IESO marked "cancelled".

For greater clarity, the Fifth Refinancing Note shall evidence the indebtedness of IESO to OEFC in respect of the principal amount of $90 million under the Fourth Refinancing Note ("Part A") and the additional $30 Million Advance ("Part B"), for a total aggregate principal amount of $120 million.

Notwithstanding Section 1.5 herein, the interest rate on the Fifth Refinancing Note shall be set on Monday, May 1, 2017, with interest accruing on Part A commencing on Sunday, April 30, 2017, and interest accruing on Part B commencing on Monday, May 1, 2017.

Section 2.17 Interest on Fifth Refinancing Note

Notwithstanding Section 1.5 herein, interest on the Fifth Refinancing Note at the rate specified in Section 2.16 shall accrue daily and shall be payable in equal semi-annual instalments on June 30 and December 31(each an "Interest Payment Date"), provided however that the calculation of the amount of the first such interest payment for Part A shall be in respect only of the period from and including April 30, 2017 to but excluding June 30, 2017, and for Part B in respect only of the period from May 1, 2017 to but excluding June 30, 2017.

For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under the Fifth Refinancing Note for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period."

3. **Reference to and Effect on the Agreement.**

On and after this date, each reference in the Agreement to "this Agreement" and each reference to the Agreement in any and all other agreements, documents and instruments delivered by IESO and OEFC shall mean and be a reference to the Agreement as amended by this Amending Agreement. On and after this date, each reference in the Agreement to either "the Note" or "the New Note" and each reference to either "the Note" or "the New Note" in any and all other agreements, documents and instruments delivered by IESO and OEFC shall mean and be a reference to the Fifth Refinancing Note.

4. **Governing Law**

This Amending Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

5. **Counterparts**

This Amending Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.

6. **Enurement**

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

IN ALL OTHER RESPECTS, the Agreement is confirmed by the parties.

IN WITNESS WHEREOF the parties have executed and delivered this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

SCHEDULE 1
FORM OF FIFTH REFINANCING NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

NOTE

Aggregate Principal Amount: $120 million, consisting of: a Part A amount of $90 million ("Part A"), whereon interest accrues commencing on April 30, 2017, and a Part B amount of $30 million ("Part B"), whereon interest accrues commencing on May 1, 2017.

Date: April 30, 2017

Interest Rate: (Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020 + 50 basis points)

Due: June 30, 2020

FOR VALUE RECEIVED, the INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO") existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, PROMISES TO PAY to or to the order of ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC") at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of $120 million in lawful money of Canada, with interest on such amount at the rate, calculated in the manner and payable at the times specified in this Note.

The principal amount of this Note together with all interest accrued thereon shall become due and payable on June 30, 2020.

The principal amount of this Note remaining from time to time unpaid and outstanding shall bear interest from the date of this Note both before and after maturity and both before and after default at the rate per annum equal to the Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020, as determined by the Chief Executive Officer of OEFC or the Chief Operating Officer of OEFC, or by a person designated by either of them, plus fifty basis points (0.50%). Interest at such rate shall accrue daily and shall be payable in arrears in equal semi-annual instalments on June 30 and December 31 (each an "Interest Payment Date") commencing June 30, 2017, provided however that the calculation of the amount of the first such interest payment for Part A shall be in respect only of the period from and including April 30, 2017 to but excluding June 30, 2017, and for Part B in respect only of the period from and including May 1, 2017 to but excluding June 30, 2017.

For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Note for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of an agreement providing for the issuance of a note dated April 1, 1999 between the IESO and OEFC and amended by an amending agreement dated March 23, 2000, an amending agreement dated April 23, 2009, an amending agreement dated May 1, 2011, an amending agreement dated May 1, 2013, an amending agreement dated April 30, 2014, and an amending agreement dated April 30, 2017 (as so amended, the "Agreement"), which Agreement provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

From:	Ryan Blackbyrne
To:	Gavin He
Cc:	Sarah Harris; Jean-Francois Beaupre; William Tan; Lisa Stein
Subject:	IESO / OEFC - $120MM and $160MM
Date:	Thursday, November 09, 2017 12:18:32 PM
Attachments:	$160M revolving credit - Original Agreement - April 23, 2010.pdf $160M revolving credit - Amending Agreement no.6 - April 30, 2017.pdf $120M note - Original Agreement - April 1, 1999 .pdf $120M note - Amending Agreementt no.6 - April 30, 2017.pdf

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Hi Gavin,

Thank you for your note. After reviewing your note and the attached agreements we had a few comments:

- We understand that the $160M credit facility agreement will not be used for FHP purposes, although an amendment was made earlier in 2017 to allow advances for the purposes of FHP.
- It is our assumption that the $160M credit facility agreement was amended in April, 2017, pursuant to Reg. 280/14 as a potential temporary option for FHP funding requirements until such time as a separate facility agreement was created specifically for FHP purposes (i.e. the $2B OFA-IESO credit facility)
- There is an existing $120M loan agreement, maturing June 30, 2020, which is not a credit facility, but a fixed term loan. No amendments were made here in relation to FHP, as it is non-revolving and used for capital purposes.
- Since the $160M credit facility agreement will not be used for FHP purposes, it is not clear to us why the change to definition of Permitted Liens is required, and how not making this change would prevent IESO from performing its obligations under the OFHP Act. Please clarify.
- Kindly confirm with Anthony why IESO believes these amendments are necessary in respect of the $160M credit facility and $120M loan agreement.

We look forward to hearing back from you. Happy to discuss further as always.

Thank You,

Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M7A 1Y7
416-325-8143
ryan.blackbyrne@ofina.on.ca

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Tuesday, November 07, 2017 4:07 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>
Subject: IESO - OEFC Nov 7

Ryan,

As discussed with Will today, I understand you will be co-ordinating the proposed 2 amendments to

the existing IESO-OEFC credit facilities.
For starters, there are no expected changes being asked to the existing agreement's key business content (e.g. amounts, dates, interest, notices etc.), rather given that IESO-OFA have just finished two new agreements pertaining to the new fair hydro program, ….I suggest we just copy and paste the salient sections from these agreements that would now be relevant to the OEFC agreements for fair hydro namely;

1.DRAFT

The definition of "Permitted Liens" is amended by deleting the word "and" at the end of subsection (xx); replacing the "." at the end of subsection (xx) and replacing it with "; and" ; and adding the following subsection (xx):
"(xx) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

2.DRAFT

The OFA agreements had required an intercept provision, …..not sure if the same applies to OEFC if yes:
"Section 5.7 Intercept
(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of November 6th , 2017 herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the Capital Investment Plan Act, 1993 (the "Intercept Letter"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("Appropriated Funds"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("Intercept").
(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.
(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.
(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail."

3.

If any… other relevant updates that make sense to do now……I do not anticipate any material ones.

We need your support to expedite the above in order to avoid delays in the Fair Hydro implementation.

Regards.

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From: Gavin He
Sent: Thursday, November 09, 2017 8:29 AM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Hi Lisa, Sarah, and William,

Following my email on Tuesday, EFB has drafted the attached note on the IESO's request on the OEFC credit facility, including the background information, our recommendation, and the rationale. Could you please review the accuracy of the note and would you be able to provide me with your feedback before noon today?

Sorry for the short turnaround time, but we all would like to move on this as soon as possible.

Thanks,

Gavin He

From: Lisa Stein
Sent: Wednesday, November 08, 2017 9:55 AM
To: Gavin He <Gavin.He@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Sarah Neville <Sarah.Neville@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Thanks for the update Gavin.

From: Gavin He
Sent: Tuesday, November 07, 2017 4:02 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Sarah Neville <Sarah.Neville@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>

Subject: RE: IESO / OEFC - $120MM and $160MM

Hi Lisa/Sarah H.,

We touched based with IESO and they told us that the OEFC agreements do not contemplate a general grant of security by IESO over its assets as is currently under discussion with the OPG Trust relative to the implementation of the OFHP. The changes required to allow for such a grant would be to amend the permitted liens and negative covenant language in the OEFC agreements so as to make it the same as, or very similar to, the language in the two OFA Agreements that were signed recently.

We will get a policy direction soon and will draft a note for you to review once it's ready.

Regards,

Gavin He

From: Lisa Stein
Sent: Monday, November 06, 2017 9:43 AM
To: John Kim <John.Kim@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Sarah Neville <Sarah.Neville@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

No, I don't think the OFA Lending Policy would apply to these OEFC loans. The OFA Lending Policy addresses lending activities to public bodies undertaken where the OFA is acting as an intermediary on behalf of the Province.

From: John Kim
Sent: Sunday, November 05, 2017 1:55 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>
Subject: Re: IESO / OEFC - $120MM and $160MM

Hi Sarah,

We will look at this but this is oefc so not sure if the same lending policy applies.

John

Sent from my iPhone

On Nov 5, 2017, at 12:06 PM, Sarah Harris <Sarah.Harris@ofina.on.ca> wrote:

> Hi John,
> We've received no internal direction on the nature of changes IESO is looking for in relation to existing OEFC credit facility with the IESO and the FHP. I surmise it may have to do with adjusting the agreement to allow FHP permitted liens (which we would need internal approval to do) or similar changes, but do you know if IESO communicated requirements to Gadi or Ron?
> Thanks,
> Sarah
> Sent from my iPhone
>
> Begin forwarded message:

From: Anthony Martinello <Anthony.Martinello@ieso.ca>
Date: November 5, 2017 at 11:02:50 AM EST
To: William Tan <William.Tan@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>, Sarah Harris <Sarah.Harris@ofina.on.ca>, Victor Buza <Victor.Buza@ieso.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Will – unless any concerns, will appreciate if you please begin to draft the two OEFC amendments this week – given that the IESO is targeting to sign the OPG / IESO fair hydro agreement by this month's end,….we need to have the two OEFC's done before this.
Regards.

From: Anthony Martinello
Sent: November 01, 2017 12:56 PM
To: 'William Tan'
Cc: 'Lisa Stein'; 'Sarah Harris'; 'John Kim'; Victor Buza
Subject: IESO / OEFC - $120MM and $160MM

Once we have completed the 2 OFA facilities and the intercept letter – we then have to turn to the 2 outstanding IESO-OEFC credit facilities to contemplate any further amendments too.
Just ensuring that these 2 OEFC facilities are not missed.
Regards.

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INDEPENDENT ELECTRICITY SYSTEM OPERATOR

as Borrower

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION

as Lender

REVOLVING CREDIT FACILITY AGREEMENT

Dated: April 23, 2010

THIS CREDIT FACILITY AGREEMENT is made on the 23rd day of April, 2010

between:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")

RECITAL:

IESO has requested a revolving line of credit from OEFC in the amount of up to Sixty Million Dollars for the purpose of replacing the current IESO revolving line of credit with the Toronto-Dominion Bank which is used for liquidity purposes that may also be used to fund corporate requirements. OEFC has agreed to lend such amount to IESO on the terms and conditions set out herein.

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the parties agree as follows:

ARTICLE 1
DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"Advance Date" has the meaning set forth in Section 3.2.

"Advances" means advances made by OEFC to IESO under Article 3 and **"Advance"** means any one of such advances.

"Advances Outstanding" means, at any time, an amount equal to the aggregate principal amount of all Advances outstanding at such time.

"Agreement", "herein", "hereby", "hereof", "hereunder" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression **"Article"** or **"Section"** followed by a number means the specified Article or Section of this Agreement.

"Borrowing Notice" has the meaning specified in Section 3.2.

"Business Day" means any day other than a Saturday, Sunday or a statutory or civic holiday in Toronto, Ontario.

"Commitment" means, at any time, an amount equal to the principal amount of Sixty Million Dollars.

"Consolidated Assets" means, at any time, the book value of IESO and the Subsidiaries, determined as of such time on a consolidated basis in accordance with generally accepted accounting principles.

"Credit Facility" means the revolving credit facility to be made available to IESO by OEFC under this Agreement for the purposes specified in Section 2.3.

"Default" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"Disposition" has the meaning specified in Section 6.1.

"Dollars" or "$" means lawful currency of Canada.

"Event of Default" has the meaning specified in Section 5.1.

"IESO" means Independent Electricity System Operator, a corporation existing under the laws of the Province of Ontario, until a successor corporation shall have succeeded to all of the rights and obligations of Independent Electricity System Operator pursuant to Section 6.1 and thereafter **"IESO"** shall mean such successor corporation (or any successor thereto which shall have become such pursuant to Section 6.1).

"Indebtedness" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) every obligation of such Person for borrowed money;

(b) every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments;

(c) every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) every capital lease obligation of such Person; and

(f) the Swap Termination Value of each Swap Contract of such Person; and

(g) every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"Interest Payment Date" means with respect to each Advance means the first Business Day of each month.

"Interest Rate" means the Province of Ontario's cost of borrowing for a 30 day term, as determined as of the first Business Day of each month by OEFC, plus 0.25 percent per annum.

"Interest Reset Date" has the meaning specified in section 3.3(2)(i).

"Lien" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"Material Subsidiary" means, at any time, a Subsidiary which, together with its subsidiaries, has consolidated assets with a book value of more than Twenty-Five Million Dollars determined as of such time in accordance with generally accepted accounting principles.

"Note" means the note of IESO issued under this Agreement.

"Permitted Liens" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) any obligations or duties, affecting the property of IESO or a Material Subsidiary, to any municipality or governmental, statutory or public authority, with respect to any franchise, grant, license or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by IESO or such Material Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by IESO or such Material Subsidiary;

(d) any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) the right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) any undetermined or inchoate Liens and charges incidental to the current operations of IESO or a Material Subsidiary that have not at the time been filed against IESO or such Material Subsidiary; provided, however, that if any such Lien or charge shall have been filed, IESO or such Material Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) any Lien the validity of which is being contested at the time by IESO or a Material Subsidiary in good faith and the enforcement of which has been stayed;

(h) any easements, rights-of-way and servitudes that in the opinion of IESO will not in the aggregate materially and adversely impair the use or value of the land for the purpose for which it is held or occupied by IESO or a Material Subsidiary;

(i) any Liens and privileges arising out of judgments or awards with respect to which IESO or a Material Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall have secured a stay of execution pending such appeal or proceedings for review; and

(j) pledges of cash or cash equivalents to secure IESO's or a Material Subsidiary's liabilities from time to time under Swap Contracts and pledges of cash or cash equivalents in an aggregate amount not exceeding $25 million at any time to secure IESO's or a Material Subsidiary's liabilities from time to time under commodity swap, commodity option and commodity future contracts entered into in the ordinary course of business for the purpose of directly mitigating risks associated with fluctuations in prices or availability of commodities purchased or to be purchased by IESO or a Material Subsidiary in the ordinary course of business, and not entered into for the purposes of speculation; and

(k) any other Liens of a nature similar to the foregoing which do not in the opinion of IESO, acting reasonably, materially impair the use of the property subject thereto or the operation of the business of IESO or any Material Subsidiary or the value of such property for the purpose of any such business.

"Person" means any individual, corporation, partnership joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"Purchase Money Mortgage" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or part of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"Stated Maturity" when used with respect to any Indebtedness or any installment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such installment of interest is due and payable.

"Subsidiary" means:

(a) a corporation: (i) more than 50% of the voting power or the outstanding Voting Shares of which is owned, directly or indirectly, by IESO or by one or more other Subsidiaries or by IESO and one or more other Subsidiaries; or (ii) in the case of a non-share capital corporation, that the IESO has the power to appoint a majority of the Board of Directors; or

(b) any Person (other than a corporation) in which IESO, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

"Swap Contract" means any agreement whether or not in writing, relating to any transaction or derivative transaction including a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction currency swap, cross-currency rate swap, swaption, currency option or other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.

"Swap Termination Value" means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap contracts:

(a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and

(b) for any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.

"Voting Shares" of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings and Table of Contents.

The division of this Agreement into Articles and Sections the insertion of headings and the provision of a Table of Contents are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and vice versa and words importing gender may include any gender. In this Agreement, (a) the words **"including"** and **"includes"** mean "including (or includes) without limitation", and (b) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" each mean "to but excluding".

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with generally accepted accounting principles. Generally accepted accounting principles refer to accounting principles generally accepted in Canada as recommended in the Handbook of the Canadian Institute of Chartered Accountants at the relevant time applied on a consistent basis.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the following Business Day.

ARTICLE 2
REVOLVING CREDIT FACILITY

Section 2.1 Availability.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO up to the amount of the Commitment. OEFC shall make each Advance in Canadian Dollars.

Section 2.2 Commitment and Facility Limits.

The Advances Outstanding to IESO under the Credit Facility shall not at any time exceed the Commitment. The Credit Facility shall revolve and no payment under the Credit Facility shall reduce the Commitment.

Section 2.3 Use of Proceeds.

IESO shall use the proceeds of Advances for the following purposes for which it is authorized to borrow funds:

(a) to repay the revolving line of credit with the Toronto Dominion Bank;

(b) for liquidity purposes; and

(c) to fund corporate requirements.

Section 2.4 Mandatory Repayment.

Subject to Sections 3.5 and 5.2, IESO, shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder in full on or before April 30, 2013.

Section 2.5 Advances and Payments under this Agreement.

(1) OEFC shall make Advances to IESO under this Agreement to the order of IESO by wire transfer of immediately available funds in accordance with wire transfer instructions given by IESO to OEFC from time to time, or in such other manner as IESO may specify to OEFC from time to time.

(2) IESO shall make any payment required hereunder to be made by it to OEFC, to or to the order of OEFC, by wire transfer of immediately available funds in accordance with wire transfer instruction given by OEFC to IESO from time to time, or in such other manner as OEFC may specify to IESO from time to time. IESO shall make each such payment in Canadian Dollars

Section 2.6 Evidence of Indebtedness.

IESO authorizes OEFC to open and maintain records evidencing IESO's obligations under this Agreement and to record therein all advances, interest rates, accrued interest, payments of principal and interest and the aggregate principal and accrued interest outstanding from time to time under this Agreement. IESO agrees that the records kept by the OEFC in the absence of manifest error, shall be prima facie evidence of the indebtedness of IESO and the matters recorded provided that the failure of the OEFC to record or correctly record any amount or date shall not affect the obligation of IESO to repay the aggregate principal amounts and accrued interest thereon owing under this Agreement.

ARTICLE 3
ADVANCES AND INTEREST

Section 3.1 Advances.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO under the Credit Facility on the first Business Day of each month from and including May 3, 2010 to and including April 1, 2013.

Section 3.2 Procedure for Advances.

(1) Each Advance shall be made subject to four Business Day's prior notice given not later than 10:00 a.m. (Toronto time) by IESO to OEFC. Each notice of an Advance (a **"Borrowing Notice"**) shall be substantially in the form of Schedule 1, shall be irrevocable and binding on IESO and shall specify (a) the requested date of the Advance (the **"Advance Date"**), and (b) the principal amount of the Advance which shall be in a minimum amount of $1,000,000.00 (unless otherwise agreed to by OEFC), and in increments of $1,000,000.00 (or such other increments as may be agreed to by OEFC). OEFC will make the principal amount of each Advance available to IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, IESO shall execute and deliver to OEFC a grid promissory note (the "Note") in respect of Advances substantially in the form of Schedule 2. IESO authorizes OEFC to record on the grid promissory note (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal amount of the grid promissory note. Such notations, in the absence of manifest error, shall be prima facie evidence of the such advances and repayments; provided that the failure of OEFC to record any amount, rate or date shall not affect the obligation of IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement.

(3) In the event that funds are not received by IESO on the Advance Date, IESO and OEFC agree to take all steps necessary to amend the date of the Advance, without amending the Interest Rate that was agreed to with respect to such Advance.

(4) The Note shall at all times rank *pari passu* with all other unsubordinated Indebtedness of IESO, subject to the existence of any Permitted Liens of IESO.

(5) All amounts owing in respect of the Advances shall be paid without exercising any right or set off or counterclaim by IESO.

Section 3.3 Interest on Advances.

(1) IESO shall pay interest on the principal amount of each Advance then outstanding in accordance with this Section 3.3 from and including the date of such Advance until the principal amount of such Advance is repaid in full.

(2) Interest shall accrue on the principal amount of each Advance from and including the date of the Advance to but excluding the first Interest Payment Date following the date of the Advance, at the rate equal to the Interest Rate, and shall be payable on the Interest Payment Date for such Advance. The amount of interest payable on an Advance will be calculated by OEFC by dividing the Interest Rate applicable to the Advance by 365 or 366, as the case may be, and multiplying the result by the principal amount of the Advance then outstanding and further multiplying the result by the number of days in the period from the date of the Advance to the Interest Payment Date.

(i) If an Advance is outstanding on an Interest Payment Date, the interest rate applicable to such Advance shall be reset automatically by OEFC on that date (the "Interest Reset Date"), at the Interest Rate determined as of the Interest Reset Date.

(ii) For each Advance, OEFC shall notify IESO via email of the Interest Rate on the Advance Date and on each Interest Reset Date.

(3) Upon four Business Days prior notice by IESO, OEFC may at its discretion agree to capitalize the interest on any Advance on an Interest Payment Date, which shall be determined in the following manner: each such interest payment due on the Interest Payment Date shall be deemed to form part of the principal amount of the outstanding Advance and interest shall accrue and be payable thereon in accordance with Section 3.3(2). OEFC shall record on the grid forming part of the note: (a) the date and amount of the new Advance; (b) the applicable rate of interest for the Advance; and (c) the outstanding principal amount of the grid promissory note.

(4) Interest shall accrue on the principal amount of each Advance at the Interest Rate as determined from time to time, before as well as after the date such principal amount or interest thereon becomes due hereunder and both before and after default.

Section 3.4 Computations of Interest.

(1) All computations of interest shall be made by OEFC taking into account the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest is payable on the basis of a year of 365 days or 366 days, as the case may be.

(2) For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Agreement for any

period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

Section 3.5 Limit on Rate of Interest.

(1) Notwithstanding any provision contained in this Agreement, IESO shall not be obliged to make any payments of interest or other amounts payable to OEFC hereunder in excess of the amount or rate which would be prohibited by applicable law or would result in the receipt by OEFC of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada), as amended from time to time).

(2) In the event that any such payments are limited or prohibited as provided in Section 3.5(1), OEFC shall have no further obligation to make any Advances available hereunder and the Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, shall become immediately due and payable.

Section 3.6 Conditions Precedent

The obligation of OEFC to make the Advances pursuant to Section 2.1 is subject to the following conditions being met to OEFC's satisfaction at the time of making each Advance:

(a) that the representations and warranties of IESO contained in this Agreement are true and correct as at the date of making the Advance;

(b) that no Event of Default has occurred and is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default;

(c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO; and

(d) that OEFC has received such other documentation which it has reasonably requested to ensure that IESO is in compliance with the terms and conditions of this Agreement, including certified true copies of any necessary resolutions including resolutions authorizing the borrowing and authorized signatories.

ARTICLE 4

COVENANTS OF IESO

Section 4.1 Payment of Advances.

IESO will duly and punctually pay or cause to be paid all amounts owing under this Agreement in accordance with the terms and subject to the conditions of this Agreement.

Section 4.2 Use of Proceeds

The monies advanced under this Agreement shall be used only by IESO for the purposes set out in Section 2.3.

Section 4.3 IESO will Maintain its Corporate Existence.

Subject to Section 6.1, IESO will at all times maintain its corporate existence.

Section 4.4 Maintenance of Properties.

IESO will cause all property owned by IESO or any Material Subsidiary to be maintained and kept in good condition, repair and working order, all as in the judgment of IESO or any Material Subsidiary may be necessary for the proper operation of such property, except as and to the extent that IESO or any Material Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 4.4 shall prevent IESO or any Material Subsidiary from discontinuing the maintenance of any such property or decommissioning any such property if such discontinuance or decommissioning is, in the judgment of IESO or any Material Subsidiary, desirable in the conduct of its business or the business of any such Material Subsidiary, or has been directly or indirectly requested or required by the Province of Ontario.

Section 4.5 Insurance.

IESO will cause all property owned by IESO or any Material Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the nature and to the extent that such property is usually insured by companies operating similar businesses.

Section 4.6 Conduct of Business.

Subject to Section 4.3, IESO will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in a proper, efficient and business-like manner and in accordance with good business practice.

Section 4.7 Negative Pledge.

IESO will not, and will not permit any Material Subsidiary to, create, incur or assume any Lien, charging the interest of IESO or any Material Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, all amounts owing under this Agreement are secured equally and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) the creation, incurrence or assumption of any Purchase Money Mortgage;

(b) the grant of any Lien in the normal course of business to any banks or financial institutions for present or future indebtedness of IESO or any Material Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) any extension, renewal or replacement of any of the Liens referred to in Sections 4.7(a), (b) or (c), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased; and

(e) any Lien charging the interest of IESO or any Material Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 4.7(a), (b) or (c), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 4.6(e) which is outstanding at such time does not exceed 10% of Consolidated Assets at such time.

Section 4.8 Payment of OEFC Expenses.

IESO will, on demand, reimburse and indemnify OEFC for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OEFC in connection with the preservation of rights under or enforcement of this Agreement at

any time during the continuance of a Default or Event of Default. All such costs, charges and expenses shall bear interest at the Province's cost of funds plus 0.25 percent per annum (as determined by OEFC) calculated and payable monthly not in advance from in each case from the date on which OEFC incurs the cost, charge or expense until the date on which IESO reimbursement OEFC therefor. OEFC agrees, acting reasonably, to invoice IESO for any such costs, charges and expense as they are incurred, together with interest at the aforesaid rate (with interest on overdue interest).

Section 4.9 Reporting Requirements.

IESO covenants to provide to OEFC, or at its direction, to the Province of Ontario and the Ontario Financing Authority,

(a) any available information respecting its financial position which may be reasonably requested by OEFC, the Province of Ontario or the Ontario Financing Authority from time to time; and

(b) any additional reports or supporting documentation which may be reasonably requested by the OEFC, the Province of Ontario or the Ontario Financing Authority from time to time.

ARTICLE 5
EVENTS OF DEFAULT AND REMEDIES

Section 5.1 Event of Default.

Wherever used in this Agreement, the term **"Event of Default"** means any of the following:

(a) failure to pay any interest upon any Advance when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) failure to pay the principal amount of the Advances Outstanding, all interest accrued thereon and all other amounts owing under this Agreement on April 30, 2013;

(c) failure on the part of IESO to observe or perform its obligations set forth in Section 6.1;

(d) failure on the part of IESO to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 30 days after

the date on which written notice of such failure shall have been given to IESO by OEFC;

(e) any representation or warranty made by IESO in this Agreement or in any certificate or other document at any time delivered hereunder to OEFC was incorrect or misleading in any material respect;

(f) one or more breaches by IESO of its covenants under one or more evidences of indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $25 million, which breaches:

(i) constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist; or

(ii) have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived or rescinded);

(g) IESO, or any Material Subsidiary:

(i) becomes generally not able to pay its debts as they become due;

(ii) admits in writing its inability to pay its debts generally or makes a general assignment for the benefit of its creditors or files a proposal or other scheme of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) institutes or has instituted against it any proceeding seeking:

(A) to adjudicate it a bankrupt or insolvent;

(B) liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy / insolvency / reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors; or

(C) the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets;

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismisssed or unstayed for a period of 30 days, or any remedy sought in any such proceeding (including the entry of order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

(iv) takes any corporate action to authorize any of the actions in Sections 5.1(g)(i) to (iii); or

(h) if there shall be rendered against IESO or any Material Subsidiary a final judgment or judgments for the payment of money in an aggregate amount in excess of $5 million by a court or courts of competent jurisdiction, and IESO or any Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 5.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case OEFC may declare all amounts owing hereunder to be due and payable immediately, by a notice in writing to IESO, and upon any such declaration all such amounts shall become immediately due and payable.

Section 5.3 Suits for Enforcement by OEFC.

If an Event of Default occurs and is continuing, OEFC may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in OEFC by this Agreement or by law.

Section 5.4 OEFC May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of IESO under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property

of IESO, or if any other judicial proceedings relative to IESO, its creditors or its property are pending, OEFC shall be entitled and empowered, by intention in such proceeding or otherwise:

(a) to file and prove a claim for all amounts owing under this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of OEFC (including any claim for fees and disbursements of OEFC, its agents and counsel as contemplated under Section 4.7) allowed in such judicial proceeding; and

(b) to collect and receive any moneys or other property payable or deliverable on any such claim.

Section 5.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to OEFC is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.6 Delay or Omission not Waiver.

No delay or omission of OEFC to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right or remedy given by this Article 5 or by law to OEFC may be exercised from time to time, and as often as may be deemed expedient, by OEFC.

ARTICLE 6

CONSOLIDATION, AMALGAMATION, MERGER OF IESO

Section 6.1 Certain Requirements in Respect of Merger, etc.

IESO may not and may not cause any Material Subsidiary, in a single transaction or a series of related transactions, amalgamate or consolidate with or merge into any other Person, or permit any other Person to amalgamate or consolidate with or merge into IESO or the Material Subsidiary, or directly or indirectly transfer, sell, lease or otherwise dispose of all or substantially all of its property or assets (a "Disposition") to any Person without the written consent of OEFC.

Section 6.2 Successor Substituted.

Upon any consolidation, amalgamation, merger or Disposition described in, and complying with the provisions of, Section 6.1 in which IESO is not the continuing corporation, the successor Person shall succeed to all of the rights and obligations of IESO under this Agreement, and from time to time may exercise every right and power of IESO under this Agreement.

ARTICLE 7
REPRESENTATIONS AND WARRANTIES OF IESO

Section 7.1 Representations and Warranties of IESO.

IESO represents and warrants to OEFC that:

(a) the borrowing of money (including principal and accrued interest) by IESO and the execution, delivery and performance of this Agreement are within the powers and capacities of IESO and have been duly authorized by all necessary legal action and proper proceedings;

(b) the execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the compliance with the terms and conditions of this Agreement will not conflict with or result in a breach of any of the terms or provisions of the constituting documents or by-laws of IESO, laws of Ontario, including laws of Canada applicable therein, applicable to IESO or any contractual or other obligation binding on IESO; and

(c) this Agreement will, when executed and delivered, constitute the legal, valid and binding obligation of IESO enforceable against it in accordance with its terms.

Section 7.2 Continuation of Representation and Warranties.

The representations and warranties set out in Section 7.1 herein shall survive the execution and delivery of this Agreement, the making of each advance by OEFC, notwithstanding any investigations or examinations which may be made by counsel for OEFC.

ARTICLE 8

GENERAL

Section 8.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy or other means of electronic communication addressed:

If to IESO, to it at:
Independent Electricity System Operator
655 Bay Street, Suite 410
Toronto, ON M5G 2K4
Attention: Chief Financial Officer
Telephone:
Telecopier:

If to OEFC, to it at:

Ontario Electricity Financial Corporation
c/o Ontario Financing Authority
1 Dundas Street West
Suite 1400
Toronto, ON M7A IY7

Attention: Executive Director - Capital Markets Division
Telephone: (416) 325-8930
Telecopier: (416) 325-8111

provided that any Borrowing Notice shall be addressed as indicated on Schedule 1.

Any communication hereunder shall be deemed to have been validly and effectively given if (a) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p. m (Toronto time), otherwise on the next Business Day, (b) transmitted by telecopier other means of electronic communication, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice given in accordance with this Section 8.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 8.1.

Section 8.2 Successors and Assigns.

This Agreement shall be binding on and enure to the benefit of OEFC and IESO and their respective successors and permitted assigns, except that IESO shall not, without the prior written consent of OEFC assign, pledge or hypothecate any rights or obligations with respect to this Agreement.

Section 8.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of OEFC and IESO.

Section 8.4 Waiver.

(1) No waiver of any provisions of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) or this Agreement nor shall such waiver be binding unless executed in writing by the party to be bound by the waiver.

(2) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude another or further exercise of such right or the exercise of any other right.

Section 8.5 Further Assurances.

Each of IESO and OEFC shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement.

Section 8.6 Severability.

In case any provision in this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement shall not in any way be affected or impaired thereby.

Section 8.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 8.8 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF the parties have executed this Agreement as of the 23rd day of April, 2010.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Ted Leonard
Vice President, Finance and Chief Financial Officer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: ~~Michael D. Manning~~ DAVID PETERS
Title: ~~Chief Operating Officer~~ DIRECTOR, DEBT MANAGEMENT
CAPITAL MARKETS DIVISION
ONTARIO FINANCING AUTHORITY

SCHEDULE 1

FORM OF BORROWING NOTICE

Date:

Ontario Electricity Financial Corporation **("OEFC")**
c/o Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A1Y7

Attention: Cash Management
(Fax No. (416-204-7920)

Dear Sirs:

The undersigned, Independent Electricity System Operator ("IESO"), refer to the Revolving Credit Facility Agreement dated •, 2010 (as amended, supplemented or restated from time to time, the **"Agreement"**, the terms defined therein being used herein as therein defined) between IESO and OEFC, and gives you notice pursuant to Section 3.2 of the Agreement that IESO requests an Advance under the Agreement, and, in that connection, sets forth below the information relating to such Advance (the **"Proposed Advance"**) as required by Section 3.2 of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is •;
(b) The aggregate amount of the Proposed Advance is •;

IESO hereby certifies that:

The representations and warranties of IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received previously as Advances under the Agreement have been expended or are being held solely for the purpose for which they were advanced; no part of said funds has been nor any part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Authorized Signature

Per: _____
Authorized Signature

*To be confirmed by telephone call to OEFC Cash Management (416) 325-8108

SCHEDULE 2

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $60,000,000 Date: •

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("**IESO**"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid (**"Grid"**) attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement (as defined below).

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before April 30, 2013.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Revolving Credit Facility Agreement dated as of April 30, 2010 between IESO and OEFC (the "**Agreement**"). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Credit Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment, demand, protest, notice of dishonest and notice of

non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Authorized Signature

Per: _____
Authorized Signature

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID
(Revolving Credit Facility April 30, 2010)

DATE	PRINCIPAL ADVANCED	INTEREST RATE	INTEREST RESET DATE	INTEREST RESET RATE	PRINCIPAL PAYMENT DATE AND AMOUNT	INTEREST PAYMENT DATE AND AMOUNT	UNPAID PRINCIPAL BALANCE	NOTATION MADE BY

AMENDING AGREEMENT NO. 6

This Amending Agreement is effective as of the 30 day of April, 2017.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011, Amending Agreement No. 3 dated April 30, 2013, Amending Agreement No. 4 dated April 30, 2014 and Amending Agreement No. 5 dated December 19, 2014 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $95 million.

AND WHEREAS IESO and OEFC wish to amend the Agreement to increase the revolving line of credit from a principal amount of CDN $95 million to a principal amount of up to CDN $160 million to provide funding for IESO Corporate Requirements (as defined herein);

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for an extension of the mandatory repayment date established in the Agreement to June 30, 2020;

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for the ability for Advances to be made on any business day up to a maximum of 12 times per year;

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. Section 1.1 Definitions of the Agreement is amended as follows:

   i) The definition of "Amalgamation" is deleted.

   ii) The definition of "Commitment" is deleted and replaced with:

   "Commitment" means, at any time, an amount equal to the principal amount of One Hundred and Sixty Million Dollars.

   iii) A definition of "IESO Corporate Requirements" is added as follows:

   "IESO Corporate Requirements" means any borrowing purposes authorized by O. Reg. 280/14 made under the *Electricity Act, 1998* (as such regulation may be amended or

replaced from time to time), other than for funding liquidity requirements relating to the settlement of the Ontario wholesale electricity markets.

iv) A definition of "Ontario's Fair Hydro Plan" is added as follows:

"Ontario's Fair Hydro Plan" means the plan announced March 2, 2017 by the Government of Ontario to affect the Ontario Energy Board's setting of electricity prices for certain Ontario consumers of electricity, which plan is referred to in the Ontario Energy Board's report dated April 20, 2017 and titled "Regulated Price Plan Price Report – May 1, 2017 to April 30, 2018", and including all relevant developments in or changes to such plan from time to time.

v) The definition of "New IESO" is deleted.

vi) The definition of "Note" is deleted and replaced with:

"Note" means the $160 Million Note issued pursuant to Section 2 of Amending Agreement No. 6 dated as of the 30th day of April, 2017.

vii) The definition of "OPA" is deleted.

viii) The definition of "Pre-Amalgamation IESO" is deleted.

2. IESO shall execute and deliver to OEFC a grid promissory note in the form attached as Schedule I hereto which shall be in an aggregate principal amount of up to One Hundred and Sixty Million Dollars (the "$160 Million Note") dated April 30, 2017 and on which shall be recorded the Advances Outstanding under the grid promissory note delivered pursuant to Amending Agreement No. 4. Upon receipt by OEFC of the $160 Million Note dated April 30, 2017, the $95 Million Note dated April 30, 2014 shall be of no further force and effect and shall be returned to the IESO marked "cancelled".

3. Section 2.3 of the Agreement is deleted and replaced by the following:

Section 2.3 Use of Proceeds

IESO shall use the proceeds of Advances for the funding of IESO Corporate Requirements.

4. Section 2.4 of the Agreement is deleted and replaced by the following:

Section 2.4 Mandatory Repayment.

Subject to Sections 3.5 and 5.2 of this Agreement, IESO shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, in full on or before June 30, 2020.

5. Section 3.1 of the Agreement is deleted and replaced by the following:

Section 3.1 Advances.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO under the Credit Facility on any Business Day in a month up to twelve (12) times per annum from and including May 1, 2017 to and including May 29, 2020

6. Paragraph 3.6(c) of the Agreement is deleted and replaced by the following:
   (c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO, provided however that any adverse change in IESO's financial condition related to or resulting from the discharge by IESO of its responsibilities under Ontario's Fair Hydro Plan shall be deemed not to be a material adverse change for the purposes of this Section; and

7. The Form of Borrowing Notice is deleted and replaced with the Form of Borrowing Notice attached hereto as Schedule 1.

8. This Amending Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

SCHEDULE 1

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $160,000,000 Date: 30 April, 2017

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("**IESO**"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid **("Grid")** attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No. 1 dated July 21, 2010, by Amending Agreement No. 2 dated October 14, 2011, by Amending Agreement No. 3 dated April 30, 2013, by Amending Agreement No. 4 dated April 30, 2014, by Amending Agreement No. 5 dated December 19, 2014, and by Amending Agreement No. 6 dated April 30, 2017 (collectively the "Agreement").

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before June 30, 2020.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance or part of an Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be p*rima facie* evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Agreement. All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment, demand, protest, notice of dishonour and notice

of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

(Revolving Credit Facility April 30, 2017)

DATE	PRINCIPAL ADVANCED	RATE	REPAYMENT DATE	INTEREST AMOUNT	AMOUNT OF PAYMENT		UNPAID BALANCE			NOTATION MADE BY
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	REFINANCED (AMOUNT & DATE)	

INDEPENDENT ELECTRICITY MARKET OPERATOR

as Issuer

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION

as Holder

AGREEMENT
PROVIDING FOR ISSUANCE OF A NOTE

April 1, 1999

TABLE OF CONTENTS

ARTICLE 1
DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1	Definitions	1
Section 1.2	Effect of Headings and Table of Contents	8
Section 1.3	Singular, Plural, Gender, Certain Phrases, etc	8
Section 1.4	Accounting	8
Section 1.5	Non-Business Days	8

ARTICLE 2
THE NOTE

Section 2.1	Issue of Note	8
Section 2.2	Terms of the Note	8
Section 2.3	Interest	9
Section 2.4	Prepayment	9
Section 2.5	Public Debt Covenants	10
Section 2.6	Payment	11

ARTICLE 3
COVENANTS OF THE COMPANY

Section 3.1	Payment of the Note	11
Section 3.2	Company will Maintain its Corporate Existence	11
Section 3.3	Maintenance of Properties	11
Section 3.4	Insurance	12
Section 3.5	Conduct of Business	12
Section 3.6	Financial Statements	12
Section 3.7	Other Indebtedness	12
Section 3.8	Negative Pledge	12
Section 3.9	Payment of OEFC's Expenses	13

ARTICLE 4
EVENTS OF DEFAULT AND REMEDIES

Section 4.1	Event of Default	14
Section 4.2	Acceleration of Maturity; Rescission and Annulment	15
Section 4.3	Suits for Enforcement by OEFC	16
Section 4.4	OEFC May File Proof of Claim	16
Section 4.5	Rights and Remedies Cumulative	16
Section 4.6	Delay or Omission not Waiver	16

ARTICLE 5
CONSOLIDATION, AMALGAMATION, MERGER OF COMPANY

Section 5.1 Certain Requirements in Respect of Merger, etc. 17
Section 5.2 Successor Substituted. 18

ARTICLE 6
GENERAL

Section 6.1 Notices. 18
Section 6.2 Successors and Assigns. 19
Section 6.3 Amendments. 19
Section 6.4 Waiver. 19
Section 6.5 Further Assurances. 19
Section 6.6 Severability. 19
Section 6.7 Governing Law. 20
Section 6.8 Counterparts. 20

Schedule 2.2(1) – Form of Note

THIS AGREEMENT is made on the 1st day of April, 1999 between:

A. **INDEPENDENT ELECTRICITY MARKET OPERATOR** (the "**Company**")

B. **ONTARIO ELECTRICITY FINANCIAL CORPORATION** ("**OEFC**").

RECITALS:

1. Pursuant to section 116 of the *Electricity Act, 1998*, the Lieutenant Governor in Council has made an order (the "**Transfer Order**") transferring certain officers, employees, assets, liabilities, rights and obligations of Ontario Hydro to the Company;

2. Pursuant to the Transfer Order, the Company is required to issue certain debt securities to Ontario Hydro as partial payment for such assets and rights; and

3. On April 1, 1999, Ontario Hydro is continued as OEFC.

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the parties agree as follows:

ARTICLE 1
DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"**Agreement**", "**herein**", "**hereby**", "**hereof**", "**hereunder**" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression "**Article**" or "**Section**" followed by a number means the specified Article or Section of this Agreement.

"**Business Day**" means any day other than a Saturday, Sunday or a statutory or civic holiday in Toronto, Ontario.

"**Canadian Dollars**" or "**$**" means lawful currency of Canada.

"**Canadian Prime Rate**" means, at any time, the greater of (i) the average of the rates of interest per annum equal to the per annum rate of interest quoted, published and commonly known as the "prime rate" of each of the Reference

Lenders which each of the Reference Lenders establishes at its main office in Toronto, Ontario as the reference rate of interest in order to determine interest rates for loans in Canadian Dollars to its borrowers in Canada, adjusted automatically with each quoted or published change in such rate, and (ii) the sum of (y) the average of the rates per annum for Canadian Dollar bankers' acceptances having a term of one month that appears on the Reuters CDOR Page as of 10:00 a.m. (Toronto time) on the date of determination, as reported by OEFC (and if such screen is not available, any successor or similar service as may be selected by OEFC), and (z) 0.50%.

"**Capital Stock**" of any Person means any and all shares, or interests, participations or other equivalents (however designated) of shares, in the capital of such Person.

"**Company**" means the Independent Electricity Market Operator, a corporation existing under the laws of the Province of Ontario, until a successor corporation shall have succeeded to all of the rights and obligations of the Independent Electricity Market Operator pursuant to Section 5.1 and thereafter "**Company**" shall mean such successor corporation (or any successor thereto which shall have become such pursuant to Section 5.1).

"**Consolidated Assets**" means, at any time, the book value of the assets of the Company and the Subsidiaries, determined as of such time on a consolidated basis in accordance with generally accepted accounting principles.

"**default**" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"**disposition**" has the meaning specified in Section 5.1.

"**Event of Default**" has the meaning specified in Section 4.1.

"**Indebtedness**" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) Every obligation of such Person for borrowed money;

(b) Every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments, including obligations for borrowed money incurred in connection with the acquisition of property, assets or businesses;

(c) Every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) Every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) Every capital lease obligation of such Person;

(f) The Swap Termination Value of each Swap Contract of such Person; and

(g) Every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"**Lien**" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"**Material Subsidiary**" means, at any time, a Subsidiary which has consolidated assets with a book value of more than $25 million determined as of such time in accordance with generally accepted accounting principles.

"**Note**" means the note of the Company issued under this Agreement.

"**Ontario Yield Price**" means, with respect to the Note or part thereof to be prepaid pursuant to Section 2.4, a price equal to the price of the Note or part thereof to be so prepaid calculated to provide a yield to maturity, compounded semi-annually and calculated in accordance with generally accepted financial practice, equal to the Province of Ontario Yield on the Business Day preceding the date on which such prepayment is to be made by the Company to OEFC in accordance with Section 2.4.

"**Permitted Liens**" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) Any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) Any obligations or duties, affecting the property of the Company or a Subsidiary, to any municipality or governmental, statutory or public

authority, with respect to any franchise, grant, licence or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by the Company or such Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by the Company or such Subsidiary;

(d) Any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) The right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) Any undetermined or inchoate Liens and charges incidental to the current operations of the Company or a Subsidiary that have not at the time been filed against the Company or such Subsidiary; provided, however, that if any such Lien or charge shall have been filed, the Company or such Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) Any Lien the validity of which is being contested at the time by the Company or a Subsidiary in good faith and the enforcement of which has been stayed;

(h) Any easements, rights-of-way and servitudes that in the opinion of the Company will not in the aggregate materially and adversely impair the use or value of the land concerned for the purpose for which it is held by the Company or a Subsidiary;

(i) Any Liens and privileges arising out of judgments or awards with respect to which the Company or a Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall

have secured a stay of execution pending such appeal or proceedings for review;

(j) pledges of cash or cash equivalents to secure the Company's or a Subsidiary's liabilities from time to time under Permitted Swap Contracts; and

(k) Any other Liens of a nature similar to the foregoing which do not in the opinion of the Company, acting reasonably, materially impair the use of the property subject thereto or the operation of the business of the Company or any Subsidiary or the value of such property for the purpose of any such business.

"**Permitted Swap Contract**" means a Swap Contract to which the Company or a Subsidiary is a party, provided that:

(a) The Company or such Subsidiary enters into such Swap Contract in the ordinary course of business for the purpose of directly mitigating risks associated with fluctuations in interest rates or currency exchange rates with respect to Indebtedness of the Company or such Subsidiary and not for the purposes of speculation or taking a "market view";

(b) The notional amount of such Swap Contract does not exceed the payments due with respect to the Indebtedness being hedged thereby;

(c) Such Swap Contract does not contain any "walk-away" provision exonerating the non-defaulting party from its obligation to make payments on any outstanding transaction to the defaulting party; and

(d) Such Swap Contract is in a form approved by the International Swaps & Derivatives Association, Inc. at the time such Swap Contract is entered into or in such other form as shall be customary at such time for the documentation, in accordance with good market practise by regulated financial institutions carrying on business in Canada, of obligations similar to the obligations documented in such Swap Contract.

"**Person**" means any individual, corporation, partnership, joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"**Province of Ontario Yield**" means, with respect to the Note or part thereof to be prepaid pursuant to Section 2.4, the average of the quotations obtained by the Company from two major Canadian investment dealers selected by OEFC, as to the yield to maturity on the Business Day preceding the date on

which such prepayment is to be made by the Company to OEFC in accordance with Section 2.4, compounded semi-annually and calculated in accordance with generally accepted financial practice, which a non-callable Government of Ontario bond would carry if issued in Canadian Dollars in Canada at 100% of its principal amount on such date with a term to maturity approximately equal to the remaining term to maturity, calculated as at the applicable prepayment date, of the Note.

"**Purchase Money Mortgage**" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or part of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"**Reference Lenders**" means, collectively, any two major financial institutions in Canada who, in the ordinary course of business, provide loans in Canadian Dollars to borrowers in Canada, as selected from time to time by OEFC and, in the singular, any one of them.

"**Reuters CDOR Page**" means the display page so designated on the Reuters Monitor Money Rates Service (or such other page as may replace that page on that service for the purpose of displaying rates for Canadian Dollar bankers' acceptances).

"**Senior Debt**" means all Indebtedness of the Company, including the Note, which is not subordinated in right of payment to any other Indebtedness of the Company.

"**Stated Maturity**" when used with respect to any Indebtedness or any instalment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such instalment of interest is due and payable.

"**Subsidiary**" means:

(a) A corporation more than 50% of the voting power of the outstanding Voting Shares of which is owned, directly or indirectly, by the Company or by one or more other Subsidiaries or by the Company and one or more other Subsidiaries, or

(b) Any Person (other than a corporation) in which the Company, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

"Successor Person" has the meaning specified in Section 5.1.

"Swap Contract" means any agreement, whether or not in writing, relating to any transaction that is a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction, currency swap, cross-currency rate swap, swaption, currency option or any other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.

"Swap Termination Value" means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap Contracts:

(a) For any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and

(b) For any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.

"U.S. Dollars" means lawful currency of the United States of America.

"Voting Shares" of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings and Table of Contents.

The division of this Agreement into Articles and Sections, the insertion of headings and the provision of a Table of Contents are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and *vice versa* and words importing gender may include any gender. In this Agreement and the Note, (i) the words **"including"** and **"includes"** mean **"including (or includes) without limitation"**, and (ii) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word **"from"** means **"from and including"** and the words **"to"** and **"until"** each mean **"to but excluding"**.

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with generally accepted accounting principles. Generally accepted accounting principles refer to accounting principles generally accepted in Canada as recommended in the Handbook of the Canadian Institute of Chartered Accountants at the relevant time applied on a consistent basis.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the next succeeding Business Day.

ARTICLE 2
THE NOTE

Section 2.1 Issue of Note.

In consideration of the transfer of certain officers, employees, assets and rights of OEFC to the Company pursuant to the Transfer Order and as partial payment for such assets and rights, the Company issues and delivers the Note to OEFC.

Section 2.2 Terms of the Note.

(1) The Note shall be in substantially the form set out in Schedule 2.2(1), shall be in the aggregate principal amount of $70.3 million, shall be dated as of the

date of this Agreement, shall mature on May 1, 2009, and shall bear interest at the rate of 7.90% per annum (after as well as before default or judgment, with interest on the amounts in default at the same rate).

(2) The Note shall at all times rank pari passu with all other Senior Debt, except Senior Debt that is statutorily preferred and Senior Debt that is secured by a Lien referred to in Sections 3.8(a) to 3.8(f), inclusive.

(3) Interest shall be payable on the Note in accordance with Section 2.3.

(4) The Company may prepay all or part of the Note in accordance with Section 2.4.

(5) All amounts owing in respect of the Note shall be paid without exercising any right of set off or counterclaim by the Company irrespective of whether or not, at the time any such amount is due and payable, amounts are due and payable by OEFC to the Company.

Section 2.3 Interest.

Interest on the Note at the rate specified in Section 2.2(1) shall accrue daily, and shall be payable in equal semi-annual instalments on May 1 and November 1 in each year, the first such payment for the Note to be made for the period from the date of this Agreement to May 1, 1999 and, whenever it is necessary to compute interest in respect of the Note for a period of less than one full year, other than such equal semi-annual instalments, such interest shall be calculated on the basis of the actual number of days elapsed in a year of 365 days or 366 days, as the case may be.

Section 2.4 Prepayment.

(1) If the Company has, upon the number of days notice to OEFC determined in accordance with Section 2.4(2), delivered a notice to OEFC stating the proposed date and the Note or part thereof that the Company wishes to prepay, on such date the Company shall pay to OEFC the greater of:

(a) The principal amount of the Note or part thereof that is to be prepaid, as the case may be; and

(b) The Ontario Yield Price for the Note or such part;

together in each case with all interest accrued on the Note or such part to such date or, if the Company and OEFC agree, such amount as they agree upon.

(2) The Company may, at any time and from time to time, prepay all or part of the Note upon giving OEFC not less than 30 days' prior written notice of such prepayment.

Section 2.5 Public Debt Covenants.

(1) If the Company issues notes, bonds, debentures or other evidences of Senior Debt to the public with a term to maturity of at least 5 years and in an aggregate principal amount of at least 100 million in Canadian Dollars or at least 100 million in U.S. Dollars pursuant to a trust indenture, the Company shall, within 3 Business Days of the first such issuance, give OEFC notice of such issuance and a copy of such trust indenture. Effective upon such issuance, the representations and warranties, the positive and negative covenants of the Company (including any financial covenants but excluding covenants relating to interest rates, interest payment dates, maturity dates of principal, prepayments and manner and place of payments) and the events of default applicable to such Senior Debt as specified in such trust indenture shall automatically become applicable to the Note in lieu of the representations and warranties, covenants or Events of Default, as the case may be, included herein as if the same had been originally included in this Agreement when executed and delivered and this Agreement shall be deemed to be amended as of the date such Senior Debt is issued to the extent necessary to incorporate such representations and warranties, covenants and events of default into this Agreement. The Company, at the request of OEFC, shall promptly execute and deliver an agreement which sets out the terms and provisions of this Agreement, as so amended.

(2) If, at any time or from time to time, the representations or warranties, the positive or negative covenants (including any financial covenants but excluding covenants relating to interest rates, interest payment dates, maturity dates of principal, prepayments and manner and place of payments) or the events of default applicable to the Senior Debt referred to in Section 2.5(1) are amended, modified or restated, the Company shall, within 3 Business Days of such amendment, modification or restatement, give OEFC notice thereof and a copy of the agreement amending or modifying the trust indenture referred to in Section 2.5(1) or a copy of the restatement of such trust indenture, as the case may be. OEFC may, upon notice to the Company given at any time within 90 days of receipt by OEFC of a copy of such agreement or such restatement, elect to have such amendment, modification or restatement apply to the Note and this Agreement (as amended pursuant to Section 2.5(1)). If OEFC so elects, such amendment, modification or restatement shall become applicable to the Note and this Agreement (as so amended) as of the date of such election, as if such amendment, modification or restatement amended, modified or restated this Agreement (as so amended) as of such date and this Agreement shall be deemed to be amended, modified or restated as of such date to the extent necessary to incorporate such representations and warranties, positive and negative covenants (including any financial covenants but excluding covenants

relating to interest rates, interest payment dates, maturity dates of principal, prepayments and manner and place of payments) and events of default. The Company, at the request of OEFC, shall promptly execute and deliver an agreement which sets out the terms of this Agreement, as amended pursuant to Section 2.5(1) and as further amended, modified or restated pursuant to this Section 2.5(2).

Section 2.6 Payment.

All amounts required to be paid by the Company to OEFC pursuant to this Agreement shall be paid to or to the order of OEFC by electronic wire transfer of immediately available funds in accordance with transfer instructions given by OEFC to the Company from time to time, or in any such other manner as OEFC may specify to the Company from time to time.

ARTICLE 3
COVENANTS OF THE COMPANY

Section 3.1 Payment of the Note.

The Company will duly and punctually pay or cause to be paid all amounts owing in respect of the Note or under this Agreement in accordance with the terms and subject to the conditions of the Note and this Agreement.

Section 3.2 Company will Maintain its Corporate Existence.

Subject to Section 5.1, the Company will at all times maintain its corporate existence.

Section 3.3 Maintenance of Properties.

The Company will cause all property owned by the Company or any Subsidiary to be maintained and kept in good condition, repair and working order, all as in the judgment of the Company or any Subsidiary may be necessary for the proper operation of such property, except as and to the extent that the Company or any Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 3.3 shall prevent the Company or any Subsidiary from discontinuing the maintenance of any such property if such discontinuance is, in the judgment of the Company or any Subsidiary, desirable in the conduct of its business or the business of any such Subsidiary.

Section 3.4 Insurance.

The Company will cause all property owned by the Company or any Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the nature and to the extent that such property is usually insured by companies operating similar businesses.

Section 3.5 Conduct of Business.

The Company will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in a proper, efficient and business-like manner and in accordance with good business practice.

Section 3.6 Financial Statements.

The Company will furnish to OEFC:

(a) Within 140 days after the end of each fiscal year, beginning with the fiscal year ended December 31, 1999, audited financial statements of the Company consisting of a consolidated balance sheet of the Company at the end of each such fiscal year and related consolidated statements of income and retained earnings and, commencing with the financial statements relating to the fiscal year of the Company commencing January 1, 2000, changes in financial position for each such fiscal year prepared in accordance with generally accepted accounting principles; and

(b) Within 60 days after the end of each of the first three fiscal quarters of each fiscal year of the Company, unaudited interim consolidated financial statements of the Company for the interim period so ended prepared in accordance with generally accepted accounting principles.

Section 3.7 Other Indebtedness.

The Company covenants that if it shall cause any payment of principal, premium or interest on any of its Indebtedness to be subordinated or postponed to the prior payment of any other Indebtedness it shall in like manner subordinate or postpone such payment to the prior payment of the Note.

Section 3.8 Negative Pledge.

The Company will not, and will not permit any Subsidiary to, create, incur or assume any Lien, charging the interest of the Company or any Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, the Note is secured equally

and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) The creation, incurrence or assumption of any Purchase Money Mortgage;

(b) The grant of any Lien in the normal course of business to any banks or financial institutions for present or future Indebtedness of the Company or any Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) Liens granted by a Subsidiary to the Company;

(e) Any extension, renewal or replacement of any of the Liens referred to in Sections 3.8(a) to (d), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased.; and

(f) Any Lien charging the interest of the Company or any Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 3.8(a) to (d), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 3.8(f) which is outstanding at such time does not exceed 25% of Consolidated Assets at such time.

Section 3.9 Payment of OEFC's Expenses

The Company will, on demand, reimburse OEFC for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OEFC in connection with the preservation of rights under or enforcement of this Agreement at any time during the continuance of a default or Event of Default. All such costs, charges and expenses shall bear interest at the Canadian Prime Rate, payable monthly in arrears from the third Business Day after demand for reimbursement thereof is made by OEFC.

ARTICLE 4
EVENTS OF DEFAULT AND REMEDIES

Section 4.1 Event of Default.

"**Event of Default**", wherever used herein, means any one of the following events:

(a) Failure to pay any interest upon the Note when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) Failure to pay the principal of the Note at its Stated Maturity;

(c) Failure on the part of the Company to observe or perform its obligations set forth in Section 5.1;

(d) Failure on the part of the Company to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 30 days after the date on which written notice of such failure shall have been given to the Company by OEFC;

(e) One or more breaches by the Company or any Subsidiary of its covenants under one or more evidences of Indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $25 million, which breaches:

(i) Constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist, or

(ii) Have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived or rescinded);

(f) The Company or any Material Subsidiary:

(i) Becomes generally not able to pay its debts as they become due;

(ii) Admits in writing its inability to pay its debts generally or makes a general assignment for the benefit of its creditors or files a proposal or other scheme of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) Institutes or has instituted against it any proceeding seeking:

(A) To adjudicate it a bankrupt or insolvent,

(B) Liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors, or

(C) The entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets,

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismissed or unstayed for a period of 30 days, or any of the actions sought in such proceeding (including the entry of an order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

(iv) Takes any corporate action to authorize any of the actions in Sections 4.1(f)(i), (ii) or (iii); or

(g) If there shall be rendered against the Company or any Material Subsidiary a final judgment or judgments for the payment of money in an aggregate amount in excess of $25 million by a court or courts of competent jurisdiction, and the Company or such Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 4.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case OEFC may declare all amounts owing on the Note and all other amounts owing hereunder to be due and payable immediately, by a notice in writing to the Company, and upon any such declaration all such amounts shall become immediately due and payable.

Section 4.3 Suits for Enforcement by OEFC.

If an Event of Default occurs and is continuing, OEFC may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in OEFC by this Agreement or by law.

Section 4.4 OEFC May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of the Company under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property of the Company, or if any other judicial proceedings relative to the Company, its creditors or its property are pending, OEFC (irrespective of whether the principal amount of the Note shall then be due and payable as therein expressed or by declaration or otherwise and irrespective of whether OEFC shall have made any demand on the Company for the payment of any overdue principal or interest) shall be entitled and empowered, by intervention in such proceeding or otherwise:

(a) To file and prove a claim for all amounts owing on the Note or under this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of OEFC (including any claim for fees and disbursements of OEFC, its agents and counsel) allowed in such judicial proceeding; and

(b) To collect and receive any moneys or other property payable or deliverable on any such claim.

Section 4.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to OEFC is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 4.6 Delay or Omission not Waiver.

No delay or omission of OEFC to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right and remedy given

by this Article 4 or by law to OEFC may be exercised from time to time, and as often as may be deemed expedient, by OEFC.

ARTICLE 5
CONSOLIDATION, AMALGAMATION, MERGER OF COMPANY

Section 5.1 Certain Requirements in Respect of Merger, etc.

The Company may not, in a single transaction or a series of related transactions, amalgamate or consolidate with or merge into any other Person, or permit any other Person to amalgamate or consolidate with or merge into the Company, or directly or indirectly transfer, sell, lease or otherwise dispose of all or substantially all of its property or assets (a "**disposition**") to any Person, but may do so if:

(a) The Company shall be the surviving Person, or the Person (if other than the Company) formed by such amalgamation, consolidation or into which the Company is merged or that acquires by disposition all or substantially all of the properties or assets of the Company shall be a corporation, partnership or trust organized and validly existing under the federal laws of Canada or any province or territory thereof and shall expressly assume, by an agreement executed and delivered to OEFC in form satisfactory to OEFC, all of the Company's obligations under this Agreement and the Note and, in the case of an entity organized other than under the laws of the Province of Ontario, shall attorn to the jurisdiction of the courts of the Province of Ontario (the Company or such other Person who becomes such a successor obligor under this Agreement being herein referred to as the "**Successor Person**");

(b) Immediately before and after giving effect to such transaction, no default or Event of Default shall have occurred and be continuing; and

(c) The Successor Person shall have delivered to OEFC a certificate of the Successor Person and an opinion of counsel, each stating that such amalgamation, consolidation, merger or disposition by the Company, and, if an agreement is required to be entered into by the Successor Person in connection with such transaction pursuant to Section 5.1(a), such agreement, comply with Section 5.1(a) and the certificate of the Successor Person shall also state that all conditions precedent in this Section 5.1 relating to such transaction have been satisfied.

Section 5.2 Successor Substituted.

Upon any consolidation, amalgamation, merger or disposition described in, and complying with the provisions of, Section 5.1 in which the Company is not the continuing corporation, the Successor Person shall succeed to all of the rights and obligations of the Company under this Agreement and the Note, and from time to time may exercise every right and power of the Company under this Agreement and the Note.

ARTICLE 6
GENERAL

Section 6.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy addressed:

If to the Company, to it at:

Independent Electricity Market Operator
P.O. Box 1
Suite 410
655 Bay Street
Toronto, Ontario
M5G 2K4

Attention: Douglas Thomas, CA, Treasurer
Telephone: (416) 506-2818
Telecopier: (416) 506-2843

If to OEFC, to it at:

Ontario Electricity Financial Corporation
c/o Ontario Financing Authority
1 Dundas Street West
Suite 1400
Toronto, Ontario
M3A 1Y7

Attention: Executive Director - Capital Markets Division
Telephone: (416) 325-8128
Telecopier: (416) 325-8005

Any such communication shall be deemed to have been validly and effectively given if (i) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p.m. (Toronto time), otherwise on the next Business Day, (ii) transmitted by telecopier, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice given in accordance with this Section 6.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 6.1.

Section 6.2 Successors and Assigns.

Subject to Section 5.1, the Company cannot assign or transfer this Agreement or the Note or any of its rights or obligations under this Agreement or the Note without the prior written consent of OEFC. OEFC cannot assign or transfer this Agreement or the Note or any of its rights or obligations under this Agreement or the Note without the prior written consent of the Company.

Section 6.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of OEFC and the Company.

Section 6.4 Waiver.

(3) No waiver of any provision of the Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) of this Agreement nor shall such waiver be binding unless executed in writing by the party to be bound by the waiver.

(4) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude any other or further exercise of such right or the exercise of any other right.

Section 6.5 Further Assurances.

Each of the Company and OEFC shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement.

Section 6.6 Severability.

In case any provision in this Agreement or in the Note shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement or in the Note shall not in any way be affected or impaired thereby.

Section 6.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 6.8 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF the parties have executed this Agreement.

INDEPENDENT ELECTRICITY MARKET OPERATOR

By: Douglas J. Thomas

By: _____

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By: _____

By: _____

AMENDING AGREEMENT NO. 6

This Amending Agreement is made as of the 30th day of April, 2017

between:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR
("IESO")

- and -

ONTARIO ELECTRICITY FINANCIAL CORPORATION
("OEFC")

WHEREAS IESO and OEFC have entered into an agreement Providing for the Issuance of a Note dated April 1, 1999 (the "Original Agreement");

AND WHEREAS pursuant to amending agreements dated March 23, 2000, April 23, 2009, May 1, 2011, May 1, 2013, and April 30, 2014 the parties amended the Original Agreement (as so amended, the "Agreement");

AND WHEREAS the parties wish to further amend the Agreement to increase the loan advanced to IESO from a principal amount of C$90 million to a principal amount of up to C$120 million and to extend the maturity date of the loan to June 30, 2020, all of which is to be evidenced through the the issuance of a Fifth Refinancing Note.

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and sufficiency of which are hereby acknowledged by each party), the parties agree as follows:

1. **Defined Terms**

Capitalized terms used in this Amending Agreement and not otherwise defined herein have the meanings specified in the Agreement.

2. **Amendments to Agreement**

(a) Definition of "Loan" in the Agreement is deleted.

(b) Article 1a (The Loan) of the Agreement is deleted in its entirety and replaced with the following:

Article 1a $30 Million Advance

Section 1a.1

Effective April 30, 2017, OEFC will make an advance to IESO in the amount of $30 million (the "$30 Million Advance"). IESO directs OEFC to apply, and OEFC agrees to apply, the $30 Million Advance, first to repay Advances Outstanding (as such term is defined in the Revolving Credit Facility Agreement), if any, under the Revolving Credit Facility Agreement, with any amount remaining out of the $30 Million Advance after repaying all Advances Outstanding to be used by IESO for the purpose of funding new IESO capital expenditures.

(c) The following sections are added to the Agreement following Section 2.15:

" Section 2.16 Fifth Refinancing Note

On April 30, 2017, IESO shall execute and deliver to OEFC a promissory note in the form attached as Schedule 1 (the "Fifth Refinancing Note") which shall be in an aggregate principal amount equal to $120 million, dated as of April 30, 2017 and maturing on June 30, 2020 and bearing interest at a per annum rate equal to the Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020, as determined by the Chief Executive Officer of OEFC or the Chief Operating Officer of OEFC, or by a person designated by either of them, plus fifty basis points (0.50%) (after as well as before default or judgment, with interest on the amounts in default at the same rate). Upon receipt of the Fifth Refinancing Note by OEFC, the Fourth Refinancing Note dated April 30, 2014 shall be of no further force or effect and shall be returned by OEFC to IESO marked "cancelled".

For greater clarity, the Fifth Refinancing Note shall evidence the indebtedness of IESO to OEFC in respect of the principal amount of $90 million under the Fourth Refinancing Note ("Part A") and the additional $30 Million Advance ("Part B"), for a total aggregate principal amount of $120 million.

Notwithstanding Section 1.5 herein, the interest rate on the Fifth Refinancing Note shall be set on Monday, May 1, 2017, with interest accruing on Part A commencing on Sunday, April 30, 2017, and interest accruing on Part B commencing on Monday, May 1, 2017.

Section 2.17 Interest on Fifth Refinancing Note

Notwithstanding Section 1.5 herein, interest on the Fifth Refinancing Note at the rate specified in Section 2.16 shall accrue daily and shall be payable in equal semi-annual instalments on June 30 and December 31(each an "Interest Payment Date"), provided however that the calculation of the amount of the first such interest payment for Part A shall be in respect only of the period from and including April 30, 2017 to but excluding June 30, 2017, and for Part B in respect only of the period from May 1, 2017 to but excluding June 30, 2017.

For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under the Fifth Refinancing Note for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period."

3. **Reference to and Effect on the Agreement.**

On and after this date, each reference in the Agreement to "this Agreement" and each reference to the Agreement in any and all other agreements, documents and instruments delivered by IESO and OEFC shall mean and be a reference to the Agreement as amended by this Amending Agreement. On and after this date, each reference in the Agreement to either "the Note" or "the New Note" and each reference to either "the Note" or "the New Note" in any and all other agreements, documents and instruments delivered by IESO and OEFC shall mean and be a reference to the Fifth Refinancing Note.

4. **Governing Law**

This Amending Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

5. **Counterparts**

This Amending Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.

6. **Enurement**

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

IN ALL OTHER RESPECTS, the Agreement is confirmed by the parties.

IN WITNESS WHEREOF the parties have executed and delivered this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

SCHEDULE 1
FORM OF FIFTH REFINANCING NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

NOTE

Aggregate Principal Amount: $120 million, consisting of: a Part A amount of $90 million ("Part A"), whereon interest accrues commencing on April 30, 2017, and a Part B amount of $30 million ("Part B"), whereon interest accrues commencing on May 1, 2017.

Date: April 30, 2017

Interest Rate: (Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020 + 50 basis points)

Due: June 30, 2020

FOR VALUE RECEIVED, the INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO") existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, PROMISES TO PAY to or to the order of ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC") at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of $120 million in lawful money of Canada, with interest on such amount at the rate, calculated in the manner and payable at the times specified in this Note.

The principal amount of this Note together with all interest accrued thereon shall become due and payable on June 30, 2020.

The principal amount of this Note remaining from time to time unpaid and outstanding shall bear interest from the date of this Note both before and after maturity and both before and after default at the rate per annum equal to the Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020, as determined by the Chief Executive Officer of OEFC or the Chief Operating Officer of OEFC, or by a person designated by either of them, plus fifty basis points (0.50%). Interest at such rate shall accrue daily and shall be payable in arrears in equal semi-annual instalments on June 30 and December 31 (each an "Interest Payment Date") commencing June 30, 2017, provided however that the calculation of the amount of the first such interest payment for Part A shall be in respect only of the period from and including April 30, 2017 to but excluding June 30, 2017, and for Part B in respect only of the period from and including May 1, 2017 to but excluding June 30, 2017.

For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Note for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of an agreement providing for the issuance of a note dated April 1, 1999 between the IESO and OEFC and amended by an amending agreement dated March 23, 2000, an amending agreement dated April 23, 2009, an amending agreement dated May 1, 2011, an amending agreement dated May 1, 2013, an amending agreement dated April 30, 2014, and an amending agreement dated April 30, 2017 (as so amended, the "Agreement"), which Agreement provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

From:	Ryan Blackbyrne
To:	San Rajaratnam; Siva Nathan
Cc:	Sarah Harris; Robert Bozinoski
Subject:	IESO : OFA/OEFC December 31, 2017 - confirmations to KPMG
Date:	Monday, December 18, 2017 4:28:42 PM
Attachments:	SMF9217121516060.pdf SMF9217121516150.pdf

Hi San and Siva,
Please see the below email and attached documents from IESO requesting that we confirm their outstanding borrowings with the OFA and OEFC. This is in connection with a KPMG audit on IESO's financial statements for the year ended December 31, 2017.
I can confirm the accuracy of the two IESO-OFA and two IESO-OEFC borrowing facilities with respect to the limit amounts, interest rates and maturity dates.
Can someone in your department please confirm the current amounts outstanding under each facility? Also, please confirm who can sign-off on the attached confirmations for KPMG?
Thank You,
Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M5G 1Z3
416-325-8143
ryan.blackbyrne@ofina.on.ca

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Friday, December 15, 2017 4:19 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Cc: De Caire, Justin J <jdecaire@kpmg.ca>; Sims, Brendan <brendansims@kpmg.ca>; Olga Whiteley <Olga.Whiteley@ieso.ca>; Natalie Schaus <Natalie.Schaus@ieso.ca>
Subject: IESO : OFA/OEFC December 31, 2017 - confirmations to KPMG
Ryan, William,
In connection with their audit of the IESO's financial statements for the year ended December 31, 2017, our auditors, KPMG LLP, have requested confirmation of the IESO's borrowings with Ontario Electricity Financial Corporation and Ontario Financing Authority as at December 31, 2017.
Please see the attached, and please confirm back to KPMG LLP.
If you have any questions, please call/contact:
Justin De Caire
KPMG LLP
80 King Street, Suite 620
P.O. Box 1294
St. Catharines, ON, L2R 7G1
Fax: 905-682-2008
T: 905-687-3284
Regards,
Anthony Martinello Director, Treasury & Pension Operations
Independent Electricity System Operator (IESO) | T: 905-403-6944

Station A, Box 4474, Toronto, ON, M5W 4E5
www.ieso.ca[ieso.ca]
This e-mail message and any files transmitted with it are intended only for the named recipient(s) above and may contain information that is privileged, confidential and/or exempt from disclosure under applicable law. If you are not the intended recipient(s), any dissemination, distribution or copying of this e-mail message or any files transmitted with it is strictly prohibited. If you have received this message in error, or are not the named recipient(s), please notify the sender immediately and delete this e-mail message.

December 15, 2017
Mr. Ryan Blackbyrne
Ontario Financing Authority
1 Dundas Street West, Ste. 1400
Toronto, ON. M7A 1Y7

ieso
Independent Electricity System Operator

1600 - 120 Adelaide Street West
Toronto, ON M5H 1T1
t 416 506 2800

www.ieso.ca

RE: IESO borrowings from Ontario Electricity Financial Corporation

Dear Mr. Blackbyrne:

In connection with their audit of our financial statements for the year ended December 31, 2017, our auditors, KPMG LLP, have requested confirmation of the IESO's borrowings with Ontario Electricity Financial Corporation as at December 31, 2017.

Facility	Total Amount of Debt/facility	Interest Rate	Maturity Date
1. Note Payable	Amount outstanding as at December 31, 2017 is : CAD$ 120,000,000.00	Fixed at 1.767% per annum.	June 30, 2020
2. Credit Facility	Amount outstanding as at December 31, 2017 is : CAD$ (insert amount)	Draws up to $160,000,000 will be at Province of Ontario's cost of borrowing for a 30day term plus 0.50 percent per annum.	June 30, 2020

Please confirm the above information and the amounts details by signing below and email or fax this confirmation back directly to our auditors. Should you wish to discuss any details of this confirmation request, please contact:

Justin De Caire
KPMG LLP
80 King Street, Suite 620, P.O. Box 1294, St. Catharines, ON, L2R 7G1
T (905) 687-3284, Fax: 905-682-2008
(jdecaire@kpmg.ca).

Yours truly,

Anthony Martinello
Director, Treasury and Pension Operations

The above information detailing debt securities agrees with our records. To the best of our knowledge we hold no other debt securities for this company. (Note exceptions below, or in a separate letter.)

Financial institution name: _____

Signature: _____

Name and title of official: _____ Date: _____

December 15, 2017

Mr. William Tan
Ontario Financing Authority
1 Dundas Street West, Ste. 1400
Toronto, ON. M7A 1Y7

ieso
Independent Electricity System Operator

1600 - 120 Adelaide Street West
Toronto, ON M5H 1T1
t 416 506 2800

www.ieso.ca

RE: IESO borrowings from Ontario Financing Authority

Dear Mr. Tan:

In connection with their audit of our financial statements for the year ended December 31, 2017, our auditors, KPMG LLP, have requested confirmation of the IESO's borrowings with Ontario Financing Authority as at December 31, 2017.

Facility	Total Amount of Debt/facility	Interest Rate	Maturity Date
1. Fair Hydro Credit Facility	Amount outstanding as at December 31, 2017 is : CAD$ (insert amount)	Draws up to $2,000,000,000.00 will be at Province of Ontario's cost of borrowing plus 0.25 percent per annum.	September 30, 2022
2. Credit Facility	Amount outstanding as at December 31, 2017 is : CAD$ (insert amount)	Draws up to $475,000,000.00 will be at Province of Ontario's cost of borrowing plus 0.25 percent per annum.	December 31, 2019

Please confirm the above information and the amounts details by signing below and email or fax this confirmation back directly to our auditors. Should you wish to discuss any details of this confirmation request, please contact:

Justin De Caire
KPMG LLP
80 King Street, Suite 620, P.O. Box 1294, St. Catharines, ON, L2R 7G1
T (905) 687-3284, Fax: 905-682-2008
(jdecaire@kpmg.ca).

Yours truly,

Anthony Martinello
Director, Treasury and Pension Operations

The above information detailing debt securities agrees with our records. To the best of our knowledge we hold no other debt securities for this company. (Note exceptions below, or in a separate letter.)

Financial institution name: _____

Signature: _____

Name and title of official: _____ Date: _____

From: Ryan Blackbyrne
To: Risa Thau
Cc: Sarah Harris
Subject: IESO : OFA/OEFC December 31, 2017 - confirmations to KPMG
Date: Monday, December 18, 2017 3:54:08 PM
Attachments: SMF9217121516060.pdf
SMF9217121516150.pdf

Hi Risa,

Please see the below email from IESO requesting that we confirm their outstanding borrowings with the OFA and OEFC. This is in connection with a KPMG audit on IESO's financial statements for the year ended December 31, 2017.

I can confirm the accuracy of the 2 IESO-OFA and 2 IESO-OEFC borrowing facilities with respect to the limit amounts, interest rates and maturity dates.

Are settlements able to confirm the current amounts outstanding under each facility? Or is that something OFA Accounting needs to confirm? Also, who would be the best person to sign-off on the attached confirmations for KPMG?

Thank You,

Ryan

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Friday, December 15, 2017 4:19 PM
To: Ryan Blackbyrne ; William Tan
Cc: De Caire, Justin J ; Sims, Brendan ; Olga Whiteley ; Natalie Schaus
Subject: IESO : OFA/OEFC December 31, 2017 - confirmations to KPMG

Ryan, William,

In connection with their audit of the IESO's financial statements for the year ended December 31, 2017, our auditors, KPMG LLP, have requested confirmation of the IESO's borrowings with Ontario Electricity Financial Corporation and Ontario Financing Authority as at December 31, 2017.

Please see the attached, and please confirm back to KPMG LLP.

If you have any questions, please call/contact:

Justin De Caire
KPMG LLP
80 King Street, Suite 620
P.O. Box 1294
St. Catharines, ON, L2R 7G1
Fax: 905-682-2008
T: 905-687-3284

Regards,

Anthony Martinello Director, Treasury & Pension Operations
Independent Electricity System Operator (IESO) | T: 905-403-6944
Station A, Box 4474, Toronto, ON, M5W 4E5
www.ieso.ca[ieso.ca]

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recipient(s), please notify the sender immediately and delete this e-mail message.

December 15, 2017
Mr. Ryan Blackbyrne
Ontario Financing Authority
1 Dundas Street West, Ste. 1400
Toronto, ON. M7A 1Y7

ieso
Independent Electricity System Operator

1600 - 120 Adelaide Street West
Toronto, ON M5H 1T1
t 416 506 2800

www.ieso.ca

RE: IESO borrowings from Ontario Electricity Financial Corporation

Dear Mr. Blackbyrne:

In connection with their audit of our financial statements for the year ended December 31, 2017, our auditors, KPMG LLP, have requested confirmation of the IESO's borrowings with Ontario Electricity Financial Corporation as at December 31, 2017.

Facility	Total Amount of Debt/facility	Interest Rate	Maturity Date
1. Note Payable	Amount outstanding as at December 31, 2017 is : CAD$ 120,000,000.00	Fixed at 1.767% per annum.	June 30, 2020
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Please confirm the above information and the amounts details by signing below and email or fax this confirmation back directly to our auditors. Should you wish to discuss any details of this confirmation request, please contact:

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KPMG LLP
80 King Street, Suite 620, P.O. Box 1294, St. Catharines, ON, L2R 7G1
T (905) 687-3284, Fax: 905-682-2008
(jdecaire@kpmg.ca).

Yours truly,

Anthony Martinello
Director, Treasury and Pension Operations

The above information detailing debt securities agrees with our records. To the best of our knowledge we hold no other debt securities for this company. (Note exceptions below, or in a separate letter.)

Financial institution name: _____

Signature: _____

Name and title of official: _____ Date: _____

December 15, 2017

Mr. William Tan
Ontario Financing Authority
1 Dundas Street West, Ste. 1400
Toronto, ON. M7A 1Y7

ieso
Independent Electricity System Operator

1600 - 120 Adelaide Street West
Toronto, ON M5H 1T1
t 416 506 2800

www.ieso.ca

RE: IESO borrowings from Ontario Financing Authority

Dear Mr. Tan:

In connection with their audit of our financial statements for the year ended December 31, 2017, our auditors, KPMG LLP, have requested confirmation of the IESO's borrowings with Ontario Financing Authority as at December 31, 2017.

Facility	Total Amount of Debt/facility	Interest Rate	Maturity Date
1. Fair Hydro Credit Facility	Amount outstanding as at December 31, 2017 is : CAD$ (insert amount)	Draws up to $2,000,000,000.00 will be at Province of Ontario's cost of borrowing plus 0.25 percent per annum.	September 30, 2022
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80 King Street, Suite 620, P.O. Box 1294, St. Catharines, ON, L2R 7G1
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(jdecaire@kpmg.ca).

Yours truly,

Anthony Martinello
Director, Treasury and Pension Operations

The above information detailing debt securities agrees with our records. To the best of our knowledge we hold no other debt securities for this company. (Note exceptions below, or in a separate letter.)

Financial institution name: _____

Signature: _____

Name and title of official: _____ Date: _____

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I can confirm the accuracy of the 2 IESO-OFA and 2 IESO-OEFC borrowing facilities with respect to the limit amounts, interest rates and maturity dates.

Are settlements able to confirm the current amounts outstanding under each facility? Or is that something OFA Accounting needs to confirm? Also, who would be the best person to sign-off on the attached confirmations for KPMG?

Thank You,

Ryan

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Friday, December 15, 2017 4:19 PM
To: Ryan Blackbyrne ; William Tan
Cc: De Caire, Justin J ; Sims, Brendan ; Olga Whiteley ; Natalie Schaus
Subject: IESO : OFA/OEFC December 31, 2017 - confirmations to KPMG

Ryan, William,

In connection with their audit of the IESO's financial statements for the year ended December 31, 2017, our auditors, KPMG LLP, have requested confirmation of the IESO's borrowings with Ontario Electricity Financial Corporation and Ontario Financing Authority as at December 31, 2017.

Please see the attached, and please confirm back to KPMG LLP.

If you have any questions, please call/contact:

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St. Catharines, ON, L2R 7G1
Fax: 905-682-2008
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Regards,

Anthony Martinello Director, Treasury & Pension Operations
Independent Electricity System Operator (IESO) | T: 905-403-6944
Station A, Box 4474, Toronto, ON, M5W 4E5
www.ieso.ca[ieso.ca]

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recipient(s), please notify the sender immediately and delete this e-mail message.

December 15, 2017
Mr. Ryan Blackbyrne
Ontario Financing Authority
1 Dundas Street West, Ste. 1400
Toronto, ON. M7A 1Y7

ieso
Independent Electricity System Operator

1600 - 120 Adelaide Street West
Toronto, ON M5H 1T1
t 416 506 2800

www.ieso.ca

RE: IESO borrowings from Ontario Electricity Financial Corporation

Dear Mr. Blackbyrne:

In connection with their audit of our financial statements for the year ended December 31, 2017, our auditors, KPMG LLP, have requested confirmation of the IESO's borrowings with Ontario Electricity Financial Corporation as at December 31, 2017.

Facility	Total Amount of Debt/facility	Interest Rate	Maturity Date
1. Note Payable	Amount outstanding as at December 31, 2017 is : CAD$ 120,000,000.00	Fixed at 1.767% per annum.	June 30, 2020
2. Credit Facility	Amount outstanding as at December 31, 2017 is : CAD$ (insert amount)	Draws up to $160,000,000 will be at Province of Ontario's cost of borrowing for a 30day term plus 0.50 percent per annum.	June 30, 2020

Please confirm the above information and the amounts details by signing below and email or fax this confirmation back directly to our auditors. Should you wish to discuss any details of this confirmation request, please contact:

Justin De Caire
KPMG LLP
80 King Street, Suite 620, P.O. Box 1294, St. Catharines, ON, L2R 7G1
T (905) 687-3284, Fax: 905-682-2008
(jdecaire@kpmg.ca).

Yours truly,

Anthony Martinello
Director, Treasury and Pension Operations

The above information detailing debt securities agrees with our records. To the best of our knowledge we hold no other debt securities for this company. (Note exceptions below, or in a separate letter.)

Financial institution name: _____

Signature: _____

Name and title of official: _____ Date: _____

December 15, 2017

Mr. William Tan
Ontario Financing Authority
1 Dundas Street West, Ste. 1400
Toronto, ON. M7A 1Y7

ieso
Independent Electricity System Operator

1600 - 120 Adelaide Street West
Toronto, ON M5H 1T1
t 416 506 2800

www.ieso.ca

RE: IESO borrowings from Ontario Financing Authority

Dear Mr. Tan:

In connection with their audit of our financial statements for the year ended December 31, 2017, our auditors, KPMG LLP, have requested confirmation of the IESO's borrowings with Ontario Financing Authority as at December 31, 2017.

Facility	Total Amount of Debt/facility	Interest Rate	Maturity Date
1. Fair Hydro Credit Facility	Amount outstanding as at December 31, 2017 is : CAD$ (insert amount)	Draws up to $2,000,000,000.00 will be at Province of Ontario's cost of borrowing plus 0.25 percent per annum.	September 30, 2022
2. Credit Facility	Amount outstanding as at December 31, 2017 is : CAD$ (insert amount)	Draws up to $475,000,000.00 will be at Province of Ontario's cost of borrowing plus 0.25 percent per annum.	December 31, 2019

Please confirm the above information and the amounts details by signing below and email or fax this confirmation back directly to our auditors. Should you wish to discuss any details of this confirmation request, please contact:

Justin De Caire
KPMG LLP
80 King Street, Suite 620, P.O. Box 1294, St. Catharines, ON, L2R 7G1
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(jdecaire@kpmg.ca).

Yours truly,

Anthony Martinello
Director, Treasury and Pension Operations

The above information detailing debt securities agrees with our records. To the best of our knowledge we hold no other debt securities for this company. (Note exceptions below, or in a separate letter.)

Financial institution name: _____

Signature: _____

Name and title of official: _____ Date: _____

From: Ryan Blackburne
To: Sarah Hanik
Subject: IESO : OFA/OEFC December 31, 2017 - confirmations to KPMG
Date: Monday, December 18, 2017 3:08:00 PM
Attachments: image001.png
image002.png
image003.png
image004.png
image005.png
image006.png
image007.png
image008.png
image009.png
image010.png
image011.png
image012.png

Hi Sarah,

Please see Anthony's request below. IESO requires confirmation of their outstanding borrowings with the OFA and OEFC for a KPMG audit of their December 31, 2017 financial statements.

As discussed, I went through the original and amending agreements for the 2 IESO-OFA facilities and 2 IESO-OEFC facilities and am confident in the accuracy of the amounts, interest rates and maturity dates of each outstanding facility detailed in the attached documents. As per screenshots below I also checked OLMS and ITS and was able to locate 3 of the 4 facilities (unable to find the $160M IESO-OEFC revolving credit facility in OLMS or ITS).

I am not certain of how to confirm the amounts currently outstanding for each facility. There are "Remaining Amount" figures provided in OLMS for the IESO-OFA facilities (as per screenshots below – but I'm not 100% sure these are accurate?). Also, for the IESO-OEFC credit facilities, Documentation may not have up to date Grid Notes. Please advise how you would like me to proceed.

RE: IESO borrowings from Ontario Financing Authority

www.ieso.ca

Dear Mr. Tan:

In connection with their audit of our financial statements for the year ended December 31, 2017, our auditors, KPMG LLP, have requested confirmation of the IESO's borrowings with Ontario Financing Authority as at December 31, 2017.

Facility	Total Amount of Debt/facility	Interest Rate	Maturity Date
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RE: IESO borrowings from Ontario Electricity Financial Corporation

t 416 506 2800

www.ieso.ca

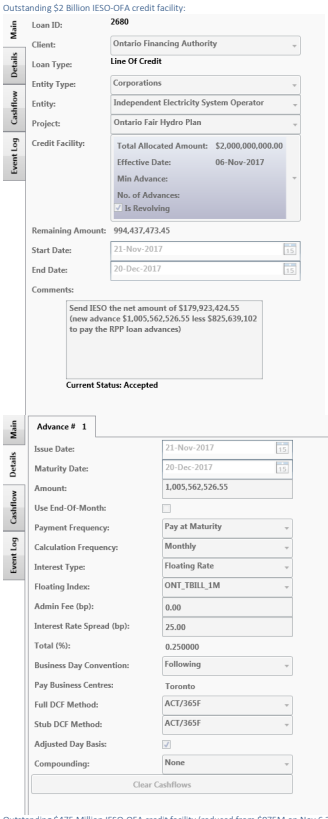
Dear Mr. Blackbyrne:

In connection with their audit of our financial statements for the year ended December 31, 2017, our auditors, KPMG LLP, have requested confirmation of the IESO's borrowings with Ontario Electricity Financial Corporation as at December 31, 2017.

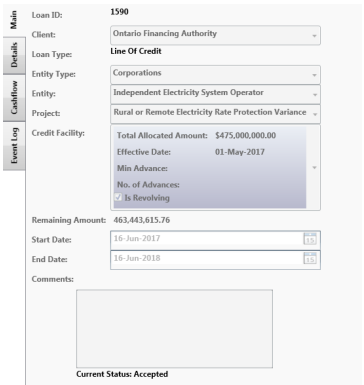
Facility	Total Amount of Debt/facility	Interest Rate	Maturity Date
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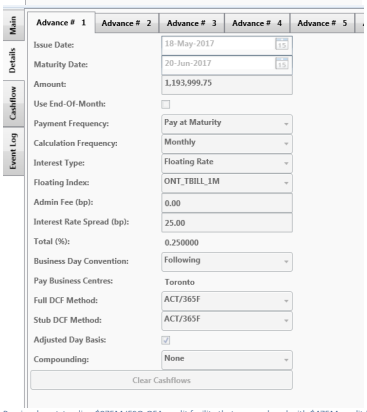
Loan ID	** All Loan Types **	** All Entity Types **	IESO	** All Projects **	Advance Date	End Date (Only Active Loans)	Amount	** Entered by All **	Cusip	Trade Date	Workflow Status
2680	Line Of Credit	Corporations	IESO	Ontario Fair Hydro Plan	21-Nov-2017	20-Dec-2017	1,005,562,526.55	OFINA\cyep		21-Nov-2017	Accepted
1590	Line Of Credit	Corporations	IESO	Rural or Remote Electricity I	18-May-2017	16-Jun-2018	11,556,384.24	OFINA\cyep		16-Jun-2017	Accepted
1275	Line Of Credit	Corporations	IESO	Regulated Price Plan Varian	19-Aug-2016	31-Dec-2019	0.00	OFINA\jcadmin		04-Jan-2005	Accepted

Outstanding $2 Billion IESO-OFA credit facility:



Outstanding $475 Million IESO-OFA credit facility (reduced from $975M on Nov 6 2017 in amending agreement # 10 attached):

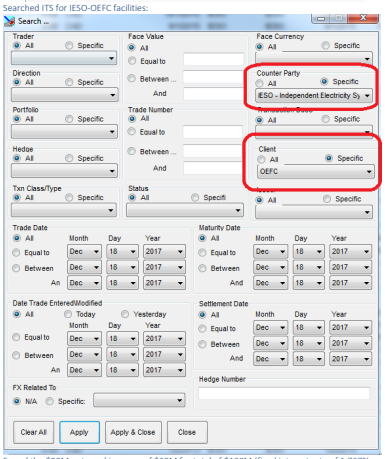




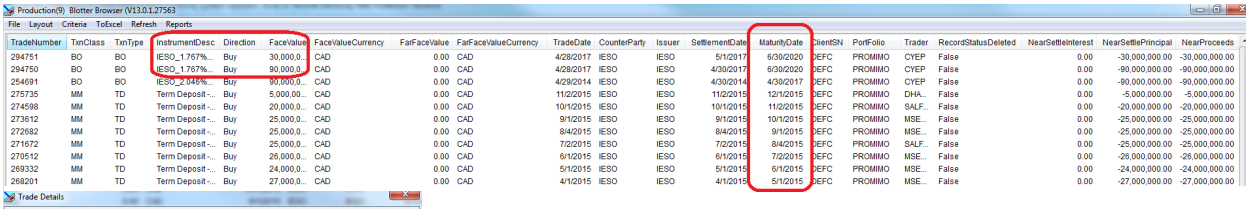
Previously outstanding $975M IESO-OFA credit facility that was replaced with $475M credit facility on Nov 6 2017 in amending agreement # 10 attached:

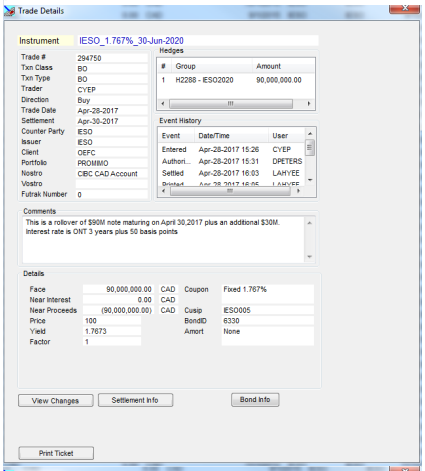


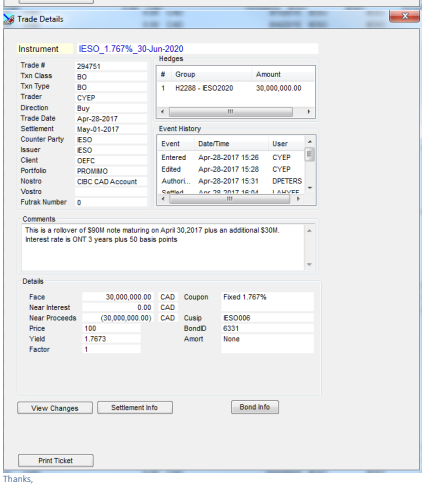
Searched ITS for IESO-OEFC facilities:



Found the $90M note and increase of $30M for total of $120M (fixed interest rate of 1.767% per annum)







Thanks,
Ryan

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Friday, December 15, 2017 4:19 PM
To: Ryan Blackbyrne ; William Tan
Cc: De Caire, Justin J ; Sims, Brendan ; Olga Whiteley ; Natalie Schaus
Subject: IESO : OFA/OEFC December 31, 2017 - confirmations to KPMG

Ryan, William,

In connection with their audit of the IESO's financial statements for the year ended December 31, 2017, our auditors, KPMG LLP, have requested confirmation of the IESO's borrowings with Ontario Electricity Financial Corporation and Ontario Financing Authority as at December 31, 2017.

Please see the attached, and please confirm back to KPMG LLP.

If you have any questions, please call/contact:

Justin De Caire
KPMG LLP
80 King Street, Suite 620
P.O. Box 1294
St. Catharines, ON, L2R 7G1
Fax: 905-682-2008
T: 905-687-3284

Regards,

Anthony Martinello Director, Treasury & Pension Operations
Independent Electricity System Operator (IESO) | T: 905-403-6944
Station A, Box 4474, Toronto, ON, M5W 4E5
www.ieso.ca[ieso.ca]

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December 15, 2017
Mr. Ryan Blackbyrne
Ontario Financing Authority
1 Dundas Street West, Ste. 1400
Toronto, ON. M7A 1Y7

ieso
Independent Electricity System Operator

1600 - 120 Adelaide Street West
Toronto, ON M5H 1T1
t 416 506 2800

www.ieso.ca

RE: IESO borrowings from Ontario Electricity Financial Corporation

Dear Mr. Blackbyrne:

In connection with their audit of our financial statements for the year ended December 31, 2017, our auditors, KPMG LLP, have requested confirmation of the IESO's borrowings with Ontario Electricity Financial Corporation as at December 31, 2017.

Facility	Total Amount of Debt/facility	Interest Rate	Maturity Date
1. Note Payable	Amount outstanding as at December 31, 2017 is : CAD$ 120,000,000.00	Fixed at 1.767% per annum.	June 30, 2020
2. Credit Facility	Amount outstanding as at December 31, 2017 is : CAD$ (insert amount)	Draws up to $160,000,000 will be at Province of Ontario's cost of borrowing for a 30day term plus 0.50 percent per annum.	June 30, 2020

Please confirm the above information and the amounts details by signing below and email or fax this confirmation back directly to our auditors. Should you wish to discuss any details of this confirmation request, please contact:

Justin De Caire
KPMG LLP
80 King Street, Suite 620, P.O. Box 1294, St. Catharines, ON, L2R 7G1
T (905) 687-3284, Fax: 905-682-2008
(jdecaire@kpmg.ca).

Yours truly,

Anthony Martinello
Director, Treasury and Pension Operations

The above information detailing debt securities agrees with our records. To the best of our knowledge we hold no other debt securities for this company. (Note exceptions below, or in a separate letter.)

Financial institution name: _____

Signature: _____

Name and title of official: _____ Date: _____

December 15, 2017

Mr. William Tan
Ontario Financing Authority
1 Dundas Street West, Ste. 1400
Toronto, ON. M7A 1Y7

ieso
Independent Electricity System Operator

1600 - 120 Adelaide Street West
Toronto, ON M5H 1T1
t 416 506 2800

www.ieso.ca

RE: IESO borrowings from Ontario Financing Authority

Dear Mr. Tan:

In connection with their audit of our financial statements for the year ended December 31, 2017, our auditors, KPMG LLP, have requested confirmation of the IESO's borrowings with Ontario Financing Authority as at December 31, 2017.

Facility	Total Amount of Debt/facility	Interest Rate	Maturity Date
1. Fair Hydro Credit Facility	Amount outstanding as at December 31, 2017 is : CAD$ (insert amount)	Draws up to $2,000,000,000.00 will be at Province of Ontario's cost of borrowing plus 0.25 percent per annum.	September 30, 2022
2. Credit Facility	Amount outstanding as at December 31, 2017 is : CAD$ (insert amount)	Draws up to $475,000,000.00 will be at Province of Ontario's cost of borrowing plus 0.25 percent per annum.	December 31, 2019

Please confirm the above information and the amounts details by signing below and email or fax this confirmation back directly to our auditors. Should you wish to discuss any details of this confirmation request, please contact:

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KPMG LLP
80 King Street, Suite 620, P.O. Box 1294, St. Catharines, ON, L2R 7G1
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(jdecaire@kpmg.ca).

Yours truly,

Anthony Martinello
Director, Treasury and Pension Operations

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Financial institution name: _____

Signature: _____

Name and title of official: _____ Date: _____

RE: IESO borrowings from Ontario Financing Authority

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Facility	Total Amount of Debt/facility	Interest Rate	Maturity Date
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2. Credit Facility	Amount outstanding as at December 31, 2017 is : CAD$ (insert amount)	Draws up to $475,000,000.00 will be at Province of Ontario's cost of borrowing plus 0.25 percent per annum.	December 31, 2019

t 416 506 2800

www.ieso.ca

RE: IESO borrowings from Ontario Electricity Financial Corporation

Dear Mr. Blackbyrne:

In connection with their audit of our financial statements for the year ended December 31, 2017, our auditors, KPMG LLP, have requested confirmation of the IESO's borrowings with Ontario Electricity Financial Corporation as at December 31, 2017.

Facility	Total Amount of Debt/facility	Interest Rate	Maturity Date
1. Note Payable	Amount outstanding as at December 31, 2017 is : CAD$ 120,000,000.00	Fixed at 1.767% per annum.	June 30, 2020
2. Credit Facility	Amount outstanding as at December 31, 2017 is : CAD$ (insert amount)	Draws up to $160,000,000 will be at Province of Ontario's cost of borrowing for a 30day term plus 0.50 percent per annum.	June 30, 2020

Loan ID	** All Loan Types *	** All Entity Types	IESO	** All Projects **	Advance Date	End Date Only Active Loans	Amount	** Entered by All *	Cusip	Trade Date	Workflow Status
2680	Line Of Credit	Corporations	IESO	Ontario Fair Hydro Plan	21-Nov-2017	20-Dec-2017	1,005,562,526.55	OFINA\cyep		21-Nov-2017	Accepted
1590	Line Of Credit	Corporations	IESO	Rural or Remote Electricity F	18-May-2017	16-Jun-2018	11,556,384.24	OFINA\cyep		16-Jun-2017	Accepted
1275	Line Of Credit	Corporations	IESO	Regulated Price Plan Varian	19-Aug-2016	31-Dec-2019	0.00	OFINA\jcadmin		04-Jan-2005	Accepted

Main | Details | Cashflow | Event Log

Loan ID: 2680

Client: Ontario Financing Authority

Loan Type: Line Of Credit

Entity Type: Corporations

Entity: Independent Electricity System Operator

Project: Ontario Fair Hydro Plan

Credit Facility:

Total Allocated Amount: $2,000,000,000.00

Effective Date: 06-Nov-2017

Min Advance:

No. of Advances:

☑ Is Revolving

Remaining Amount: 994,437,473.45

Start Date: 21-Nov-2017

End Date: 20-Dec-2017

Comments:

Send IESO the net amount of $179,923,424.55 (new advance $1,005,562,526.55 less $825,639,102 to pay the RPP loan advances)

Current Status: Accepted

Main

Details

Cashflow

Event Log

Advance # 1

Issue Date:	21-Nov-2017
Maturity Date:	20-Dec-2017
Amount:	1,005,562,526.55
Use End-Of-Month:	☐
Payment Frequency:	Pay at Maturity
Calculation Frequency:	Monthly
Interest Type:	Floating Rate
Floating Index:	ONT_TBILL_1M
Admin Fee (bp):	0.00
Interest Rate Spread (bp):	25.00
Total (%):	0.250000
Business Day Convention:	Following
Pay Business Centres:	Toronto
Full DCF Method:	ACT/365F
Stub DCF Method:	ACT/365F
Adjusted Day Basis:	☑
Compounding:	None

Clear Cashflows

Main | Details | Cashflow | Event Log

Loan ID: 1590

Client: Ontario Financing Authority

Loan Type: Line Of Credit

Entity Type: Corporations

Entity: Independent Electricity System Operator

Project: Rural or Remote Electricity Rate Protection Variance

Credit Facility:

Total Allocated Amount: $475,000,000.00

Effective Date: 01-May-2017

Min Advance:

No. of Advances:

☑ Is Revolving

Remaining Amount: 463,443,615.76

Start Date: 16-Jun-2017

End Date: 16-Jun-2018

Comments:

Current Status: Accepted

Main | Details | Cashflow | Event Log

Advance # 1 | Advance # 2 | Advance # 3 | Advance # 4 | Advance # 5

Issue Date:	18-May-2017
Maturity Date:	20-Jun-2017
Amount:	1,193,999.75
Use End-Of-Month:	☐
Payment Frequency:	Pay at Maturity
Calculation Frequency:	Monthly
Interest Type:	Floating Rate
Floating Index:	ONT_TBILL_1M
Admin Fee (bp):	0.00
Interest Rate Spread (bp):	25.00
Total (%):	0.250000
Business Day Convention:	Following
Pay Business Centres:	Toronto
Full DCF Method:	ACT/365F
Stub DCF Method:	ACT/365F
Adjusted Day Basis:	☑
Compounding:	None

Clear Cashflows

Main | Details | Cashflow | Event Log

Loan ID: 1275

Client: Ontario Financing Authority

Loan Type: Line Of Credit

Entity Type: Corporations

Entity: Independent Electricity System Operator

Project: Regulated Price Plan Variance

Credit Facility:

Total Allocated Amount: $975,000,000.00

Effective Date: 19-Aug-2016

Min Advance:

No. of Advances:

☑ Is Revolving

Remaining Amount: 975,000,000.00

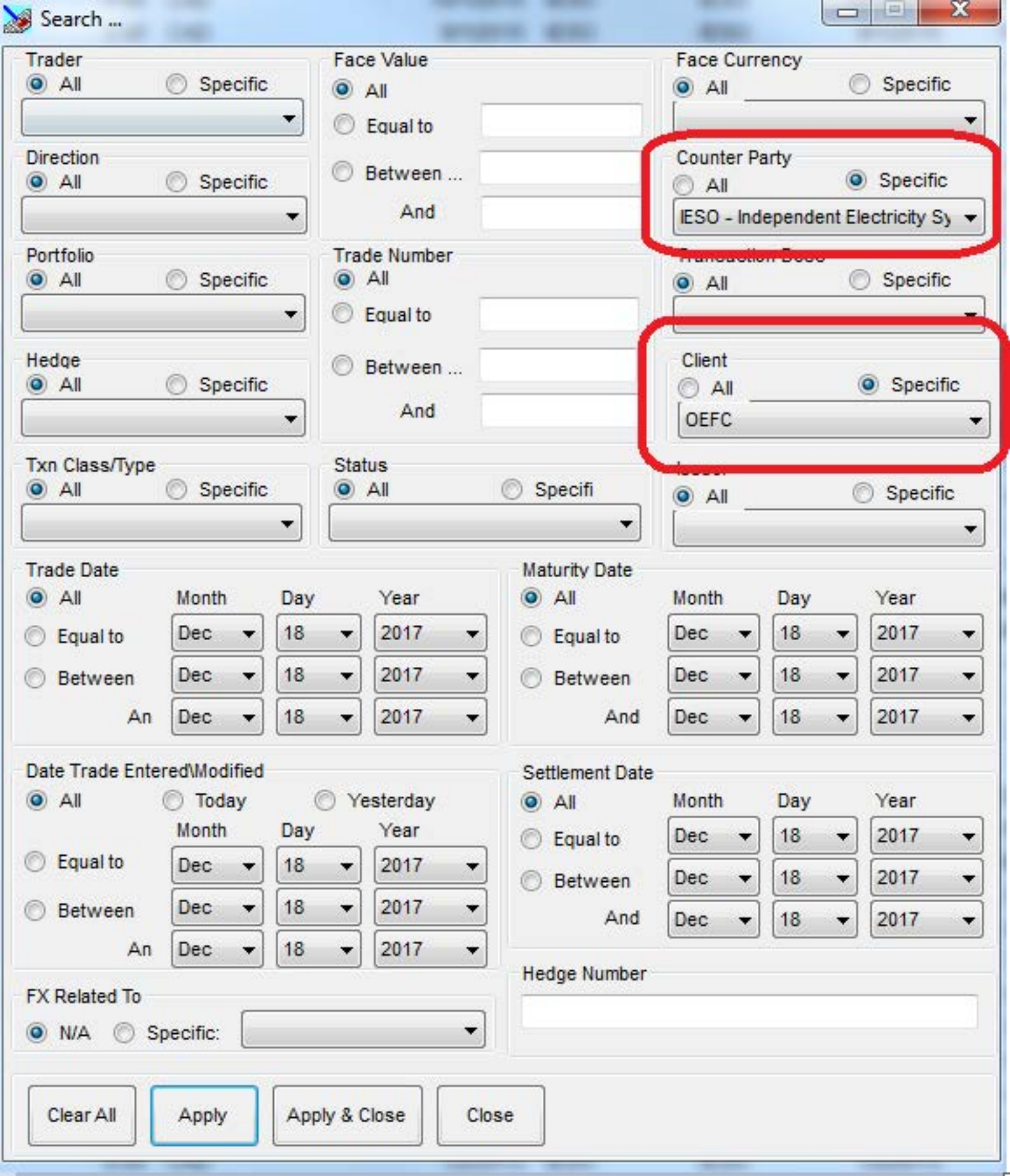
Start Date: 04-Jan-2005

End Date: 31-Dec-2019

Comments:

PBFS Loan Id: 1534

Current Status: Accepted


Search ...
Trader
All
Specific
Face Value
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Equal to
Between ...
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Face Currency
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Direction
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Counter Party
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IESO - Independent Electricity Sy
Portfolio
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Trade Number
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Client
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OEFC
Txn Class/Type
All
Specific
Status
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Specifi
All
Specific
Trade Date
All
Equal to
Between
An
Month
Day
Year
Dec
18
2017
Maturity Date
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Equal to
Between
And
Date Trade Entered\Modified
All
Today
Yesterday
Settlement Date
FX Related To
N/A
Specific:
Hedge Number
Clear All
Apply
Apply & Close
Close

Production(9) Blotter Browser (V13.0.1.27563

File Layout Criteria ToExcel Refresh Reports

TradeNumber	TxnClass	TxnType	InstrumentDesc	Direction	FaceValue	FaceValueCurrency	FarFaceValue	FarFaceValueCurrency	TradeDate	CounterParty	Issuer	SettlementDate	MaturityDate	ClientSN	PortFolio	Trader	RecordStatusDeleted	NearSettleInterest	NearSettlePrincipal	NearProceeds
294751	BO	BO	IESO_1.767%...	Buy	30,000,0...	CAD	0.00	CAD	4/28/2017	IESO	IESO	5/1/2017	6/30/2020	DEFC	PROMIMO	CYEP	False	0.00	-30,000,000.00	-30,000,000.00
294750	BO	BO	IESO_1.767%...	Buy	90,000,0...	CAD	0.00	CAD	4/28/2017	IESO	IESO	4/30/2017	6/30/2020	DEFC	PROMIMO	CYEP	False	0.00	-90,000,000.00	-90,000,000.00
254691	BO	BO	IESO_2.046%...	Buy	90,000,0...	CAD	0.00	CAD	4/29/2014	IESO	IESO	4/30/2014	4/30/2017	DEFC	PROMIMO	CYEP	False	0.00	-90,000,000.00	-90,000,000.00
275735	MM	TD	Term Deposit -...	Buy	5,000,00...	CAD	0.00	CAD	11/2/2015	IESO	IESO	11/2/2015	12/1/2015	DEFC	PROMIMO	DHA...	False	0.00	-5,000,000.00	-5,000,000.00
274598	MM	TD	Term Deposit -...	Buy	20,000,0...	CAD	0.00	CAD	10/1/2015	IESO	IESO	10/1/2015	11/2/2015	DEFC	PROMIMO	SALF...	False	0.00	-20,000,000.00	-20,000,000.00
273612	MM	TD	Term Deposit -...	Buy	25,000,0...	CAD	0.00	CAD	9/1/2015	IESO	IESO	9/1/2015	10/1/2015	DEFC	PROMIMO	MSE...	False	0.00	-25,000,000.00	-25,000,000.00
272682	MM	TD	Term Deposit -...	Buy	25,000,0...	CAD	0.00	CAD	8/4/2015	IESO	IESO	8/4/2015	9/1/2015	DEFC	PROMIMO	MSE...	False	0.00	-25,000,000.00	-25,000,000.00
271672	MM	TD	Term Deposit -...	Buy	25,000,0...	CAD	0.00	CAD	7/2/2015	IESO	IESO	7/2/2015	8/4/2015	DEFC	PROMIMO	SALF...	False	0.00	-25,000,000.00	-25,000,000.00
270512	MM	TD	Term Deposit -...	Buy	26,000,0...	CAD	0.00	CAD	6/1/2015	IESO	IESO	6/1/2015	7/2/2015	DEFC	PROMIMO	MSE...	False	0.00	-26,000,000.00	-26,000,000.00
269332	MM	TD	Term Deposit -...	Buy	24,000,0...	CAD	0.00	CAD	5/1/2015	IESO	IESO	5/1/2015	6/1/2015	DEFC	PROMIMO	MSE...	False	0.00	-24,000,000.00	-24,000,000.00
268201	MM	TD	Term Deposit -...	Buy	27,000,0...	CAD	0.00	CAD	4/1/2015	IESO	IESO	4/1/2015	5/1/2015	DEFC	PROMIMO	MSE...	False	0.00	-27,000,000.00	-27,000,000.00

Trade Details

Instrument	IESO_1.767%_30-Jun-2020

Trade #	294750
Txn Class	BO
Txn Type	BO
Trader	CYEP
Direction	Buy
Trade Date	Apr-28-2017
Settlement	Apr-30-2017
Counter Party	IESO
Issuer	IESO
Client	OEFC
Portfolio	PROMIMO
Nostro	CIBC CAD Account
Vostro	
Futrak Number	0

Hedges

#	Group	Amount
1	H2288 - IESO2020	90,000,000.00

Event History

Event	Date/Time	User
Entered	Apr-28-2017 15:26	CYEP
Authori...	Apr-28-2017 15:31	DPETERS
Settled	Apr-28-2017 16:03	LAHYEE
Printed	Apr-28-2017 16:05	LAHYEE

Comments

This is a rollover of $90M note maturing on April 30,2017 plus an additional $30M.
Interest rate is ONT 3 years plus 50 basis points

Details

Face	90,000,000.00	CAD	Coupon	Fixed 1.767%
Near Interest	0.00	CAD		
Near Proceeds	(90,000,000.00)	CAD	Cusip	IESO005
Price	100		BondID	6330
Yield	1.7673		Amort	None
Factor	1			

View Changes | Settlement Info | Bond Info

Print Ticket

Trade Details

Instrument	IESO_1.767%_30-Jun-2020

Trade #	294751
Txn Class	BO
Txn Type	BO
Trader	CYEP
Direction	Buy
Trade Date	Apr-28-2017
Settlement	May-01-2017
Counter Party	IESO
Issuer	IESO
Client	OEFC
Portfolio	PROMIMO
Nostro	CIBC CAD Account
Vostro	
Futrak Number	0

Hedges

#	Group	Amount
1	H2288 - IESO2020	30,000,000.00

Event History

Event	Date/Time	User
Entered	Apr-28-2017 15:26	CYEP
Edited	Apr-28-2017 15:28	CYEP
Authori...	Apr-28-2017 15:31	DPETERS
Settled	Apr-28-2017 16:04	LAHYEE

Comments

This is a rollover of $90M note maturing on April 30,2017 plus an additional $30M.
Interest rate is ONT 3 years plus 50 basis points

Details

Face	30,000,000.00	CAD	Coupon	Fixed 1.767%
Near Interest	0.00	CAD		
Near Proceeds	(30,000,000.00)	CAD	Cusip	IESO006
Price	100		BondID	6331
Yield	1.7673		Amort	None
Factor	1			

View Changes | Settlement Info | Bond Info

Print Ticket

From: Ryan Blackburne
To: Sarah Hanik
Subject: IESO : OFA/OEFC December 31, 2017 - confirmations to KPMG
Date: Monday, December 18, 2017 3:08:00 PM
Attachments: image001.png
image002.png
image003.png
image004.png
image005.png
image006.png
image007.png
image008.png
image009.png
image010.png
image011.png
image012.png

Hi Sarah,

Please see Anthony's request below. IESO requires confirmation of their outstanding borrowings with the OFA and OEFC for a KPMG audit of their December 31, 2017 financial statements.

As discussed, I went through the original and amending agreements for the 2 IESO-OFA facilities and 2 IESO-OEFC facilities and am confident in the accuracy of the amounts, interest rates and maturity dates of each outstanding facility detailed in the attached documents. As per screenshots below I also checked OLMS and ITS and was able to locate 3 of the 4 facilities (unable to find the $160M IESO-OEFC revolving credit facility in OLMS or ITS).

I am not certain of how to confirm the amounts currently outstanding for each facility. There are "Remaining Amount" figures provided in OLMS for the IESO-OFA facilities (as per screenshots below – but I'm not 100% sure these are accurate?). Also, for the IESO-OEFC credit facilities, Documentation may not have up to date Grid Notes. Please advise how you would like me to proceed.

RE: IESO borrowings from Ontario Financing Authority

www.ieso.ca

Dear Mr. Tan:

In connection with their audit of our financial statements for the year ended December 31, 2017, our auditors, KPMG LLP, have requested confirmation of the IESO's borrowings with Ontario Financing Authority as at December 31, 2017.

Facility	Total Amount of Debt/facility	Interest Rate	Maturity Date
1. Fair Hydro Credit Facility	Amount outstanding as at December 31, 2017 is : CAD$ (insert amount)	Draws up to $2,000,000,000.00 will be at Province of Ontario's cost of borrowing plus 0.25 percent per annum.	September 30, 2022
2. Credit Facility	Amount outstanding as at December 31, 2017 is : CAD$ (insert amount)	Draws up to $475,000,000.00 will be at Province of Ontario's cost of borrowing plus 0.25 percent per annum.	December 31, 2019

RE: IESO borrowings from Ontario Electricity Financial Corporation

t 416 506 2800

www.ieso.ca

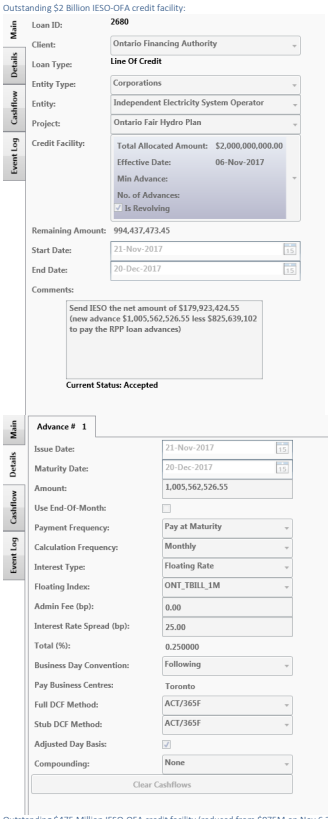
Dear Mr. Blackbyrne:

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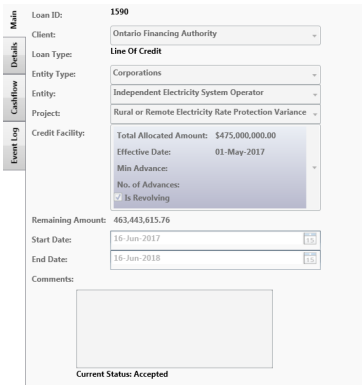
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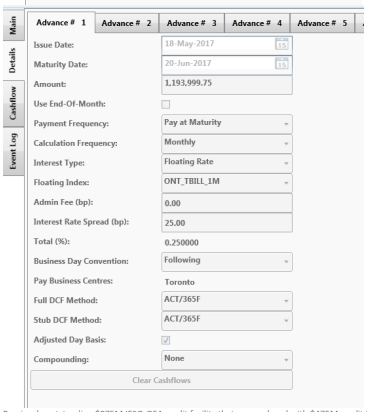
Loan ID	** All Loan Types **	** All Entity Types **	IESO	** All Projects **	Advance Date	End Date (Only Active Loans)	Amount	** Entered by All **	Cusip	Trade Date	Workflow Status
2680	Line Of Credit	Corporations	IESO	Ontario Fair Hydro Plan	21-Nov-2017	20-Dec-2017	1,005,562,526.55	OFINA\cyep		21-Nov-2017	Accepted
1590	Line Of Credit	Corporations	IESO	Rural or Remote Electricity I	18-May-2017	16-Jun-2018	11,556,384.24	OFINA\cyep		16-Jun-2017	Accepted
1275	Line Of Credit	Corporations	IESO	Regulated Price Plan Varian	19-Aug-2016	31-Dec-2019	0.00	OFINA\jcadmin		04-Jan-2005	Accepted

Outstanding $2 Billion IESO-OFA credit facility:



Outstanding $475 Million IESO-OFA credit facility (reduced from $975M on Nov 6 2017 in amending agreement # 10 attached):

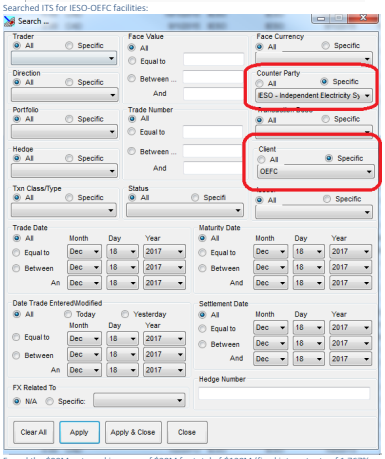




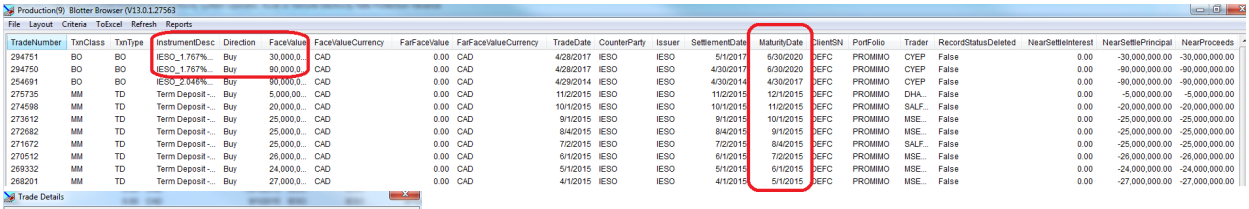
Previously outstanding $975M IESO-OFA credit facility that was replaced with $475M credit facility on Nov 6 2017 in amending agreement # 10 attached:

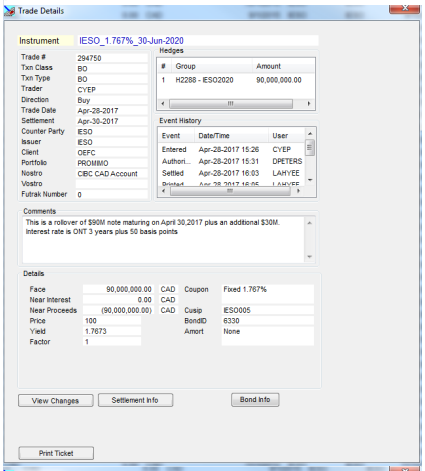


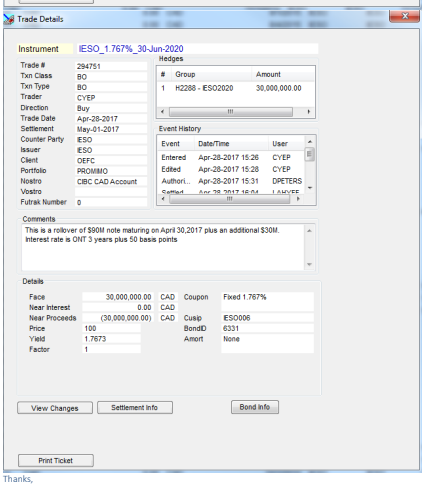
Searched ITS for IESO-OEFC facilities:



Found the $90M note and increase of $30M for total of $120M (fixed interest rate of 1.767% per annum)







Thanks,
Ryan

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Friday, December 15, 2017 4:19 PM
To: Ryan Blackbyrne ; William Tan
Cc: De Caire, Justin J ; Sims, Brendan ; Olga Whiteley ; Natalie Schaus
Subject: IESO : OFA/OEFC December 31, 2017 - confirmations to KPMG

Ryan, William,

In connection with their audit of the IESO's financial statements for the year ended December 31, 2017, our auditors, KPMG LLP, have requested confirmation of the IESO's borrowings with Ontario Electricity Financial Corporation and Ontario Financing Authority as at December 31, 2017.

Please see the attached, and please confirm back to KPMG LLP.

If you have any questions, please call/contact:

Justin De Caire
KPMG LLP
80 King Street, Suite 620
P.O. Box 1294
St. Catharines, ON, L2R 7G1
Fax: 905-682-2008
T: 905-687-3284

Regards,

Anthony Martinello Director, Treasury & Pension Operations
Independent Electricity System Operator (IESO) | T: 905-403-6944
Station A, Box 4474, Toronto, ON, M5W 4E5
www.ieso.ca[ieso.ca]

This e-mail message and any files transmitted with it are intended only for the named recipient(s) above and may contain information that is privileged, confidential and/or exempt from disclosure under applicable law. If you are not the intended recipient(s), any dissemination, distribution or copying of this e-mail message or any files transmitted with it is strictly prohibited. If you have received this message in error, or are not the named recipient(s), please notify the sender immediately and delete this e-mail message.

December 15, 2017
Mr. Ryan Blackbyrne
Ontario Financing Authority
1 Dundas Street West, Ste. 1400
Toronto, ON. M7A 1Y7

ieso
Independent Electricity System Operator

1600 - 120 Adelaide Street West
Toronto, ON M5H 1T1
t 416 506 2800

www.ieso.ca

RE: IESO borrowings from Ontario Electricity Financial Corporation

Dear Mr. Blackbyrne:

In connection with their audit of our financial statements for the year ended December 31, 2017, our auditors, KPMG LLP, have requested confirmation of the IESO's borrowings with Ontario Electricity Financial Corporation as at December 31, 2017.

Facility	Total Amount of Debt/facility	Interest Rate	Maturity Date
1. Note Payable	Amount outstanding as at December 31, 2017 is : CAD$ 120,000,000.00	Fixed at 1.767% per annum.	June 30, 2020
2. Credit Facility	Amount outstanding as at December 31, 2017 is : CAD$ (insert amount)	Draws up to $160,000,000 will be at Province of Ontario's cost of borrowing for a 30day term plus 0.50 percent per annum.	June 30, 2020

Please confirm the above information and the amounts details by signing below and email or fax this confirmation back directly to our auditors. Should you wish to discuss any details of this confirmation request, please contact:

Justin De Caire
KPMG LLP
80 King Street, Suite 620, P.O. Box 1294, St. Catharines, ON, L2R 7G1
T (905) 687-3284, Fax: 905-682-2008
(jdecaire@kpmg.ca).

Yours truly,

Anthony Martinello
Director, Treasury and Pension Operations

The above information detailing debt securities agrees with our records. To the best of our knowledge we hold no other debt securities for this company. (Note exceptions below, or in a separate letter.)

Financial institution name: _____

Signature: _____

Name and title of official: _____ Date: _____

December 15, 2017

Mr. William Tan
Ontario Financing Authority
1 Dundas Street West, Ste. 1400
Toronto, ON. M7A 1Y7

ieso
Independent Electricity System Operator

1600 - 120 Adelaide Street West
Toronto, ON M5H 1T1
t 416 506 2800

www.ieso.ca

RE: IESO borrowings from Ontario Financing Authority

Dear Mr. Tan:

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1. Fair Hydro Credit Facility	Amount outstanding as at December 31, 2017 is : CAD$ (insert amount)	Draws up to $2,000,000,000.00 will be at Province of Ontario's cost of borrowing plus 0.25 percent per annum.	September 30, 2022
2. Credit Facility	Amount outstanding as at December 31, 2017 is : CAD$ (insert amount)	Draws up to $475,000,000.00 will be at Province of Ontario's cost of borrowing plus 0.25 percent per annum.	December 31, 2019

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KPMG LLP
80 King Street, Suite 620, P.O. Box 1294, St. Catharines, ON, L2R 7G1
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Anthony Martinello
Director, Treasury and Pension Operations

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Signature: _____

Name and title of official: _____ Date: _____

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Loan ID	** All Loan Types *	** All Entity Types	IESO	** All Projects **	Advance Date	End Date Only Active Loans	Amount	** Entered by All *	Cusip	Trade Date	Workflow Status
2680	Line Of Credit	Corporations	IESO	Ontario Fair Hydro Plan	21-Nov-2017	20-Dec-2017	1,005,562,526.55	OFINA\cyep		21-Nov-2017	Accepted
1590	Line Of Credit	Corporations	IESO	Rural or Remote Electricity F	18-May-2017	16-Jun-2018	11,556,384.24	OFINA\cyep		16-Jun-2017	Accepted
1275	Line Of Credit	Corporations	IESO	Regulated Price Plan Varian	19-Aug-2016	31-Dec-2019	0.00	OFINA\jcadmin		04-Jan-2005	Accepted

Main | Details | Cashflow | Event Log

Loan ID: 2680

Client: Ontario Financing Authority

Loan Type: Line Of Credit

Entity Type: Corporations

Entity: Independent Electricity System Operator

Project: Ontario Fair Hydro Plan

Credit Facility:

Total Allocated Amount: $2,000,000,000.00

Effective Date: 06-Nov-2017

Min Advance:

No. of Advances:

☑ Is Revolving

Remaining Amount: 994,437,473.45

Start Date: 21-Nov-2017

End Date: 20-Dec-2017

Comments:

Send IESO the net amount of $179,923,424.55 (new advance $1,005,562,526.55 less $825,639,102 to pay the RPP loan advances)

Current Status: Accepted

Main

Details

Cashflow

Event Log

Advance # 1

Issue Date:	21-Nov-2017
Maturity Date:	20-Dec-2017
Amount:	1,005,562,526.55
Use End-Of-Month:	☐
Payment Frequency:	Pay at Maturity
Calculation Frequency:	Monthly
Interest Type:	Floating Rate
Floating Index:	ONT_TBILL_1M
Admin Fee (bp):	0.00
Interest Rate Spread (bp):	25.00
Total (%):	0.250000
Business Day Convention:	Following
Pay Business Centres:	Toronto
Full DCF Method:	ACT/365F
Stub DCF Method:	ACT/365F
Adjusted Day Basis:	☑
Compounding:	None

Clear Cashflows

Main | Details | Cashflow | Event Log

Loan ID: 1590

Client: Ontario Financing Authority

Loan Type: Line Of Credit

Entity Type: Corporations

Entity: Independent Electricity System Operator

Project: Rural or Remote Electricity Rate Protection Variance

Credit Facility:

Total Allocated Amount: $475,000,000.00

Effective Date: 01-May-2017

Min Advance:

No. of Advances:

☑ Is Revolving

Remaining Amount: 463,443,615.76

Start Date: 16-Jun-2017

End Date: 16-Jun-2018

Comments:

Current Status: Accepted

Main | Details | Cashflow | Event Log

Advance # 1 | Advance # 2 | Advance # 3 | Advance # 4 | Advance # 5

Issue Date:	18-May-2017
Maturity Date:	20-Jun-2017
Amount:	1,193,999.75
Use End-Of-Month:	☐
Payment Frequency:	Pay at Maturity
Calculation Frequency:	Monthly
Interest Type:	Floating Rate
Floating Index:	ONT_TBILL_1M
Admin Fee (bp):	0.00
Interest Rate Spread (bp):	25.00
Total (%):	0.250000
Business Day Convention:	Following
Pay Business Centres:	Toronto
Full DCF Method:	ACT/365F
Stub DCF Method:	ACT/365F
Adjusted Day Basis:	☑
Compounding:	None

Clear Cashflows

Main | Details | Cashflow | Event Log

Loan ID: 1275

Client: Ontario Financing Authority

Loan Type: Line Of Credit

Entity Type: Corporations

Entity: Independent Electricity System Operator

Project: Regulated Price Plan Variance

Credit Facility:

Total Allocated Amount: $975,000,000.00

Effective Date: 19-Aug-2016

Min Advance:

No. of Advances:

☑ Is Revolving

Remaining Amount: 975,000,000.00

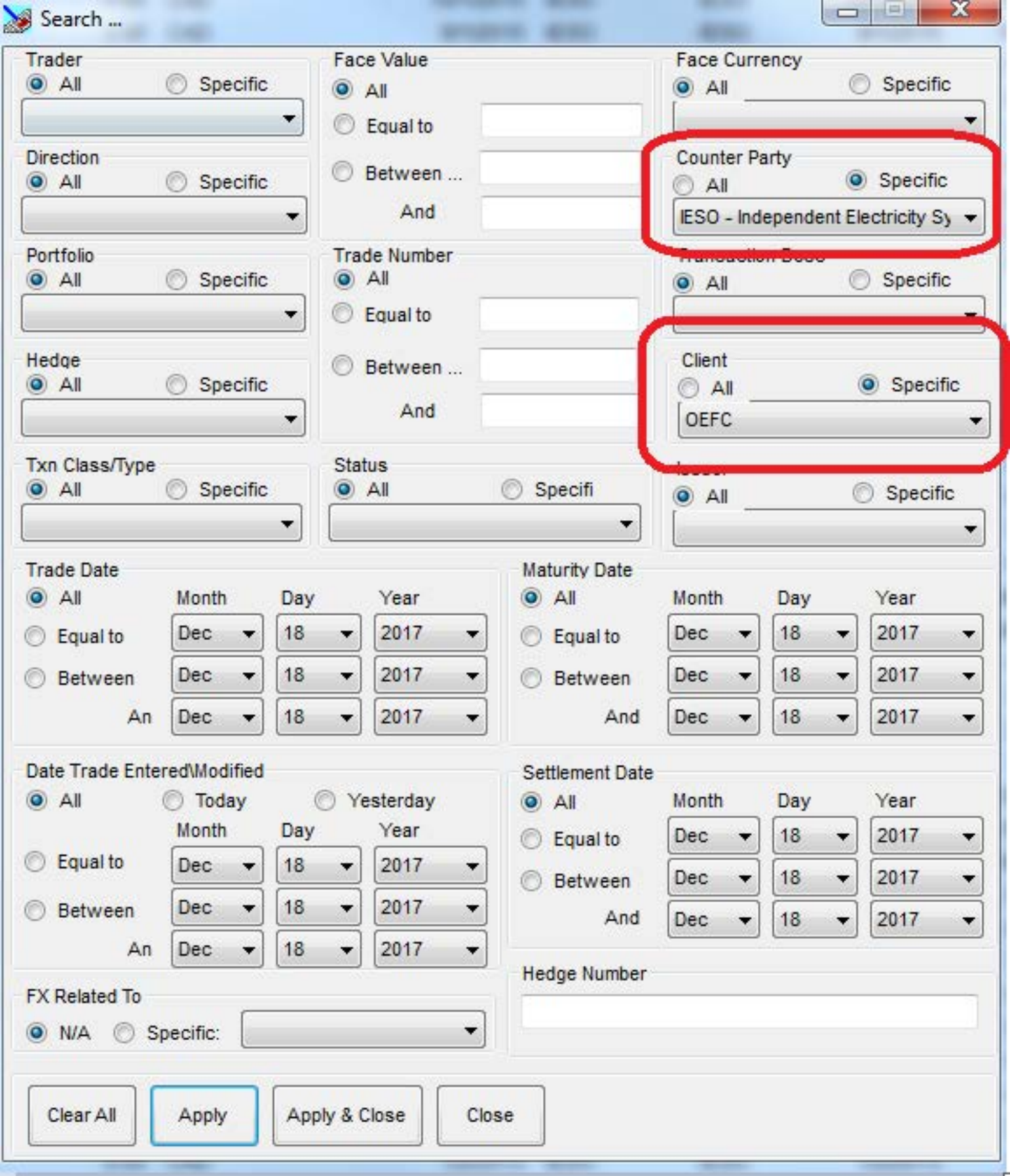
Start Date: 04-Jan-2005

End Date: 31-Dec-2019

Comments:

PBFS Loan Id: 1534

Current Status: Accepted


Search ...
Trader
All
Specific
Face Value
All
Equal to
Between ...
And
Face Currency
All
Specific
Direction
All
Specific
Counter Party
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Specific
IESO - Independent Electricity Sy
Portfolio
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Trade Date
All
Equal to
Between
An
Month
Day
Year
Dec
18
2017
Maturity Date
All
Equal to
Between
And
Date Trade Entered\Modified
All
Today
Yesterday
Settlement Date
FX Related To
N/A
Specific:
Hedge Number
Clear All
Apply
Apply & Close
Close

Production(9) Blotter Browser (V13.0.1.27563

File Layout Criteria ToExcel Refresh Reports

TradeNumber	TxnClass	TxnType	InstrumentDesc	Direction	FaceValue	FaceValueCurrency	FarFaceValue	FarFaceValueCurrency	TradeDate	CounterParty	Issuer	SettlementDate	MaturityDate	ClientSN	PortFolio	Trader	RecordStatusDeleted	NearSettleInterest	NearSettlePrincipal	NearProceeds
294751	BO	BO	IESO_1.767%...	Buy	30,000,0...	CAD	0.00	CAD	4/28/2017	IESO	IESO	5/1/2017	6/30/2020	DEFC	PROMIMO	CYEP	False	0.00	-30,000,000.00	-30,000,000.00
294750	BO	BO	IESO_1.767%...	Buy	90,000,0...	CAD	0.00	CAD	4/28/2017	IESO	IESO	4/30/2017	6/30/2020	DEFC	PROMIMO	CYEP	False	0.00	-90,000,000.00	-90,000,000.00
254691	BO	BO	IESO_2.046%...	Buy	90,000,0...	CAD	0.00	CAD	4/29/2014	IESO	IESO	4/30/2014	4/30/2017	DEFC	PROMIMO	CYEP	False	0.00	-90,000,000.00	-90,000,000.00
275735	MM	TD	Term Deposit -...	Buy	5,000,00...	CAD	0.00	CAD	11/2/2015	IESO	IESO	11/2/2015	12/1/2015	DEFC	PROMIMO	DHA...	False	0.00	-5,000,000.00	-5,000,000.00
274598	MM	TD	Term Deposit -...	Buy	20,000,0...	CAD	0.00	CAD	10/1/2015	IESO	IESO	10/1/2015	11/2/2015	DEFC	PROMIMO	SALF...	False	0.00	-20,000,000.00	-20,000,000.00
273612	MM	TD	Term Deposit -...	Buy	25,000,0...	CAD	0.00	CAD	9/1/2015	IESO	IESO	9/1/2015	10/1/2015	DEFC	PROMIMO	MSE...	False	0.00	-25,000,000.00	-25,000,000.00
272682	MM	TD	Term Deposit -...	Buy	25,000,0...	CAD	0.00	CAD	8/4/2015	IESO	IESO	8/4/2015	9/1/2015	DEFC	PROMIMO	MSE...	False	0.00	-25,000,000.00	-25,000,000.00
271672	MM	TD	Term Deposit -...	Buy	25,000,0...	CAD	0.00	CAD	7/2/2015	IESO	IESO	7/2/2015	8/4/2015	DEFC	PROMIMO	SALF...	False	0.00	-25,000,000.00	-25,000,000.00
270512	MM	TD	Term Deposit -...	Buy	26,000,0...	CAD	0.00	CAD	6/1/2015	IESO	IESO	6/1/2015	7/2/2015	DEFC	PROMIMO	MSE...	False	0.00	-26,000,000.00	-26,000,000.00
269332	MM	TD	Term Deposit -...	Buy	24,000,0...	CAD	0.00	CAD	5/1/2015	IESO	IESO	5/1/2015	6/1/2015	DEFC	PROMIMO	MSE...	False	0.00	-24,000,000.00	-24,000,000.00
268201	MM	TD	Term Deposit -...	Buy	27,000,0...	CAD	0.00	CAD	4/1/2015	IESO	IESO	4/1/2015	5/1/2015	DEFC	PROMIMO	MSE...	False	0.00	-27,000,000.00	-27,000,000.00

Trade Details

Instrument	IESO_1.767%_30-Jun-2020

Trade #	294750
Txn Class	BO
Txn Type	BO
Trader	CYEP
Direction	Buy
Trade Date	Apr-28-2017
Settlement	Apr-30-2017
Counter Party	IESO
Issuer	IESO
Client	OEFC
Portfolio	PROMIMO
Nostro	CIBC CAD Account
Vostro	
Futrak Number	0

Hedges

#	Group	Amount
1	H2288 - IESO2020	90,000,000.00

Event History

Event	Date/Time	User
Entered	Apr-28-2017 15:26	CYEP
Authori...	Apr-28-2017 15:31	DPETERS
Settled	Apr-28-2017 16:03	LAHYEE
Printed	Apr-28-2017 16:05	LAHYEE

Comments

This is a rollover of $90M note maturing on April 30,2017 plus an additional $30M.
Interest rate is ONT 3 years plus 50 basis points

Details

Face	90,000,000.00	CAD	Coupon	Fixed 1.767%
Near Interest	0.00	CAD		
Near Proceeds	(90,000,000.00)	CAD	Cusip	IESO005
Price	100		BondID	6330
Yield	1.7673		Amort	None
Factor	1			

View Changes | Settlement Info | Bond Info

Print Ticket

Trade Details

Instrument	IESO_1.767%_30-Jun-2020

Trade #	294751
Txn Class	BO
Txn Type	BO
Trader	CYEP
Direction	Buy
Trade Date	Apr-28-2017
Settlement	May-01-2017
Counter Party	IESO
Issuer	IESO
Client	OEFC
Portfolio	PROMIMO
Nostro	CIBC CAD Account
Vostro	
Futrak Number	0

Hedges

#	Group	Amount
1	H2288 - IESO2020	30,000,000.00

Event History

Event	Date/Time	User
Entered	Apr-28-2017 15:26	CYEP
Edited	Apr-28-2017 15:28	CYEP
Authori...	Apr-28-2017 15:31	DPETERS
Settled	Apr-28-2017 16:04	LAHYEE

Comments

This is a rollover of $90M note maturing on April 30,2017 plus an additional $30M.
Interest rate is ONT 3 years plus 50 basis points

Details

Face	30,000,000.00	CAD	Coupon	Fixed 1.767%
Near Interest	0.00	CAD		
Near Proceeds	(30,000,000.00)	CAD	Cusip	IESO006
Price	100		BondID	6331
Yield	1.7673		Amort	None
Factor	1			

View Changes | Settlement Info | Bond Info

Print Ticket

From:	Ryan Blackbyrne
To:	San Rajaratnam; Siva Nathan
Cc:	Sarah Harris; Robert Bozinoski
Subject:	IESO : OFA/OEFC December 31, 2017 - confirmations to KPMG
Date:	Monday, December 18, 2017 4:28:42 PM
Attachments:	SMF9217121516060.pdf SMF9217121516150.pdf

Hi San and Siva,
Please see the below email and attached documents from IESO requesting that we confirm their outstanding borrowings with the OFA and OEFC. This is in connection with a KPMG audit on IESO's financial statements for the year ended December 31, 2017.
I can confirm the accuracy of the two IESO-OFA and two IESO-OEFC borrowing facilities with respect to the limit amounts, interest rates and maturity dates.
Can someone in your department please confirm the current amounts outstanding under each facility? Also, please confirm who can sign-off on the attached confirmations for KPMG?
Thank You,
Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M5G 1Z3
416-325-8143
ryan.blackbyrne@ofina.on.ca

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Friday, December 15, 2017 4:19 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Cc: De Caire, Justin J <jdecaire@kpmg.ca>; Sims, Brendan <brendansims@kpmg.ca>; Olga Whiteley <Olga.Whiteley@ieso.ca>; Natalie Schaus <Natalie.Schaus@ieso.ca>
Subject: IESO : OFA/OEFC December 31, 2017 - confirmations to KPMG
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Please see the attached, and please confirm back to KPMG LLP.
If you have any questions, please call/contact:
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T: 905-687-3284
Regards,
Anthony Martinello Director, Treasury & Pension Operations
Independent Electricity System Operator (IESO) | T: 905-403-6944

Station A, Box 4474, Toronto, ON, M5W 4E5
www.ieso.ca[ieso.ca]
This e-mail message and any files transmitted with it are intended only for the named recipient(s) above and may contain information that is privileged, confidential and/or exempt from disclosure under applicable law. If you are not the intended recipient(s), any dissemination, distribution or copying of this e-mail message or any files transmitted with it is strictly prohibited. If you have received this message in error, or are not the named recipient(s), please notify the sender immediately and delete this e-mail message.

December 15, 2017
Mr. Ryan Blackbyrne
Ontario Financing Authority
1 Dundas Street West, Ste. 1400
Toronto, ON. M7A 1Y7

ieso
Independent Electricity System Operator

1600 - 120 Adelaide Street West
Toronto, ON M5H 1T1
t 416 506 2800

www.ieso.ca

RE: IESO borrowings from Ontario Electricity Financial Corporation

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80 King Street, Suite 620, P.O. Box 1294, St. Catharines, ON, L2R 7G1
T (905) 687-3284, Fax: 905-682-2008
(jdecaire@kpmg.ca).

Yours truly,

Anthony Martinello
Director, Treasury and Pension Operations

The above information detailing debt securities agrees with our records. To the best of our knowledge we hold no other debt securities for this company. (Note exceptions below, or in a separate letter.)

Financial institution name: _____

Signature: _____

Name and title of official: _____ Date: _____

December 15, 2017

Mr. William Tan
Ontario Financing Authority
1 Dundas Street West, Ste. 1400
Toronto, ON. M7A 1Y7

ieso
Independent Electricity System Operator

1600 - 120 Adelaide Street West
Toronto, ON M5H 1T1
t 416 506 2800

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T (905) 687-3284, Fax: 905-682-2008
(jdecaire@kpmg.ca).

Yours truly,

Anthony Martinello
Director, Treasury and Pension Operations

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Financial institution name: _____

Signature: _____

Name and title of official: _____ Date: _____

From:	Sarah Harris
To:	William Tan
Cc:	Opal Kandelas
Subject:	IESO docs and summary
Date:	Friday, November 17, 2017 12:24:06 PM

Hi Will,

As discussed, please send these to Opal ASAP; she requires them as soon as you are able to send them.

Thanks,

Sarah

From: Anthony Martinello
To: William Tan; Victor Buza; Ryan Blackbyrne
Cc: Lisa Stein; Sarah Harris; John Kim; Jean-Francois Beaupre
Subject: IESO granting of security on ieso assets to opg trust
Date: Monday, November 13, 2017 10:33:08 AM

Ryan, Will, John

The IESO will be seeking IESO Board approval on Nov 22 to grant the security/priority on ieso assets to the OPG trust.

Let me know if you wish to discuss...i would like to give the Board any comments that OFA and OEFC may have on this granting. Regards

---

From: William.Tan@ofina.on.ca
Sent: November 6, 2017 4:14 PM
To: Victor.Buza@ieso.ca
Cc: Lisa.Stein@ofina.on.ca; Sarah.Harris@ofina.on.ca; Anthony.Martinello@ieso.ca; John.Kim@ofina.on.ca
Subject: RE: Signatures for FHP and Amending Agreement No. 10

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From: Anthony Martinello
To: William Tan; Victor Buza; Ryan Blackbyrne
Cc: Lisa Stein; Sarah Harris; John Kim; Jean-Francois Beaupre
Subject: IESO granting of security on ieso assets to opg trust
Date: Monday, November 13, 2017 10:33:08 AM

Ryan, Will, John

The IESO will be seeking IESO Board approval on Nov 22 to grant the security/priority on ieso assets to the OPG trust.

Let me know if you wish to discuss...i would like to give the Board any comments that OFA and OEFC may have on this granting. Regards

---

From: William.Tan@ofina.on.ca
Sent: November 6, 2017 4:14 PM
To: Victor.Buza@ieso.ca
Cc: Lisa.Stein@ofina.on.ca; Sarah.Harris@ofina.on.ca; Anthony.Martinello@ieso.ca; John.Kim@ofina.on.ca
Subject: RE: Signatures for FHP and Amending Agreement No. 10

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From:	Robert Bozinoski
To:	Sarah Harris
Subject:	IESO loan and credit facility
Date:	Thursday, May 24, 2018 11:45:02 AM
Attachments:	IESOExecutedCopyAgreement loan.pdf IESOExecutedCopyAgreement credit facility.pdf

---

Hi Sarah,

Attached are the IESO signed copies of the April 2017 amending agreements with OEFC. The OEFC auditor is asking for the OFA signed copy for their files. Would you be able to provide these?

I recall that Kelley mentioning that some agreements are signed in counterpart.

Thanks

Rob

AMENDING AGREEMENT NO. 6

This Amending Agreement is made as of the 30th day of April, 2017

between:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR
("IESO")

- and -

ONTARIO ELECTRICITY FINANCIAL CORPORATION
("OEFC")

WHEREAS IESO and OEFC have entered into an agreement Providing for the Issuance of a Note dated April 1, 1999 (the "Original Agreement");

AND WHEREAS pursuant to amending agreements dated March 23, 2000, April 23, 2009, May 1, 2011, May 1, 2013, and April 30, 2014 the parties amended the Original Agreement (as so amended, the "Agreement");

AND WHEREAS the parties wish to further amend the Agreement to increase the loan advanced to IESO from a principal amount of C$90 million to a principal amount of up to C$120 million and to extend the maturity date of the loan to June 30, 2020, all of which is to be evidenced through the the issuance of a Fifth Refinancing Note.

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and sufficiency of which are hereby acknowledged by each party), the parties agree as follows:

1. **Defined Terms**

Capitalized terms used in this Amending Agreement and not otherwise defined herein have the meanings specified in the Agreement.

2. **Amendments to Agreement**

(a) Definition of "Loan" in the Agreement is deleted.

(b) Article 1a (The Loan) of the Agreement is deleted in its entirety and replaced with the following:

Article 1a $30 Million Advance

Section 1a.1

Effective April 30, 2017, OEFC will make an advance to IESO in the amount of $30 million (the "$30 Million Advance"). IESO directs OEFC to apply, and OEFC agrees to apply, the $30 Million Advance, first to repay Advances Outstanding (as such term is defined in the Revolving Credit Facility Agreement), if any, under the Revolving Credit Facility Agreement, with any amount remaining out of the $30 Million Advance after repaying all Advances Outstanding to be used by IESO for the purpose of funding new IESO capital expenditures.

(c) The following sections are added to the Agreement following Section 2.15:

" Section 2.16 Fifth Refinancing Note

On April 30, 2017, IESO shall execute and deliver to OEFC a promissory note in the form attached as Schedule 1 (the "Fifth Refinancing Note") which shall be in an aggregate principal amount equal to $120 million, dated as of April 30, 2017 and maturing on June 30, 2020 and bearing interest at a per annum rate equal to the Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020, as determined by the Chief Executive Officer of OEFC or the Chief Operating Officer of OEFC, or by a person designated by either of them, plus fifty basis points (0.50%) (after as well as before default or judgment, with interest on the amounts in default at the same rate). Upon receipt of the Fifth Refinancing Note by OEFC, the Fourth Refinancing Note dated April 30, 2014 shall be of no further force or effect and shall be returned by OEFC to IESO marked "cancelled".

For greater clarity, the Fifth Refinancing Note shall evidence the indebtedness of IESO to OEFC in respect of the principal amount of $90 million under the Fourth Refinancing Note ("Part A") and the additional $30 Million Advance ("Part B"), for a total aggregate principal amount of $120 million.

Notwithstanding Section 1.5 herein, the interest rate on the Fifth Refinancing Note shall be set on Monday, May 1, 2017, with interest accruing on Part A commencing on Sunday, April 30, 2017, and interest accruing on Part B commencing on Monday, May 1, 2017.

Section 2.17 Interest on Fifth Refinancing Note

Notwithstanding Section 1.5 herein, interest on the Fifth Refinancing Note at the rate specified in Section 2.16 shall accrue daily and shall be payable in equal semi-annual instalments on June 30 and December 31(each an "Interest Payment Date"), provided however that the calculation of the amount of the first such interest payment for Part A shall be in respect only of the period from and including April 30, 2017 to but excluding June 30, 2017, and for Part B in respect only of the period from May 1, 2017 to but excluding June 30, 2017.

For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under the Fifth Refinancing Note for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period."

3. **Reference to and Effect on the Agreement.**

On and after this date, each reference in the Agreement to "this Agreement" and each reference to the Agreement in any and all other agreements, documents and instruments delivered by IESO and OEFC shall mean and be a reference to the Agreement as amended by this Amending Agreement. On and after this date, each reference in the Agreement to either "the Note" or "the New Note" and each reference to either "the Note" or "the New Note" in any and all other agreements, documents and instruments delivered by IESO and OEFC shall mean and be a reference to the Fifth Refinancing Note.

4. **Governing Law**

This Amending Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

5. **Counterparts**

This Amending Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.

6. **Enurement**

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

IN ALL OTHER RESPECTS, the Agreement is confirmed by the parties.

IN WITNESS WHEREOF the parties have executed and delivered this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

SCHEDULE 1
FORM OF FIFTH REFINANCING NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

NOTE

Aggregate Principal Amount: $120 million, consisting of: a Part A amount of $90 million ("Part A"), whereon interest accrues commencing on April 30, 2017, and a Part B amount of $30 million ("Part B"), whereon interest accrues commencing on May 1, 2017.

Date: April 30, 2017

Interest Rate: (Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020 + 50 basis points) 1.763%

Due: June 30, 2020

FOR VALUE RECEIVED, the INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO") existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, PROMISES TO PAY to or to the order of ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC") at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of $120 million in lawful money of Canada, with interest on such amount at the rate, calculated in the manner and payable at the times specified in this Note.

The principal amount of this Note together with all interest accrued thereon shall become due and payable on June 30, 2020.

The principal amount of this Note remaining from time to time unpaid and outstanding shall bear interest from the date of this Note both before and after maturity and both before and after default at the rate per annum equal to the Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020, as determined by the Chief Executive Officer of OEFC or the Chief Operating Officer of OEFC, or by a person designated by either of them, plus fifty basis points (0.50%). Interest at such rate shall accrue daily and shall be payable in arrears in equal semi-annual instalments on June 30 and December 31 (each an "Interest Payment Date") commencing June 30, 2017, provided however that the calculation of the amount of the first such interest payment for Part A shall be in respect only of the period from and including April 30, 2017 to but excluding June 30, 2017, and for Part B in respect only of the period from and including May 1, 2017 to but excluding June 30, 2017.

For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Note for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of an agreement providing for the issuance of a note dated April 1, 1999 between the IESO and OEFC and amended by an amending agreement dated March 23, 2000, an amending agreement dated April 23, 2009, an amending agreement dated May 1, 2011, an amending agreement dated May 1, 2013, an amending agreement dated April 30, 2014, and an amending agreement dated April 30, 2017 (as so amended, the "Agreement"), which Agreement provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

AMENDING AGREEMENT NO. 6

This Amending Agreement is effective as of the 30 day of April, 2017.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011, Amending Agreement No. 3 dated April 30, 2013, Amending Agreement No. 4 dated April 30, 2014 and Amending Agreement No. 5 dated December 19, 2014 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $95 million.

AND WHEREAS IESO and OEFC wish to amend the Agreement to increase the revolving line of credit from a principal amount of CDN $95 million to a principal amount of up to CDN $160 million to provide funding for IESO Corporate Requirements (as defined herein);

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for an extension of the mandatory repayment date established in the Agreement to June 30, 2020;

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for the ability for Advances to be made on any business day up to a maximum of 12 times per year;

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. Section 1.1 Definitions of the Agreement is amended as follows:

   i) The definition of "Amalgamation" is deleted.

   ii) The definition of "Commitment" is deleted and replaced with:

   "Commitment" means, at any time, an amount equal to the principal amount of One Hundred and Sixty Million Dollars.

   iii) A definition of "IESO Corporate Requirements" is added as follows:

   "IESO Corporate Requirements" means any borrowing purposes authorized by O. Reg. 280/14 made under the *Electricity Act, 1998* (as such regulation may be amended or

replaced from time to time), other than for funding liquidity requirements relating to the settlement of the Ontario wholesale electricity markets.

iv) A definition of "Ontario's Fair Hydro Plan" is added as follows:

"Ontario's Fair Hydro Plan" means the plan announced March 2, 2017 by the Government of Ontario to affect the Ontario Energy Board's setting of electricity prices for certain Ontario consumers of electricity, which plan is referred to in the Ontario Energy Board's report dated April 20, 2017 and titled "Regulated Price Plan Price Report – May 1, 2017 to April 30, 2018", and including all relevant developments in or changes to such plan from time to time.

v) The definition of "New IESO" is deleted.

vi) The definition of "Note" is deleted and replaced with:

"Note" means the $160 Million Note issued pursuant to Section 2 of Amending Agreement No. 6 dated as of the 30th day of April, 2017.

vii) The definition of "OPA" is deleted.

viii) The definition of "Pre-Amalgamation IESO" is deleted.

2. IESO shall execute and deliver to OEFC a grid promissory note in the form attached as Schedule I hereto which shall be in an aggregate principal amount of up to One Hundred and Sixty Million Dollars (the "$160 Million Note") dated April 30, 2017 and on which shall be recorded the Advances Outstanding under the grid promissory note delivered pursuant to Amending Agreement No. 4. Upon receipt by OEFC of the $160 Million Note dated April 30, 2017, the $95 Million Note dated April 30, 2014 shall be of no further force and effect and shall be returned to the IESO marked "cancelled".

3. Section 2.3 of the Agreement is deleted and replaced by the following:

Section 2.3 Use of Proceeds

IESO shall use the proceeds of Advances for the funding of IESO Corporate Requirements.

4. Section 2.4 of the Agreement is deleted and replaced by the following:

Section 2.4 Mandatory Repayment.

Subject to Sections 3.5 and 5.2 of this Agreement, IESO shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, in full on or before June 30, 2020.

5. Section 3.1 of the Agreement is deleted and replaced by the following:

Section 3.1 Advances.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO under the Credit Facility on any Business Day in a month up to twelve (12) times per annum from and including May 1, 2017 to and including May 29, 2020

6. Paragraph 3.6(c) of the Agreement is deleted and replaced by the following:
   (c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO, provided however that any adverse change in IESO's financial condition related to or resulting from the discharge by IESO of its responsibilities under Ontario's Fair Hydro Plan shall be deemed not to be a material adverse change for the purposes of this Section; and

7. The Form of Borrowing Notice is deleted and replaced with the Form of Borrowing Notice attached hereto as Schedule 1.

8. This Amending Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

SCHEDULE 1

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $160,000,000 Date: 30 April, 2017

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("**IESO**"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid **("Grid")** attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No. 1 dated July 21, 2010, by Amending Agreement No. 2 dated October 14, 2011, by Amending Agreement No. 3 dated April 30, 2013, by Amending Agreement No. 4 dated April 30, 2014, by Amending Agreement No. 5 dated December 19, 2014, and by Amending Agreement No. 6 dated April 30, 2017 (collectively the "Agreement").

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before June 30, 2020.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance or part of an Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Agreement. All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment, demand, protest, notice of dishonour and notice

of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

(Revolving Credit Facility April 30, 2017)

DATE	PRINCIPAL ADVANCED	RATE	REPAYMENT DATE	INTEREST AMOUNT	AMOUNT OF PAYMENT		UNPAID BALANCE			NOTATION MADE BY
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	REFINANCED (AMOUNT & DATE)	

From:	Sarah Harris
To:	William Tan
Subject:	IESO notices
Date:	Wednesday, December 20, 2017 9:31:38 AM
Attachments:	FW IESO $2B Credit Facility - Notice for Dec 2117 REVISED.msg FW IESO $475M Credit Facility - Notice for Dec 2017.msg

---

Hi Will,

We won't do this every month, but could you please take a look at these notices and see if they are in accordance the templates in the agreement, and that all referencing is correct (i.e. to the relevant agreement, Use of Proceeds, etc.)

Thanks,
Sarah

From: Carlos Yep []
To: William Tan [William.Tan@ofina.on.ca]; Sarah Harris [Sarah.Harris@ofina.on.ca]
Subject: FW: IESO $2B Credit Facility - Notice for Dec 21/17 REVISED
Date: Wednesday, December 20, 2017 10:18:09
Attachment 1: Rollover Notice - REVISED.pdf

FYI

From: Carlos Yep
Sent: Tuesday, December 19, 2017 2:28 PM
To: Bruno Amara <Bruno.Amara@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>
Subject: FW: IESO $2B Credit Facility - Notice for Dec 21/17 REVISED

Bruno,

For the Fair Hydro Plan LoC, IESO will pay almost all of the $1,005,562,55 … the remaining LoC will be $971,359.06

Regards

Carlos

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]
Sent: Tuesday, December 19, 2017 1:42 PM
To: CASHP <CASHP@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>; Ricky.layi@ofina.on.ca
Cc: Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: IESO $2B Credit Facility - Notice for Dec 21/17 REVISED

Please see attached notice, revised for **December 21, 2017.** This is regarding IESO's $2B facility for the Fair Hydro Program.

From: Olga Whiteley

Sent: December 18, 2017 9:43 AM
To: CASHP; SETTLEMENT; Carlos.Yep@ofina.on.ca; Serena.Ly@ofina.on.ca; James.Devine@ofina.on.ca
Cc: Anthony Martinello
Subject: IESO $2B Credit Facility - Notice for Dec 20/17

Please see attached notice for **December 20, 2017** regarding IESO's $2B facility for the Fair Hydro Program.

Thanks.

Olga Whiteley | Treasury and Pension Operations

Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913

Station A, Box 4474, Toronto, ON M5W 4E5

Web: www.ieso.ca[ieso.ca] | Email: olga.whiteley@ieso.ca

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Independent Electricity System Operator
Station A, Box 4474
Toronto, ON M5W 4E5
t 905.403.6900
www.ieso.ca

SCHEDULE 2
FORM OF ELECTION NOTICE

Date: **December 19, 2017**

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7
Delivered Via Email: CASHP@ofina.on.ca

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is **December 21, 2017.**

(b) The aggregate amount of the proposed Continued Advance is **$971,359.06**, which is comprised of:
i. previous principal amount **$1,005,562,526.55**; and
ii. repayment **$1,004,591,167.49**;

(c) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is **January 19, 2018**. [Insert date not earlier than 5 days and not later than 95 days after the current Repayment Date for the Advance.]

IESO confirms it will also be paying interest in the amount of **$1,016,582.39**.

Such election shall be confirmed by IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: $_____
The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): **This transaction relates to the Fair Hydro Program**.

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: K Marshall

Kimberly Marshall
VP Corporate Services, CFO and Treasurer

From: Carlos Yep []
To: William Tan [William.Tan@ofina.on.ca]; Sarah Harris [Sarah.Harris@ofina.on.ca]
Subject: FW: IESO $475M Credit Facility - Notice for Dec 20/17
Date: Wednesday, December 20, 2017 10:18:05
Attachment 1: Rollover Notice with advance.pdf

FYI

From: Carlos Yep
Sent: Tuesday, December 19, 2017 2:28 PM
To: Bruno Amara <Bruno.Amara@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>
Subject: FW: IESO $475M Credit Facility - Notice for Dec 20/17

Bruno,

For the Rural or Remote Electricity LoC, IESO will rollover $11,556,384.24 and add a new $724,314.98.

The total advances will be $12,280,699.22

Regards

Carlos

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]
Sent: Monday, December 18, 2017 9:46 AM
To: CASHP <CASHP@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; Serena Ly <Serena.Ly@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>
Cc: Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: IESO $475M Credit Facility - Notice for Dec 20/17

See attached notice for December 20, 2017 regarding IESO's $475million facility for the RRRP Loan.

Please send the funds to IESO RRRP account:

Beneficiary: Independent Electricity System Operator - RRRP

Bank: TD Bank

Bank ID: 0004

Transit Number: 10202

Account Number: 5500617

Thanks.

Olga Whiteley | Treasury and Pension Operations

Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913

Station A, Box 4474, Toronto, ON M5W 4E5

Web: www.ieso.ca[ieso.ca] | Email: olga.whiteley@ieso.ca

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Connecting Today.
Powering Tomorrow.

Independent Electricity System Operator
Station A, Box 4474
Toronto, ON M5W 4E5
t 905.403.6900
www.ieso.ca

SCHEDULE 2 TO AMENDING AGREEMENT NO. 10
FORM OF ELECTION NOTICE

Date: **December 18, 2017**

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7
Delivered Via Email: CASHP@ofina.on.ca

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is **December 20, 2017**;
(b) The aggregate amount of the proposed Continued Advance is **$12,280,699.22**, which is comprised of:
   i. previous principal amount of advance which is to be continued **$11,556,384.24**; and
   ii. additional advance **$724,314.98**;
(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): **$0.00**;
(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is **January 19, 2018**. [Insert date no earlier than 28 days and not later than 95 days after the Current Repayment Date for the Advance].

IESO confirms it will also be paying interest in the amount of **$11,293.60**.

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: $_____

The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): **This transaction relates to the settlement of the Rural or Remote Electricity Rate Protection (RRRP) variance.**

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: K Marshall

Kimberly Marshall
VP Corporate Services, CFO and Treasurer

From:	Sarah Harris
To:	William Tan
Subject:	IESO notices
Date:	Wednesday, December 20, 2017 9:31:38 AM
Attachments:	FW IESO $2B Credit Facility - Notice for Dec 2117 REVISED.msg FW IESO $475M Credit Facility - Notice for Dec 2017.msg

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Hi Will,

We won't do this every month, but could you please take a look at these notices and see if they are in accordance the templates in the agreement, and that all referencing is correct (i.e. to the relevant agreement, Use of Proceeds, etc.)

Thanks,

Sarah

From: Carlos Yep []
To: William Tan [William.Tan@ofina.on.ca]; Sarah Harris [Sarah.Harris@ofina.on.ca]
Subject: FW: IESO $2B Credit Facility - Notice for Dec 21/17 REVISED
Date: Wednesday, December 20, 2017 10:18:09
Attachment 1: Rollover Notice - REVISED.pdf

FYI

From: Carlos Yep
Sent: Tuesday, December 19, 2017 2:28 PM
To: Bruno Amara <Bruno.Amara@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>
Subject: FW: IESO $2B Credit Facility - Notice for Dec 21/17 REVISED

Bruno,
For the Fair Hydro Plan LoC, IESO will pay almost all of the $1,005,562,55 … the remaining LoC will be $971,359.06
Regards
Carlos

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]
Sent: Tuesday, December 19, 2017 1:42 PM
To: CASHP <CASHP@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>; Ricky.layi@ofina.on.ca
Cc: Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: IESO $2B Credit Facility - Notice for Dec 21/17 REVISED

Please see attached notice, revised for **December 21, 2017.** This is regarding IESO's $2B facility for the Fair Hydro Program.

From: Olga Whiteley
Sent: December 18, 2017 9:43 AM
To: CASHP; SETTLEMENT; Carlos.Yep@ofina.on.ca; Serena.Ly@ofina.on.ca; James.Devine@ofina.on.ca
Cc: Anthony Martinello
Subject: IESO $2B Credit Facility - Notice for Dec 20/17

Please see attached notice for **December 20, 2017** regarding IESO's $2B facility for the Fair Hydro Program.

Thanks.

Olga Whiteley | Treasury and Pension Operations
Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
Station A, Box 4474, Toronto, ON M5W 4E5
Web: www.ieso.ca[ieso.ca] | Email: olga.whiteley@ieso.ca

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Independent Electricity System Operator
Station A, Box 4474
Toronto, ON M5W 4E5
t 905.403.6900
www.ieso.ca

SCHEDULE 2
FORM OF ELECTION NOTICE

Date: **December 19, 2017**

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7
Delivered Via Email: CASHP@ofina.on.ca

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is **December 21, 2017.**

(b) The aggregate amount of the proposed Continued Advance is **$971,359.06**, which is comprised of:
i. previous principal amount **$1,005,562,526.55**; and
ii. repayment **$1,004,591,167.49**;

(c) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is **January 19, 2018**. [Insert date not earlier than 5 days and not later than 95 days after the current Repayment Date for the Advance.]

IESO confirms it will also be paying interest in the amount of **$1,016,582.39**.

Such election shall be confirmed by IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: $_____
The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): **This transaction relates to the Fair Hydro Program**.

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: K Marshall

Kimberly Marshall
VP Corporate Services, CFO and Treasurer

From: Carlos Yep []
To: William Tan [William.Tan@ofina.on.ca]; Sarah Harris [Sarah.Harris@ofina.on.ca]
Subject: FW: IESO $475M Credit Facility - Notice for Dec 20/17
Date: Wednesday, December 20, 2017 10:18:05
Attachment 1: Rollover Notice with advance.pdf

FYI

From: Carlos Yep
Sent: Tuesday, December 19, 2017 2:28 PM
To: Bruno Amara <Bruno.Amara@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>
Subject: FW: IESO $475M Credit Facility - Notice for Dec 20/17

Bruno,
For the Rural or Remote Electricity LoC, IESO will rollover $11,556,384.24 and add a new $724,314.98.
The total advances will be $12,280,699.22
Regards
Carlos

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]
Sent: Monday, December 18, 2017 9:46 AM
To: CASHP <CASHP@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; Serena Ly <Serena.Ly@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>
Cc: Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: IESO $475M Credit Facility - Notice for Dec 20/17

See attached notice for December 20, 2017 regarding IESO's $475million facility for the RRRP Loan.

Please send the funds to IESO RRRP account:

Beneficiary:	Independent Electricity System Operator - RRRP
Bank:	TD Bank
Bank ID:	0004
Transit Number:	10202
Account Number:	5500617

Thanks.

Olga Whiteley | Treasury and Pension Operations
Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
Station A, Box 4474, Toronto, ON M5W 4E5
Web: www.ieso.ca[ieso.ca] | Email: olga.whiteley@ieso.ca

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Connecting Today.
Powering Tomorrow.

Independent Electricity System Operator
Station A, Box 4474
Toronto, ON M5W 4E5
t 905.403.6900
www.ieso.ca

SCHEDULE 2 TO AMENDING AGREEMENT NO. 10
FORM OF ELECTION NOTICE

Date: **December 18, 2017**

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7
Delivered Via Email: CASHP@ofina.on.ca

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is **December 20, 2017**;
(b) The aggregate amount of the proposed Continued Advance is **$12,280,699.22**, which is comprised of:
   i. previous principal amount of advance which is to be continued **$11,556,384.24**; and
   ii. additional advance **$724,314.98**;
(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): **$0.00**;
(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is **January 19, 2018**. [Insert date no earlier than 28 days and not later than 95 days after the Current Repayment Date for the Advance].

IESO confirms it will also be paying interest in the amount of **$11,293.60**.

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: $_____

The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): **This transaction relates to the settlement of the Rural or Remote Electricity Rate Protection (RRRP) variance.**

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: K Marshall

Kimberly Marshall
VP Corporate Services, CFO and Treasurer

From:	Lisa Stein
To:	John Kim
Cc:	Sarah Harris; William Tan; Lisa Stein
Subject:	IESO request re permitted liens
Date:	Friday, November 10, 2017 4:02:08 PM
Attachments:	FHP credit facility agreement draft June 23 2017 IESO Legal July 26.docx
Importance:	High

Hi John,
As per your request, please see the e-mail from Victor Buza below which explains their request for the amendment to the definition of "permitted liens".
Thank you,
Lisa

From: William Tan
Sent: Wednesday, July 26, 2017 3:51 PM
To: Lisa Stein
Cc: Sarah Harris ; Sarah Neville ; Jean-Francois Beaupre ; Kelly Listoe
Subject: FW: FHP Credit Facility Agreement
Hello Lisa,
I am concurrently reviewing the draft FHP Credit Facility from IESO. I won't be able to provide my comments until tomorrow as I will be discussing the comments within Documentation first before I provide it to you.
Thanks,
Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Wednesday, July 26, 2017 1:02 PM
To: William Tan
Cc: Anthony Martinello
Subject: RE: FHP Credit Facility Agreement
Hi Will. Attached you will find IESO's mark-up of the FHP Credit Facility Agreement. Most of the changes are self-explanatory, but it may be helpful if I provide a few words of explanation about the more substantive changes:
1. We added paragraph (k) to the definition of "Permitted Liens" to address the possibility that the Clean Energy Adjustment funds collected by IESO might be considered to be subject to a lien, and we did not want to be inadvertently in default. (Please note that, assuming this addition to the definition of "Permitted Liens" is acceptable, the same or similar language should also be added to the definition of Permitted Liens in Amending Agreement #10 to the existing OFA line of credit that we discussed yesterday.)
2. We amended Section 2.2 Use of Proceeds as shown in the draft because: (i) there is a possibility that the funding provided under the FHP Credit Agreement may accumulate and be outstanding for an extended period of time (i.e. in excess of 12 months); and (ii) the use of the terminology "cash flow timing differences" does not seem appropriate given its implication of a shorter-term funding requirement (something on the order of month-to-month), taking into account all of the obligations of IESO under the FHP.
3. We amended the exceptions to the *pari passu* requirement under Section 3.3(5) to avoid a conflict with the different list of exceptions in s.4.6, the negative pledge. An alternative, and arguably

cleaner, way of avoiding the conflict between s.3.3(5) and s.4.6 would be to delete the *pari passu* requirement in s.3.3(5) altogether, since the negative pledge in s.4.6 already contains more tailored language that performs essentially the same function.

In addition to the above changes marked-up directly on the document, in general with respect to all revolving lines, it seems that the definition of "Advances" should probably also include Continued Advances where an Election Notice is used (though I didn't make any changes to reflect this). I say this because Advances can become Continued Advances through an initial Election Notice, and then those Continued Advances can be continued again as further Continued Advances, and so on. In other words, the practice and intent of IESO and OFA has been and continues to be that an original Advance can be Continued (rolled-over) many times but, unless I am missing something, the language and definitions do not quite capture that intent. It might be easier if I were to discuss what is essentially a drafting point with your Legal Counsel assigned to this – as I say, it's entirely possible that I am simply missing something here.

I didn't know who would be reviewing this from your Legal group, so did not copy anyone else at OFA – I will rely on you to forward it as required.

Regards,

Victor

Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079
1600-120 Adelaide Street West, Toronto, ON M5H 1T1
Web: www.ieso.ca[ieso.ca] | Twitter: IESO_Tweets[twitter.com] | LinkedIn: IESO[linkedin.com]

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From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: July 25, 2017 12:23 PM
To: Victor Buza
Cc: Anthony Martinello
Subject: FHP Credit Facility Agreement

Hello Victor,

I'm checking-in on the status of the FHP Credit Facility Agreement. I understand there was a couple matters you needed to clear up with management before sending us your comments.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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INDEPENDENT ELECTRICITY SYSTEM OPERATOR

as Borrower

and

ONTARIO FINANCING AUTHORITY

as Lender

REVOLVING CREDIT FACILITY AGREEMENT

Date: July (·), 2017)

REVOLVING CREDIT FACILITY AGREEMENT

THIS AGREEMENT is made as of the (·) day of July 2017,

BETWEEN:

INDEPENDENT ELECTRICTY SYSTEM OPERATOR, a statutory corporation without share capital existing under the *Electricity Act, 1998* (the "IESO")
(as Borrower)

AND

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* (the "OFA" and together with the IESO, the "Parties")
~~(~~(as Lender)

RECITALS:

WHEREAS the IESO has requested a revolving credit facility for up to a maximum principal amount of ~~CAD~~ $2 billion Dollars from the OFA for the purpose of supporting the IESO's role in the implementation and administration of the *Ontario Fair Hydro Plan Act, 2017* (the "OFHP").

THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the parties agree as follows:

ARTICLE 1

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"Advances" means advances made by the OFA to the IESO under Article 3 and "Advance" means any one of such advances.

"Advances Outstanding" means, at any time, an amount equal to the aggregate principal amount of all Advances outstanding at such time.

"Agreement", "herein", "hereby", "hereor', "hereunder" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression "Article" or "Section" followed by a number means the specified Article or Section of this Agreement.

"Borrowing Notice" has the meaning specified in Section 3.2(1).

"Business Day" means any day that is not a day on which banks are generally authorized or required by law or executive order to be closed in the City of Toronto.

~~**"Dollars"** or **"$"** means lawful currency of Canada.~~
"**Clean Energy Adjustment"** has the same meaning as "clean energy adjustment" as that term is defined in the OFHP.
"Commitment" means, at any time, an amount equal to $2 billion.

"Consolidated Assets" means, at any time, the book value of the assets of the IESO and the Subsidiaries, determined as of such time on a consolidated basis in accordance with GAAP. ~~generally accepted accounting principles.~~

"**Continued Advance"** has the meaning specified in Section 3.3(1).~~means an Advance for which the IESO has elected to continue all or a portion of the prinicipal amount of such Advance and any amount of interest on such Advance past the Repayment Date.~~

"Credit Facility" means the revolving credit facility to be made available to the IESO by the OFA under this Agreement for the purposes specified in Section 2.2~~2.3~~.

"Default" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"Dollars" or **"$"** means lawful currency of Canada.
"Election Notice" has the meaning specified in Section 3.3(2).

"Event of Default" has the meaning specified in Section 5.1.

"**Financing Entity**" has the same meaning as "financing entity" as that term is defined in the OFHP.

"GAAP" means accounting policies and standards as established by the Chartered Professional Accountants of Canada, ~~Public Sector Accounting Board~~ at the relevant time and applied on a consistent basis.

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"Grid Note" has the meaning specified in Section 3.2(2).~~a grid promissory note in respect of~~

"Indebtedness" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) every obligation of such Person for borrowed money;

(b) every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments;

(c) every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) every capital lease obligation of such Person;

(f) the Swap Termination Value of each Swap Contract of such Person; and

(g) every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"Lien" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"Material Subsidiary " means, at any time, a Subsidiary which has consolidated assets with a book value of more than $25 million determined in accordance with GAAP.

"**OFHP**" has the meaning specified in the Recitals to this Agreement.

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"Permitted Liens" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) any obligations or duties, affecting the property of the IESO to any municipality or governmental, statutory or public authority, with respect to any franchise, grant, license or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by the IESO or such Material Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by the IESO or such Material Subsidiary;

(d) any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) the right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) any undetermined or inchoate Liens and charges incidental to the current operations of the IESO or a Material Subsidiary that have not at the time been filed against the IESO or such Material Subsidiary; provided, however, that if any such Lien or charge shall have been filed, the IESO or such Material Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) any Lien the validity of which is being contested at the time by the IESO or a Material Subsidiary in good faith and the enforcement of which has been stayed;

(h) any easements, rights-of-way and servitudes that in the opinion of the IESO will not in the aggregate materially and adversely impair the use or value of the land for the purpose for which it is held or occupied by the IESO or a Material Subsidiary;

(i) any Liens and privileges arising out of judgments or awards with respect to which the IESO or a Material Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall have secured a stay of execution pending such appeal or proceedings for review; ~~and~~

(j) any other Liens of a nature similar to the foregoing which do not in the opinion of the IESO, acting reasonably, materially~~material~~ impair the use of the property subject thereto or the operation of the business of the IESO or any Material Subsidiary or the value of such property for the purpose of any such business; and

(k) any Lien arising in connection with the IESO's role and obligations under the OFHP, including with respect to any amounts collected and held by IESO in relation to the Clean Energy Adjustment, or otherwise.

"Person" means any individual, corporation, partnership joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"Purchase Money Mortgage" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or par of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"Repayment Date" means, in respect of the repayment of Advances, the repayment date contained in the most recent Borrowing Notice or Election Notice.

"Stated Maturity" when used with respect to any Indebtedness or any installment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such installment of interest is due and payable.

"Subsidiary" means:

(a) a corporation more than 50% of the voting power or the outstanding Voting Shares of which is owned, directly or indirectly, by the IESO or by one or more other Subsidiaries or by the IESO and one or more other Subsidiaries; or

(b) any Person (other than a corporation) in which the IESO, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

"Swap Contract" means any agreement whether or not in writing, relating to any transaction or derivative transaction including a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction currency swap, cross-currency rate swap, swaption, currency option or other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.

"Swap Termination Value" means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap contracts:

(a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and

(b) for any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.

"Voting Shares" of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings.

The division of this Agreement into Articles and Sections and the insertion of headings are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and vice versa and words importing gender may include any gender. In this Agreement, (a) the words "including" and "includes" mean "including (or includes) without limitation", and (b) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" excluding".

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with GAAP. ~~Generally accepted accounting principles refer to.~~

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the next succeeding Business Day.

ARTICLE 2
REVOLVING CREDIT FACILITY

Section 2.1 Availability.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO. The OFA shall make each Advance in Canadian Dollars.

Section 2.2 Use of Proceeds.

The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the *Electricity Act*, *1998*, subject to the ~~following~~ condition that~~s~~:

~~(1)~~ ~~P~~proceeds of Advances may be used only for IESO's ~~short term~~ financing needs and requirements of any kind arising in connection with ~~due to cash flow timing differences incurred as a result of~~ the IESO's role with respect to and obligations under~~in the implementation and administration of~~ the OFHP.

~~(2) The IESO is expected to recover or repay the proceeds for each Advance over a period of no more than 12 months from the date of such Advance."~~

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Section 2.3 Credit Facility Limit.

The Advances Outstanding shall not at any time exceed the Commitment. The Credit Facility shall revolve and no payment under the Credit Facility shall reduce the Commitment.

Section 2.4 Mandatory Repayment.

Subject to Sections 2.5 and 5.2, the IESO shall repay each Advance together with the interest accrued thereon on the applicable Repayment Date, and, in any event, shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder on September 30, 2022.

Section 2.5 Prepayments.

The IESO is not entitled to prepay any part of the Advances Outstanding or the interest accrued thereon without the prior written consent of the OFA.

Section 2.6 Payments under this Agreement.

(1) The OFA shall make Advances to the IESO under this Agreement to or to the order of the IESO by wire transfer of immediately available funds in accordance with wire transfer instructions given by the IESO to the OFA from time to time, or in such other manner as the IESO may specify to the OFA from time to time.

(2) The IESO shall make any payment required hereunder to be made by it to the OFA, to or to the order of the OFA, by wire transfer of immediately available funds in accordance with wire transfer instruction given by the OFA to the IESO from time to time, or in such other manner as the OFA may specify to the IESO from time to time. The IESO shall make each such payment in Canadian Dollars.

Section 2.7 Computations of Interest.

(1) All computations of interest shall be made by the OFA taking into account the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest is payable on the basis of a year of 365 days or 366 days, as the case may be.

(2) For the purposes of disclosure pursuant to the *Interest Act*~~Interest Act~~ (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Agreement for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding in the next calendar year and the denominator of which is the actual number of days in such period.

Section 2.8 Limit on Rate of Interest.

(1) Notwithstanding any provision contained in this Agreement, the IESO shall not be obliged to make any payments of interest or other amounts payable to the OFA hereunder in excess of the amount or rate which would be prohibited by applicable law or would result in the receipt by the OFA of interest at a criminal rate (as such terms are construed under the ~~Criminal Code~~*Criminal Code* (Canada)).

(2) In the event that any such payments are limited or prohibited as provided in Section 2.8(1), the OFA shall have no further obligation to make any Advances available hereunder and the Advances Outstanding, together will all accrued interest and all other amounts owing hereunder, shall become immediately due and payable.

Section 2.9 Application of Payments.

All payments made by the IESO under this Agreement shall be applied firstly to the payment of interest payable to the OFA on late payments of principal or interest hereunder, secondly, to the payment of accrued and unpaid interest payable to the OFA hereunder and thirdly, to the payment of the outstanding principal amount of any Advances payable to the OFA.

ARTICLE 3
ADVANCES

Section 3.1 Advances.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO under the Credit Facility from time to time on any Business Day prior to September 23, 2022.

Section 3.2 Procedure for Advances.

(1) Subject to Section 3.3(3), each Advance shall be made subject to two Business Days' prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each notice of an Advance (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1, shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance, and (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall not be earlier than 5~~7~~ days and not later than 95 days after the date of the requested Advance. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, the IESO shall execute and deliver to the OFA a grid promissory note in respect of Advances substantially in the form of Schedule 3 (the "**Grid Note**"). The IESO authorizes the OFA to record on the Grid Note (a) the date and amount of each Advance or Continued Advance~~,~~; (b) the applicable rate of interest for each Advance or Continued Advance; (c) the Repayment Date of each Advance or Continued Advance; (d) the date and amount of each payment of interest and each payment of principal in respect of each Advance or Continued Advance; and (e) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be prima facie evidence of the such advances and repayments; provided that the failure of the OFA to record any amount, rate or date shall not affect the obligation of the IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement.

Section 3.3 Elections Regarding Advances.

(1) The IESO may elect to continue all or a portion of the principal amount of any Advance and any amount of interest on such Advance (together, the "**Continued Advance**") for a further period of at least 5~~7~~ days and up to a maximum of 95 days beginning on the then current Repayment Date in accordance with Section 3.3(2).

(2) Each notice to continue an Advance for a further period (an "**Election Notice**") shall be provided by the IESO to the OFA at least two Business Day's prior to the Repayment Date of the Advance, and in each case, not later than 10:00 a.m. (Toronto time). Each such Election Notice shall be given substantially in the form of Schedule 2 and shall be irrevocable and binding upon the IESO and shall specify: (a) the Advance to which the election request applies (b) the new aggregate total amount of the proposed Continued

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Advance; and (c) the new Repayment Date of the proposed Continued Advance, which shall be no earlier than 5~~7~~ days and not later than 95 days after the current Repayment Date. If the IESO fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date.

(3) The calculation of interest on a Continued Advance shall be determined in the same manner as an Advance under Section 3.4 and shall be recorded on the Grid Note in accordance with Section 3.2(2).

(4) Any portion of an Advance not continued for a further period in accordance with Section 3.3(2) shall be repayable on the applicable Repayment Date.

(5) The Credit Facility shall at all times rank *pari passu* with all other unsubordinated Indebtedness of the IESO, subject to the existence of (i) any Permitted Liens of the IESO, and (ii) any other Liens that secure Indebtedness in accordance with Section 4.6 hereof.

(6) All amounts owing in respect of the Advances shall be paid without exercising any right of~~or~~ set off or counterclaim by the IESO.

Section 3.4 Interest on Advances.

(1) The IESO shall pay interest on the unpaid principal amount of each Advance in accordance with this Section 3.4 from and including the date of such Advance until the principal amount of such Advance is repaid in full.

(2) Interest shall accrue on the principal amount of each Advance from and including the date of the Advance to but excluding the Repayment Date of such Advance, at an annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum, before as well as after the date such principal amount or interest thereon becomes due hereunder and both before and after default and shall be payable on the Repayment Date for such Advance. Any amount of interest arising hereunder which is not paid when due shall bear interest at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment. The amount of interest payable on an Advance will be calculated by the OFA by dividing the interest rate applicable to the Advance by 365 or 366, as the case may be, and multiplying the result by the principal amount of the Advance and further multiplying the result by the number of days in the period from the date of the Advance to the Repayment Date of the Advance.

(3) If the IESO elects to continue an Advance in accordance with Section 3.3(2), the OFA shall determine the interest rate applicable after the original Repayment Date of the Advance and endorse the said rate on the grid forming part of the Grid Note in respect of Advances held by it.

Section 3.5 Conditions Precedent

The obligation of the IESO to make the Advances pursuant to Section 2.1 is subject to the following conditions being satisfied to the OFA's satisfaction at the time of making each Advance:

(a) that the representations and warranties of the IESO contained in this Agreement are true and correct as at the date of making the Advance;

(b) that no Event of Default has occurred and is continuing;

(c) that there shall, in the reasonable opinion of the OFA, have been no material adverse change in the financial condition of the IESO or a Material Subsidiary; and

(d) that the OFA has received such other documentation which it has reasonably requested to ensure that the IESO is in compliance with the terms and conditions of this Agreement, including certified true copies of any necessary resolutions, a written legal opinion from counsel to the IESO confirming that the borrowing is within the legal powers of the IESO and that the Agreement is a direct, unsecured obligation of the IESO enforceable against the IESO in form satisfactory to the OFA.

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ARTICLE 4
COVENANTS OF THE IESO

Section 4.1 Payment of Advances.

The IESO will duly and punctually pay all amounts owing under this Agreement in accordance with the terms and subject to the conditions of this Agreement.

Section 4.2 IESO will Maintain its Corporate Existence.

The IESO will at all times maintain its corporate existence.

Section 4.3 Maintenance of Properties.

The IESO will cause all property owned by the IESO or any Material Subsidiary to be maintained and kept in good condition, repair and~~an~~ working order, all as in the judgment of the IESO or any Material Subsidiary may be necessary for the proper operation of such property, except as and to the extent that the IESO or any Material Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 4.3 shall prevent the IESO or any Material Subsidiary from discontinuing the maintenance of any such property or decommissioning any such property if such discontinuance or decommissioning is, in the

judgment of the IESO or any such Material Subsidiary, desirable in the conduct of its business or the business of any such Material Subsidiary, or has been directly or indirectly requested or required by the Province of Ontario.

Section 4.4 Insurance.

The IESO will cause all property owned by the IESO or any Material Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the mature and to the extent that such property is usually insured by companies operating similar businesses.

Section 4.5 Conduct of Business.

The IESO will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in a proper, efficient and business-like manner and in accordance with good business practice.

Section 4.6 Negative Pledge.

The IESO will not, and will not permit any Material Subsidiary to, create, incur or assume any Lien, charging the interest of the IESO or any Material Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, all amounts owing under this Agreement are secured equally and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) the creation, incurrence or assumption of any Purchase Money Mortgage;

(b) the grant of any Lien in the normal course of business to any banks or financial institutions for present or future Iindebtedness of the IESO or any Material Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) any extension, renewal or replacement of any of the Liens referred to in Sections 4.6(a), (b) or (c), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased; and

(e) any Lien charging the interest of the IESO or any Material Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 4.6(a), (b) or (c), provided that, at the time such Lien is created, incurred or assumed, the principal amount

of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 4.6(e) which is outstanding at such time does not exceed 10% of Consolidated Assets at such time.

Section 4.7 Payment of OFA Expenses

In addition to any liability of the IESO to the OFA under any other provision of this Agreement, the IESO will, on demand, reimburse and indemnify OFA for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OFA in connection with the Services (including those incurred in the preservation of rights under or enforcement of this Agreement at any time during the continuance of a default or Event of Default and for any reasonable loss or expense incurred by OFA as a result of any failure by the IESO to fulfill any of its obligations under this Agreement). All such costs, charges and expenses shall bear interest at the Province of Ontario's cost of funds plus 0.25 percent per annum (as determined by the OFA) calculated and payable monthly not in advance from in each case from the date on which the OFA incurs the cost, charge or expense until the date on which the IESO reimbursement the OFA therefor. The OFA agrees, acting reasonably, to invoice the IESO for any such costs, charges and expense as they are incurred, together with interest at the aforesaid rate (with interest on overdue interest).

Section 4.8 Reporting.

The IESO will promptly provide to the OFA any reports or supporting documents that the OFA may request from time to time.

Section 4.9 Late Repayment of Advance.

In the event that the IESO fails to repay the principal amount of any Advance and all interest accrued thereon when due, the IESO shall pay interest on the unpaid amount of such Advance at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment.

ARTICLE 5
EVENTS OF DEFAULT AND REMEDIES

Section 5.1 Event of Default.

Wherever used in this Agreement, the term "Event of Default" means any of the following:

(a) the IESO's failure to pay any interest upon ~~the~~ any Advance when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) failure to pay the principal amount of any Advance on the applicable Repayment Date or the Advances Outstanding, all interest accrued thereon and all other amounts owing under this Agreement on September 30, 2022;

(c) failure on the part of the IESO to observe or perform its obligations set forth in Section 4.1;

(d) failure on the part of the IESO to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 20 days after the date on which written notice of such failure shall have been given to the IESO by the OFA;

(e) any representation or warranty made by the IESO in this Agreement or in any certificate or other document at any time delivered hereunder to the OFA was incorrect or misleading in any material respect;

(f) one or more breaches by the IESO of its covenants under one or more evidences of indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $5 million, which breaches:

(i) constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist, or

(ii) have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived~~waive~~ or rescinded);

(g) the IESO or any Material Subsidiary :

(i) becomes generally not able to pay its debts as they become due;

(ii) admits in writing its inability to pay its debts generally or makes a general assignment for the benefit its creditors or files a proposal or other scheme of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) institutes or has instituted against it any proceeding seeking:

(A) to adjudicate it a bankrupt or insolvent,

(B) liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy~~,~~, ~~I~~ insolvency~~,~~, ~~I~~ reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors, or

(C) the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets,

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismissed or unstayed for a period of 30 days, or any remedy sought in any such proceeding (including the entry of order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

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(iv) takes any corporate action to authorize any of the actions in Sections 5.l (h)(i) to (iii); or

(h) if there shall be rendered against the IESO or any Material Subsidiary a final judgment or judgments for the payment of money in an aggregate amount in excess of $5 million by a court or courts of competent jurisdiction, and the IESO or any Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 5.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case the OFA may at its option, suspend the right of the IESO to request any further Advance until the Event of Default has been cured to the OFA's satisfaction or, if the Event of Default is not cured within three (3) Business Days of providing such written notice, declare all amounts owing hereunder including all interest accrued to be due and payable immediately, by a notice in writing to the IESO, and upon any such declaration all such amounts shall become immediately due and payable.

Section 5.3 Suits for Enforcement by the OFA.

If an Event of Default occurs and is continuing, the OFA may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in the OFA by this Agreement or by law.

Section 5.4 OFA May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of the IESO under any applicable law are pending,

or if a receiver, trustee, custodian or other similar official shall have been appointed for the property of the IESO, or if any other judicial proceedings relative to the IESO, its creditors or its property are pending, the OFA shall be entitled and empowered, by intention in such proceeding or otherwise:

(a) to file and prove a claim for all amounts owing under~~und~~ this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of the OFA (including any claim for fees and disbursements of the OFA, its agents and counsel) allowed in such judicial proceeding; and

(b) to collect and receive any moneys or other property payable or deliverable on any such claim.

Section 5.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to the OFA is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.6 Delay or Omission not Waiver.

No delay or omission of the OFA to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right or remedy given by this Article 5 or by law to OFA may be exercised from time to time, and as often as may be deemed expedient, by the OFA.

ARTICLE 6
REPRESENTATIONS AND WARRANTIES OF IESO

Section 6.1 Representations and Warranties of IESO

The IESO represents and warrants to the OFA that:

(a) the borrowing of money (including principal and accrued interest) by the IESO and the execution, delivery and performance of this Agreement are within the powers and capacities of the IESO and have been duly authorized by all necessary legal action and proper proceedings;

(b) the execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the compliance with the terms and conditions of this Agreement will not conflict with or result in a breach of any of the terms or provisions of the constituting documents or by-laws of the IESO, laws of Ontario, including laws of

Canada applicable therein, applicable to the IESO or any contractual or other obligation binding on the IESO;

(c) this Agreement will, when executed and delivered, constitute the legal, valid and binding obligation of the IESO enforceable against it in accordance with its terms; and

(d) the monies advanced under this Agreement shall be used only by the IESO for the purposes set out in Section 2.2.

Section 6.2 Continuation of Representation and Warranties

The representations and warranties set out in Section 6.1 herein shall survive the execution and delivery of this Agreement, the making of each advance by the OFA, notwithstanding any investigations or examinations which may be made by counsel for the OFA.

ARTICLE 7
GENERAL

Section 7.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy or other means of electronic communication addressed:

If to the IESO, to it at:

Independent Electricity System Operator
120 Adelaide Street West, Suite 1600
Toronto, ON M5H 1T1

Attention: Chief Financial Officer
Telephone: (416)969-6232
Fascimile: (905)403-6913

If to OFA, to it at:

Ontario Financing Authority 1 Dundas Street West
Suite 1400 Toronto, Ontario M7AIY7

Attention: Executive Director – Capital Markets Division
Telephone: (416)325-8930
Telecopier: (416)325-8111

provided that any Borrowing Notice or Election Notice shall be addressed as indicated on Schedule 1 or Schedule 2 respectively.

Any communication hereunder shall be deemed to have been validly and effectively given if (a) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p. m (Toronto time), otherwise on the next Business Day, (b) transmitted by telecopier other means of electronic communication, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice give in accordance with this Section 7.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 7.1.

Section 7.2 Successors and Assigns.

This Agreement shall be binding on and enure to the benefit of the OFA and the IESO and their respective successors and permitted assigns, except that the IESO shall not, without the prior written consent of the OFA assign, pledge or hypothecate any rights or obligations with respect to this Agreement.

Section 7.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of the OFA and the IESO.

Section 7.4 Waiver.

(1) No waiver of any provisions of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) or this Agreement nor shall such waiver be binding unless executed in writing by~~:~~ the party to be bound by the waiver.

(2) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude another or further exercise of such right or the exercise of any other right.

Section 7.5 Further Assurances.

Each of the IESO and the OFA shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement

Section 7.6 Severability.

In case any provision in this Agreement shall be in valid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement shall not in any way be affected or impaired thereby.

Section 7.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 7.8 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first written above.

ONTARIO FINANCING AUTHORITY

Per: _____

Name: Michael D. Manning
Title: Executive Director
Capital Markets Division

I have authority to bind the corporation.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; Treasurer

I have authority to bind the corporation.

SCHEDULE 1

FORM OF BORROWING NOTICE

Delivered Via Fax: 416-204-7920

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the credit agreement between the IESO and the OFA dated July (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The aggregate amount of the Proposed Advance is $_____;
(c) The Repayment Date of the Proposed Advance is _____. [Not earlier than 5~~7~~ days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The undersigned herby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s):

(1) [indicate amount and purpose of funds requested]
(2) [indicate amount and purpose of funds requested]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:

Authorized Signatory

SCHEDULE 2

FORM OF ELECTION NOTICE

Delivered Via Fax: 416-204-7920

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the credit agreement between the IESO and the OFA dated July (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue all or a portion of an Advance for an additional term, and in connection with such election, sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The Advance to which the election request applies is _____; [Insert principal amount of Advance and Advance date];
(b) The new aggregate total amount of the proposed Continued Advance is $_____;
i. previous principal amount of Advance [or portion thereof] $_____
ii. accrued interest on Advance [or portion thereof] $_____
(c) The new Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _____. [Not earlier than 57 days and not later than 95 days after the current Repayment Date for the Advance.]

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per:_____
Name:

Authorized Signatory

SCHEDULE 3 – FORM OF GRID NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $2,000,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR (the "**IESO**"), incorporated under the laws of the ProvinceOFA of Ontario and its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY** ("**OFA**") at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid (the "**Grid** Note") and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Credit Agreement (as defined below).

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the Credit Agreement dated July (·), 2017 as amended, supplemented or restated from time to time, between the Borrower and the OFA (the "Credit Agreement"). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Credit Agreement.

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Credit Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICTY SYSTEM OPERATOR

By:_____

By:_____

Date	Principal Advanced	Rate	Repayment Date and Principal Repaid	Interest Payment Date and Amount	Unpaid Principal Balance	Notation Made By

Credit Facility Grid Note

Date	Principal Advanced	Rate	Repayment Date and Principal Repaid	Interest Payment Date and Amount	Unpaid Principal Balance	Notation Made By

From:	Lisa Stein
To:	John Kim
Cc:	Sarah Harris; William Tan; Lisa Stein
Subject:	IESO request re permitted liens
Date:	Friday, November 10, 2017 4:02:08 PM
Attachments:	FHP credit facility agreement draft June 23 2017 IESO Legal July 26.docx
Importance:	High

Hi John,
As per your request, please see the e-mail from Victor Buza below which explains their request for the amendment to the definition of "permitted liens".
Thank you,
Lisa

From: William Tan
Sent: Wednesday, July 26, 2017 3:51 PM
To: Lisa Stein
Cc: Sarah Harris ; Sarah Neville ; Jean-Francois Beaupre ; Kelly Listoe
Subject: FW: FHP Credit Facility Agreement
Hello Lisa,
I am concurrently reviewing the draft FHP Credit Facility from IESO. I won't be able to provide my comments until tomorrow as I will be discussing the comments within Documentation first before I provide it to you.
Thanks,
Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Wednesday, July 26, 2017 1:02 PM
To: William Tan
Cc: Anthony Martinello
Subject: RE: FHP Credit Facility Agreement
Hi Will. Attached you will find IESO's mark-up of the FHP Credit Facility Agreement. Most of the changes are self-explanatory, but it may be helpful if I provide a few words of explanation about the more substantive changes:
1. We added paragraph (k) to the definition of "Permitted Liens" to address the possibility that the Clean Energy Adjustment funds collected by IESO might be considered to be subject to a lien, and we did not want to be inadvertently in default. (Please note that, assuming this addition to the definition of "Permitted Liens" is acceptable, the same or similar language should also be added to the definition of Permitted Liens in Amending Agreement #10 to the existing OFA line of credit that we discussed yesterday.)
2. We amended Section 2.2 Use of Proceeds as shown in the draft because: (i) there is a possibility that the funding provided under the FHP Credit Agreement may accumulate and be outstanding for an extended period of time (i.e. in excess of 12 months); and (ii) the use of the terminology "cash flow timing differences" does not seem appropriate given its implication of a shorter-term funding requirement (something on the order of month-to-month), taking into account all of the obligations of IESO under the FHP.
3. We amended the exceptions to the *pari passu* requirement under Section 3.3(5) to avoid a conflict with the different list of exceptions in s.4.6, the negative pledge. An alternative, and arguably

cleaner, way of avoiding the conflict between s.3.3(5) and s.4.6 would be to delete the *pari passu* requirement in s.3.3(5) altogether, since the negative pledge in s.4.6 already contains more tailored language that performs essentially the same function.

In addition to the above changes marked-up directly on the document, in general with respect to all revolving lines, it seems that the definition of "Advances" should probably also include Continued Advances where an Election Notice is used (though I didn't make any changes to reflect this). I say this because Advances can become Continued Advances through an initial Election Notice, and then those Continued Advances can be continued again as further Continued Advances, and so on. In other words, the practice and intent of IESO and OFA has been and continues to be that an original Advance can be Continued (rolled-over) many times but, unless I am missing something, the language and definitions do not quite capture that intent. It might be easier if I were to discuss what is essentially a drafting point with your Legal Counsel assigned to this – as I say, it's entirely possible that I am simply missing something here.

I didn't know who would be reviewing this from your Legal group, so did not copy anyone else at OFA – I will rely on you to forward it as required.

Regards,

Victor

Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079
1600-120 Adelaide Street West, Toronto, ON M5H 1T1
Web: www.ieso.ca[ieso.ca] | Twitter: IESO_Tweets[twitter.com] | LinkedIn: IESO[linkedin.com]

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From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: July 25, 2017 12:23 PM
To: Victor Buza
Cc: Anthony Martinello
Subject: FHP Credit Facility Agreement

Hello Victor,

I'm checking-in on the status of the FHP Credit Facility Agreement. I understand there was a couple matters you needed to clear up with management before sending us your comments.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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INDEPENDENT ELECTRICITY SYSTEM OPERATOR

as Borrower

and

ONTARIO FINANCING AUTHORITY

as Lender

REVOLVING CREDIT FACILITY AGREEMENT

Date: July (·), 2017)

REVOLVING CREDIT FACILITY AGREEMENT

THIS AGREEMENT is made as of the (·) day of July 2017,

BETWEEN:

INDEPENDENT ELECTRICTY SYSTEM OPERATOR, a statutory corporation without share capital existing under the *Electricity Act, 1998* (the "IESO")
(as Borrower)

AND

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* (the "OFA" and together with the IESO, the "Parties")
~~(~~(as Lender)

RECITALS:

WHEREAS the IESO has requested a revolving credit facility for up to a maximum principal amount of ~~CAD~~ $2 billion Dollars from the OFA for the purpose of supporting the IESO's role in the implementation and administration of the *Ontario Fair Hydro Plan Act, 2017* (the "OFHP").

THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the parties agree as follows:

ARTICLE 1

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"Advances" means advances made by the OFA to the IESO under Article 3 and "Advance" means any one of such advances.

"Advances Outstanding" means, at any time, an amount equal to the aggregate principal amount of all Advances outstanding at such time.

"Agreement", "herein", "hereby", "hereor', "hereunder" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression "Article" or "Section" followed by a number means the specified Article or Section of this Agreement.

"Borrowing Notice" has the meaning specified in Section 3.2(1).

"Business Day" means any day that is not a day on which banks are generally authorized or required by law or executive order to be closed in the City of Toronto.

~~**"Dollars"** or **"$"** means lawful currency of Canada.~~
"**Clean Energy Adjustment"** has the same meaning as "clean energy adjustment" as that term is defined in the OFHP.
"Commitment" means, at any time, an amount equal to $2 billion.

"Consolidated Assets" means, at any time, the book value of the assets of the IESO and the Subsidiaries, determined as of such time on a consolidated basis in accordance with GAAP. ~~generally accepted accounting principles.~~

"**Continued Advance"** has the meaning specified in Section 3.3(1).~~means an Advance for which the IESO has elected to continue all or a portion of the prinicipal amount of such Advance and any amount of interest on such Advance past the Repayment Date.~~

"Credit Facility" means the revolving credit facility to be made available to the IESO by the OFA under this Agreement for the purposes specified in Section 2.2~~2.3~~.

"Default" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"Dollars" or **"$"** means lawful currency of Canada.
"Election Notice" has the meaning specified in Section 3.3(2).

"Event of Default" has the meaning specified in Section 5.1.

"**Financing Entity**" has the same meaning as "financing entity" as that term is defined in the OFHP.

"GAAP" means accounting policies and standards as established by the Chartered Professional Accountants of Canada, ~~Public Sector Accounting Board~~ at the relevant time and applied on a consistent basis.

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"Grid Note" has the meaning specified in Section 3.2(2).~~a grid promissory note in respect of~~

"Indebtedness" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) every obligation of such Person for borrowed money;

(b) every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments;

(c) every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) every capital lease obligation of such Person;

(f) the Swap Termination Value of each Swap Contract of such Person; and

(g) every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"Lien" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"Material Subsidiary " means, at any time, a Subsidiary which has consolidated assets with a book value of more than $25 million determined in accordance with GAAP.

"**OFHP**" has the meaning specified in the Recitals to this Agreement.

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"Permitted Liens" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) any obligations or duties, affecting the property of the IESO to any municipality or governmental, statutory or public authority, with respect to any franchise, grant, license or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by the IESO or such Material Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by the IESO or such Material Subsidiary;

(d) any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) the right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) any undetermined or inchoate Liens and charges incidental to the current operations of the IESO or a Material Subsidiary that have not at the time been filed against the IESO or such Material Subsidiary; provided, however, that if any such Lien or charge shall have been filed, the IESO or such Material Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) any Lien the validity of which is being contested at the time by the IESO or a Material Subsidiary in good faith and the enforcement of which has been stayed;

(h) any easements, rights-of-way and servitudes that in the opinion of the IESO will not in the aggregate materially and adversely impair the use or value of the land for the purpose for which it is held or occupied by the IESO or a Material Subsidiary;

(i) any Liens and privileges arising out of judgments or awards with respect to which the IESO or a Material Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall have secured a stay of execution pending such appeal or proceedings for review; ~~and~~

(j) any other Liens of a nature similar to the foregoing which do not in the opinion of the IESO, acting reasonably, materially~~material~~ impair the use of the property subject thereto or the operation of the business of the IESO or any Material Subsidiary or the value of such property for the purpose of any such business; and

(k) any Lien arising in connection with the IESO's role and obligations under the OFHP, including with respect to any amounts collected and held by IESO in relation to the Clean Energy Adjustment, or otherwise.

"Person" means any individual, corporation, partnership joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"Purchase Money Mortgage" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or par of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"Repayment Date" means, in respect of the repayment of Advances, the repayment date contained in the most recent Borrowing Notice or Election Notice.

"Stated Maturity" when used with respect to any Indebtedness or any installment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such installment of interest is due and payable.

"Subsidiary" means:

(a) a corporation more than 50% of the voting power or the outstanding Voting Shares of which is owned, directly or indirectly, by the IESO or by one or more other Subsidiaries or by the IESO and one or more other Subsidiaries; or

(b) any Person (other than a corporation) in which the IESO, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

"Swap Contract" means any agreement whether or not in writing, relating to any transaction or derivative transaction including a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction currency swap, cross-currency rate swap, swaption, currency option or other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.

"Swap Termination Value" means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap contracts:

(a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and

(b) for any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.

"Voting Shares" of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings.

The division of this Agreement into Articles and Sections and the insertion of headings are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and vice versa and words importing gender may include any gender. In this Agreement, (a) the words "including" and "includes" mean "including (or includes) without limitation", and (b) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" excluding".

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with GAAP. ~~Generally accepted accounting principles refer to.~~

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the next succeeding Business Day.

ARTICLE 2
REVOLVING CREDIT FACILITY

Section 2.1 Availability.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO. The OFA shall make each Advance in Canadian Dollars.

Section 2.2 Use of Proceeds.

The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the *Electricity Act*, *1998*, subject to the ~~following~~ condition that~~s~~:

~~(1)~~ ~~P~~proceeds of Advances may be used only for IESO's ~~short term~~ financing needs and requirements of any kind arising in connection with ~~due to cash flow timing differences incurred as a result of~~ the IESO's role with respect to and obligations under~~in the implementation and administration of~~ the OFHP.

~~(2) The IESO is expected to recover or repay the proceeds for each Advance over a period of no more than 12 months from the date of such Advance."~~

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Section 2.3 Credit Facility Limit.

The Advances Outstanding shall not at any time exceed the Commitment. The Credit Facility shall revolve and no payment under the Credit Facility shall reduce the Commitment.

Section 2.4 Mandatory Repayment.

Subject to Sections 2.5 and 5.2, the IESO shall repay each Advance together with the interest accrued thereon on the applicable Repayment Date, and, in any event, shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder on September 30, 2022.

Section 2.5 Prepayments.

The IESO is not entitled to prepay any part of the Advances Outstanding or the interest accrued thereon without the prior written consent of the OFA.

Section 2.6 Payments under this Agreement.

(1) The OFA shall make Advances to the IESO under this Agreement to or to the order of the IESO by wire transfer of immediately available funds in accordance with wire transfer instructions given by the IESO to the OFA from time to time, or in such other manner as the IESO may specify to the OFA from time to time.

(2) The IESO shall make any payment required hereunder to be made by it to the OFA, to or to the order of the OFA, by wire transfer of immediately available funds in accordance with wire transfer instruction given by the OFA to the IESO from time to time, or in such other manner as the OFA may specify to the IESO from time to time. The IESO shall make each such payment in Canadian Dollars.

Section 2.7 Computations of Interest.

(1) All computations of interest shall be made by the OFA taking into account the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest is payable on the basis of a year of 365 days or 366 days, as the case may be.

(2) For the purposes of disclosure pursuant to the *Interest Act*~~Interest Act~~ (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Agreement for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding in the next calendar year and the denominator of which is the actual number of days in such period.

Section 2.8 Limit on Rate of Interest.

(1) Notwithstanding any provision contained in this Agreement, the IESO shall not be obliged to make any payments of interest or other amounts payable to the OFA hereunder in excess of the amount or rate which would be prohibited by applicable law or would result in the receipt by the OFA of interest at a criminal rate (as such terms are construed under the ~~Criminal Code~~*Criminal Code* (Canada)).

(2) In the event that any such payments are limited or prohibited as provided in Section 2.8(1), the OFA shall have no further obligation to make any Advances available hereunder and the Advances Outstanding, together will all accrued interest and all other amounts owing hereunder, shall become immediately due and payable.

Section 2.9 Application of Payments.

All payments made by the IESO under this Agreement shall be applied firstly to the payment of interest payable to the OFA on late payments of principal or interest hereunder, secondly, to the payment of accrued and unpaid interest payable to the OFA hereunder and thirdly, to the payment of the outstanding principal amount of any Advances payable to the OFA.

ARTICLE 3
ADVANCES

Section 3.1 Advances.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO under the Credit Facility from time to time on any Business Day prior to September 23, 2022.

Section 3.2 Procedure for Advances.

(1) Subject to Section 3.3(3), each Advance shall be made subject to two Business Days' prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each notice of an Advance (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1, shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance, and (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall not be earlier than 5~~7~~ days and not later than 95 days after the date of the requested Advance. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, the IESO shall execute and deliver to the OFA a grid promissory note in respect of Advances substantially in the form of Schedule 3 (the "**Grid Note**"). The IESO authorizes the OFA to record on the Grid Note (a) the date and amount of each Advance or Continued Advance~~,~~; (b) the applicable rate of interest for each Advance or Continued Advance; (c) the Repayment Date of each Advance or Continued Advance; (d) the date and amount of each payment of interest and each payment of principal in respect of each Advance or Continued Advance; and (e) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be prima facie evidence of the such advances and repayments; provided that the failure of the OFA to record any amount, rate or date shall not affect the obligation of the IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement.

Section 3.3 Elections Regarding Advances.

(1) The IESO may elect to continue all or a portion of the principal amount of any Advance and any amount of interest on such Advance (together, the "**Continued Advance**") for a further period of at least 5~~7~~ days and up to a maximum of 95 days beginning on the then current Repayment Date in accordance with Section 3.3(2).

(2) Each notice to continue an Advance for a further period (an "**Election Notice**") shall be provided by the IESO to the OFA at least two Business Day's prior to the Repayment Date of the Advance, and in each case, not later than 10:00 a.m. (Toronto time). Each such Election Notice shall be given substantially in the form of Schedule 2 and shall be irrevocable and binding upon the IESO and shall specify: (a) the Advance to which the election request applies (b) the new aggregate total amount of the proposed Continued

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Advance; and (c) the new Repayment Date of the proposed Continued Advance, which shall be no earlier than 5~~7~~ days and not later than 95 days after the current Repayment Date. If the IESO fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date.

(3) The calculation of interest on a Continued Advance shall be determined in the same manner as an Advance under Section 3.4 and shall be recorded on the Grid Note in accordance with Section 3.2(2).

(4) Any portion of an Advance not continued for a further period in accordance with Section 3.3(2) shall be repayable on the applicable Repayment Date.

(5) The Credit Facility shall at all times rank *pari passu* with all other unsubordinated Indebtedness of the IESO, subject to the existence of (i) any Permitted Liens of the IESO, and (ii) any other Liens that secure Indebtedness in accordance with Section 4.6 hereof.

(6) All amounts owing in respect of the Advances shall be paid without exercising any right of~~or~~ set off or counterclaim by the IESO.

Section 3.4 Interest on Advances.

(1) The IESO shall pay interest on the unpaid principal amount of each Advance in accordance with this Section 3.4 from and including the date of such Advance until the principal amount of such Advance is repaid in full.

(2) Interest shall accrue on the principal amount of each Advance from and including the date of the Advance to but excluding the Repayment Date of such Advance, at an annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum, before as well as after the date such principal amount or interest thereon becomes due hereunder and both before and after default and shall be payable on the Repayment Date for such Advance. Any amount of interest arising hereunder which is not paid when due shall bear interest at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment. The amount of interest payable on an Advance will be calculated by the OFA by dividing the interest rate applicable to the Advance by 365 or 366, as the case may be, and multiplying the result by the principal amount of the Advance and further multiplying the result by the number of days in the period from the date of the Advance to the Repayment Date of the Advance.

(3) If the IESO elects to continue an Advance in accordance with Section 3.3(2), the OFA shall determine the interest rate applicable after the original Repayment Date of the Advance and endorse the said rate on the grid forming part of the Grid Note in respect of Advances held by it.

Section 3.5 Conditions Precedent

The obligation of the IESO to make the Advances pursuant to Section 2.1 is subject to the following conditions being satisfied to the OFA's satisfaction at the time of making each Advance:

(a) that the representations and warranties of the IESO contained in this Agreement are true and correct as at the date of making the Advance;

(b) that no Event of Default has occurred and is continuing;

(c) that there shall, in the reasonable opinion of the OFA, have been no material adverse change in the financial condition of the IESO or a Material Subsidiary; and

(d) that the OFA has received such other documentation which it has reasonably requested to ensure that the IESO is in compliance with the terms and conditions of this Agreement, including certified true copies of any necessary resolutions, a written legal opinion from counsel to the IESO confirming that the borrowing is within the legal powers of the IESO and that the Agreement is a direct, unsecured obligation of the IESO enforceable against the IESO in form satisfactory to the OFA.

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ARTICLE 4
COVENANTS OF THE IESO

Section 4.1 Payment of Advances.

The IESO will duly and punctually pay all amounts owing under this Agreement in accordance with the terms and subject to the conditions of this Agreement.

Section 4.2 IESO will Maintain its Corporate Existence.

The IESO will at all times maintain its corporate existence.

Section 4.3 Maintenance of Properties.

The IESO will cause all property owned by the IESO or any Material Subsidiary to be maintained and kept in good condition, repair and~~an~~ working order, all as in the judgment of the IESO or any Material Subsidiary may be necessary for the proper operation of such property, except as and to the extent that the IESO or any Material Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 4.3 shall prevent the IESO or any Material Subsidiary from discontinuing the maintenance of any such property or decommissioning any such property if such discontinuance or decommissioning is, in the

judgment of the IESO or any such Material Subsidiary, desirable in the conduct of its business or the business of any such Material Subsidiary, or has been directly or indirectly requested or required by the Province of Ontario.

Section 4.4 Insurance.

The IESO will cause all property owned by the IESO or any Material Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the mature and to the extent that such property is usually insured by companies operating similar businesses.

Section 4.5 Conduct of Business.

The IESO will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in a proper, efficient and business-like manner and in accordance with good business practice.

Section 4.6 Negative Pledge.

The IESO will not, and will not permit any Material Subsidiary to, create, incur or assume any Lien, charging the interest of the IESO or any Material Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, all amounts owing under this Agreement are secured equally and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) the creation, incurrence or assumption of any Purchase Money Mortgage;

(b) the grant of any Lien in the normal course of business to any banks or financial institutions for present or future Iindebtedness of the IESO or any Material Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) any extension, renewal or replacement of any of the Liens referred to in Sections 4.6(a), (b) or (c), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased; and

(e) any Lien charging the interest of the IESO or any Material Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 4.6(a), (b) or (c), provided that, at the time such Lien is created, incurred or assumed, the principal amount

of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 4.6(e) which is outstanding at such time does not exceed 10% of Consolidated Assets at such time.

Section 4.7 Payment of OFA Expenses

In addition to any liability of the IESO to the OFA under any other provision of this Agreement, the IESO will, on demand, reimburse and indemnify OFA for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OFA in connection with the Services (including those incurred in the preservation of rights under or enforcement of this Agreement at any time during the continuance of a default or Event of Default and for any reasonable loss or expense incurred by OFA as a result of any failure by the IESO to fulfill any of its obligations under this Agreement). All such costs, charges and expenses shall bear interest at the Province of Ontario's cost of funds plus 0.25 percent per annum (as determined by the OFA) calculated and payable monthly not in advance from in each case from the date on which the OFA incurs the cost, charge or expense until the date on which the IESO reimbursement the OFA therefor. The OFA agrees, acting reasonably, to invoice the IESO for any such costs, charges and expense as they are incurred, together with interest at the aforesaid rate (with interest on overdue interest).

Section 4.8 Reporting.

The IESO will promptly provide to the OFA any reports or supporting documents that the OFA may request from time to time.

Section 4.9 Late Repayment of Advance.

In the event that the IESO fails to repay the principal amount of any Advance and all interest accrued thereon when due, the IESO shall pay interest on the unpaid amount of such Advance at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment.

ARTICLE 5
EVENTS OF DEFAULT AND REMEDIES

Section 5.1 Event of Default.

Wherever used in this Agreement, the term "Event of Default" means any of the following:

(a) the IESO's failure to pay any interest upon ~~the~~ any Advance when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) failure to pay the principal amount of any Advance on the applicable Repayment Date or the Advances Outstanding, all interest accrued thereon and all other amounts owing under this Agreement on September 30, 2022;

(c) failure on the part of the IESO to observe or perform its obligations set forth in Section 4.1;

(d) failure on the part of the IESO to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 20 days after the date on which written notice of such failure shall have been given to the IESO by the OFA;

(e) any representation or warranty made by the IESO in this Agreement or in any certificate or other document at any time delivered hereunder to the OFA was incorrect or misleading in any material respect;

(f) one or more breaches by the IESO of its covenants under one or more evidences of indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $5 million, which breaches:

(i) constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist, or

(ii) have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived~~waive~~ or rescinded);

(g) the IESO or any Material Subsidiary :

(i) becomes generally not able to pay its debts as they become due;

(ii) admits in writing its inability to pay its debts generally or makes a general assignment for the benefit its creditors or files a proposal or other scheme of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) institutes or has instituted against it any proceeding seeking:

(A) to adjudicate it a bankrupt or insolvent,

(B) liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy~~,~~, ~~I~~ insolvency~~,~~, ~~I~~ reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors, or

(C) the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets,

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismissed or unstayed for a period of 30 days, or any remedy sought in any such proceeding (including the entry of order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

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(iv) takes any corporate action to authorize any of the actions in Sections 5.l (h)(i) to (iii); or

(h) if there shall be rendered against the IESO or any Material Subsidiary a final judgment or judgments for the payment of money in an aggregate amount in excess of $5 million by a court or courts of competent jurisdiction, and the IESO or any Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 5.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case the OFA may at its option, suspend the right of the IESO to request any further Advance until the Event of Default has been cured to the OFA's satisfaction or, if the Event of Default is not cured within three (3) Business Days of providing such written notice, declare all amounts owing hereunder including all interest accrued to be due and payable immediately, by a notice in writing to the IESO, and upon any such declaration all such amounts shall become immediately due and payable.

Section 5.3 Suits for Enforcement by the OFA.

If an Event of Default occurs and is continuing, the OFA may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in the OFA by this Agreement or by law.

Section 5.4 OFA May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of the IESO under any applicable law are pending,

or if a receiver, trustee, custodian or other similar official shall have been appointed for the property of the IESO, or if any other judicial proceedings relative to the IESO, its creditors or its property are pending, the OFA shall be entitled and empowered, by intention in such proceeding or otherwise:

(a) to file and prove a claim for all amounts owing under~~und~~ this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of the OFA (including any claim for fees and disbursements of the OFA, its agents and counsel) allowed in such judicial proceeding; and

(b) to collect and receive any moneys or other property payable or deliverable on any such claim.

Section 5.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to the OFA is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.6 Delay or Omission not Waiver.

No delay or omission of the OFA to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right or remedy given by this Article 5 or by law to OFA may be exercised from time to time, and as often as may be deemed expedient, by the OFA.

ARTICLE 6
REPRESENTATIONS AND WARRANTIES OF IESO

Section 6.1 Representations and Warranties of IESO

The IESO represents and warrants to the OFA that:

(a) the borrowing of money (including principal and accrued interest) by the IESO and the execution, delivery and performance of this Agreement are within the powers and capacities of the IESO and have been duly authorized by all necessary legal action and proper proceedings;

(b) the execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the compliance with the terms and conditions of this Agreement will not conflict with or result in a breach of any of the terms or provisions of the constituting documents or by-laws of the IESO, laws of Ontario, including laws of

Canada applicable therein, applicable to the IESO or any contractual or other obligation binding on the IESO;

(c) this Agreement will, when executed and delivered, constitute the legal, valid and binding obligation of the IESO enforceable against it in accordance with its terms; and

(d) the monies advanced under this Agreement shall be used only by the IESO for the purposes set out in Section 2.2.

Section 6.2 Continuation of Representation and Warranties

The representations and warranties set out in Section 6.1 herein shall survive the execution and delivery of this Agreement, the making of each advance by the OFA, notwithstanding any investigations or examinations which may be made by counsel for the OFA.

ARTICLE 7
GENERAL

Section 7.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy or other means of electronic communication addressed:

If to the IESO, to it at:

Independent Electricity System Operator
120 Adelaide Street West, Suite 1600
Toronto, ON M5H 1T1

Attention: Chief Financial Officer
Telephone: (416)969-6232
Fascimile: (905)403-6913

If to OFA, to it at:

Ontario Financing Authority 1 Dundas Street West
Suite 1400 Toronto, Ontario M7AIY7

Attention: Executive Director – Capital Markets Division
Telephone: (416)325-8930
Telecopier: (416)325-8111

provided that any Borrowing Notice or Election Notice shall be addressed as indicated on Schedule 1 or Schedule 2 respectively.

Any communication hereunder shall be deemed to have been validly and effectively given if (a) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p. m (Toronto time), otherwise on the next Business Day, (b) transmitted by telecopier other means of electronic communication, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice give in accordance with this Section 7.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 7.1.

Section 7.2 Successors and Assigns.

This Agreement shall be binding on and enure to the benefit of the OFA and the IESO and their respective successors and permitted assigns, except that the IESO shall not, without the prior written consent of the OFA assign, pledge or hypothecate any rights or obligations with respect to this Agreement.

Section 7.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of the OFA and the IESO.

Section 7.4 Waiver.

(1) No waiver of any provisions of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) or this Agreement nor shall such waiver be binding unless executed in writing by~~:~~ the party to be bound by the waiver.

(2) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude another or further exercise of such right or the exercise of any other right.

Section 7.5 Further Assurances.

Each of the IESO and the OFA shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement

Section 7.6 Severability.

In case any provision in this Agreement shall be in valid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement shall not in any way be affected or impaired thereby.

Section 7.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 7.8 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first written above.

ONTARIO FINANCING AUTHORITY

Per: _____

Name: Michael D. Manning
Title: Executive Director
Capital Markets Division

I have authority to bind the corporation.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; Treasurer

I have authority to bind the corporation.

SCHEDULE 1

FORM OF BORROWING NOTICE

Delivered Via Fax: 416-204-7920

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the credit agreement between the IESO and the OFA dated July (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The aggregate amount of the Proposed Advance is $_____;
(c) The Repayment Date of the Proposed Advance is _____. [Not earlier than 5~~7~~ days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The undersigned herby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s):

(1) [indicate amount and purpose of funds requested]
(2) [indicate amount and purpose of funds requested]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:

Authorized Signatory

SCHEDULE 2

FORM OF ELECTION NOTICE

Delivered Via Fax: 416-204-7920

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the credit agreement between the IESO and the OFA dated July (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue all or a portion of an Advance for an additional term, and in connection with such election, sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The Advance to which the election request applies is _____; [Insert principal amount of Advance and Advance date];
(b) The new aggregate total amount of the proposed Continued Advance is $_____;
i. previous principal amount of Advance [or portion thereof] $_____
ii. accrued interest on Advance [or portion thereof] $_____
(c) The new Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _____. [Not earlier than 57 days and not later than 95 days after the current Repayment Date for the Advance.]

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per:_____
Name:

Authorized Signatory

SCHEDULE 3 – FORM OF GRID NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $2,000,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR (the "**IESO**"), incorporated under the laws of the ProvinceOFA of Ontario and its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY** ("**OFA**") at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid (the "**Grid** Note") and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Credit Agreement (as defined below).

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the Credit Agreement dated July (·), 2017 as amended, supplemented or restated from time to time, between the Borrower and the OFA (the "Credit Agreement"). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Credit Agreement.

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Credit Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICTY SYSTEM OPERATOR

By:_____

By:_____

Date	Principal Advanced	Rate	Repayment Date and Principal Repaid	Interest Payment Date and Amount	Unpaid Principal Balance	Notation Made By

Credit Facility Grid Note

Date	Principal Advanced	Rate	Repayment Date and Principal Repaid	Interest Payment Date and Amount	Unpaid Principal Balance	Notation Made By

From: Opal Kandelas
To: Sarah Harris
Subject: IESO
Date: Tuesday, April 03, 2018 10:29:30 AM

Hi Sarah,

I know you are working on the IESO & OPG summaries, but let me know if I have this correct or if I'm missing anything:

Amend OEFC-IESO Credit Facility – extended term and increased from $95M to $160M
Amend OEFC-IESO Loan Agreement - extended term and increased size from $90M to $120M
For the Fair Hydro Plan – (i) New OFA lending OIC (ii) OFA-IESO $2B Credit Facility (iii) Amend OFA-IESO credit facility decrease $975M-$475M

Thanks,
Opal

From:	Lisa Stein
To:	Gavin He
Cc:	Sarah Harris; William Tan
Subject:	IESO-OEFC - FHP LoC_Nov 2017_v3.docx
Date:	Thursday, November 09, 2017 11:40:12 AM
Attachments:	IESO-OEFC - FHP LoC_Nov 2017_v3.docx

Hi Gavin,

As per your request, I've reviewed the note and I've made some initial comments and suggested amendments. As an overall comment, I believe the note requires restructuring and further clarification. Once you have had a chance to consider my comments, please send me a revised draft for review or send me a meeting planner and we can discuss further.

Thank you,

Lisa

Lisa N. Stein
Legal Counsel
Ontario Financing Authority
416-325-2320

****
This message, including any attachments, is intended only for the use of the individual(s) to which it is addressed and contains information that is privileged/confidential. Any other distribution, copying or disclosure is strictly prohibited. If you are not the intended recipient or have received this message in error, please notify the sender immediately by reply e-mail and permanently delete this message, including any attachments, without reading it or making a copy. Thank you.
****

OEFC -- IESO CREDIT FACILITY AGREEMENT & THE PERMITTED LIENS

ISSUE

The Independent Electricity System Operator ("IESO") has requested OEFC to ~~reopen the~~amend the existing credit facility agreement between OEFC and IESO (for $XX) to~~-~~address the additional obligations the IESO is taking on under Ontario's Fair Hydro Plan.~~make amendment to the definition of the permitted liens~~.

CONTEXT

To support IESO's role in the implementation and participation under the *Ontario Fair Hydro Plan Act, 2017* ("OFHP Act"), OFA recently amended the credit facility agreement between OFA and the IESO [insert date] (the "OFA Agreement"). One of the amendments to the agreement is to amend the definition of the permitted liens to include any lien arising from the IESO's role and obligations under the OFHP.

The OFA credit facility agreement was amended due to additional roles IESO is taking on under Ontario's Fair Hydro Plan. To fufil its obligation, the IESO will need a general grant of security on any lien arising from the IESO's role and obligations under the OFHP. Therefore, the OFA credit facility agreement was amended to allow for such a general grant of security.

For the same reason, the IESO has requested OEFC to reopen the existing credit facility agreement between OEFC and IESO to make the similar amendment. Specifically, adding a clause in the OEFC credit facility agreement that any lien related to OFHP will not be viewed as negative pledge by OEFC, so those liens can be used to secure the performance of IESO's obligations to OEFC.

RECOMMENDATION

- To maintain a consistent approach with IESO's credit facilities, CEFD staff ~~and IESO~~ are of the view that the exisiting OEFC credit facility ~~should amend~~requires amendments to the permitted liens and negative covenant language to make it the same as, or very similar to, the language in the two OFA Agreements that were signed recently.
- Although the OEFC credit facility is not used for OFHP's purpose, such change to the permitted liens is still required in order for IESO to meet its role and obligation under the OFHP Act.

BACKGROUND

- Currently, under the existing credit facility agreement between OEFC and the IESO, the definition of the "permitted liens" does not include any lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.
- ~~On November 6, 2017, OFA and IESO signed an updated OFA IESO credit facility agreement with respect to changes related to OFHP. Below are the related changes made to the OFA credit facility:~~

~~*Excerpt from the excuted OFA IESO Amending Agreement #10:*~~

~~*The definition of "Permitted Liens" is amended by deleting the word "and" at the end of subsection (i); replacing the "." at the end of subsection (j) and replacing it with "; and" ; and adding the following subsection (k):*~~

~~*"(k) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."*~~

COMMERCIALLY SENSITIVE AND CONFIDENTIAL ADVICE

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Electricity Finance Branch / Corporate and Electricity Finance Division / Ontario Financing Authority
November 08, 2017

COMMERCIALLY SENSITIVE AND CONFIDENTIAL ADVICE

From:	Lisa Stein
To:	Gavin He
Cc:	Sarah Harris; William Tan
Subject:	IESO-OEFC - FHP LoC_Nov 2017_v3.docx
Date:	Thursday, November 09, 2017 11:40:12 AM
Attachments:	IESO-OEFC - FHP LoC_Nov 2017_v3.docx

Hi Gavin,

As per your request, I've reviewed the note and I've made some initial comments and suggested amendments. As an overall comment, I believe the note requires restructuring and further clarification. Once you have had a chance to consider my comments, please send me a revised draft for review or send me a meeting planner and we can discuss further.

Thank you,

Lisa

Lisa N. Stein
Legal Counsel
Ontario Financing Authority
416-325-2320

****
This message, including any attachments, is intended only for the use of the individual(s) to which it is addressed and contains information that is privileged/confidential. Any other distribution, copying or disclosure is strictly prohibited. If you are not the intended recipient or have received this message in error, please notify the sender immediately by reply e-mail and permanently delete this message, including any attachments, without reading it or making a copy. Thank you.
****

OEFC -- IESO CREDIT FACILITY AGREEMENT & THE PERMITTED LIENS

ISSUE

The Independent Electricity System Operator ("IESO") has requested OEFC to ~~reopen the~~amend the existing credit facility agreement between OEFC and IESO (for $XX) to~~-~~address the additional obligations the IESO is taking on under Ontario's Fair Hydro Plan.~~make amendment to the definition of the permitted liens~~.

CONTEXT

To support IESO's role in the implementation and participation under the *Ontario Fair Hydro Plan Act, 2017* ("OFHP Act"), OFA recently amended the credit facility agreement between OFA and the IESO [insert date] (the "OFA Agreement"). One of the amendments to the agreement is to amend the definition of the permitted liens to include any lien arising from the IESO's role and obligations under the OFHP.

The OFA credit facility agreement was amended due to additional roles IESO is taking on under Ontario's Fair Hydro Plan. To fufil its obligation, the IESO will need a general grant of security on any lien arising from the IESO's role and obligations under the OFHP. Therefore, the OFA credit facility agreement was amended to allow for such a general grant of security.

For the same reason, the IESO has requested OEFC to reopen the existing credit facility agreement between OEFC and IESO to make the similar amendment. Specifically, adding a clause in the OEFC credit facility agreement that any lien related to OFHP will not be viewed as negative pledge by OEFC, so those liens can be used to secure the performance of IESO's obligations to OEFC.

RECOMMENDATION

- To maintain a consistent approach with IESO's credit facilities, CEFD staff ~~and IESO~~ are of the view that the exisiting OEFC credit facility ~~should amend~~requires amendments to the permitted liens and negative covenant language to make it the same as, or very similar to, the language in the two OFA Agreements that were signed recently.
- Although the OEFC credit facility is not used for OFHP's purpose, such change to the permitted liens is still required in order for IESO to meet its role and obligation under the OFHP Act.

BACKGROUND

- Currently, under the existing credit facility agreement between OEFC and the IESO, the definition of the "permitted liens" does not include any lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.
- ~~On November 6, 2017, OFA and IESO signed an updated OFA IESO credit facility agreement with respect to changes related to OFHP. Below are the related changes made to the OFA credit facility:~~

~~*Excerpt from the excuted OFA IESO Amending Agreement #10:*~~

~~*The definition of "Permitted Liens" is amended by deleting the word "and" at the end of subsection (i); replacing the "." at the end of subsection (j) and replacing it with "; and" ; and adding the following subsection (k):*~~

~~*"(k) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."*~~

COMMERCIALLY SENSITIVE AND CONFIDENTIAL ADVICE

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Electricity Finance Branch / Corporate and Electricity Finance Division / Ontario Financing Authority
November 08, 2017

COMMERCIALLY SENSITIVE AND CONFIDENTIAL ADVICE

From: Opal Kandelas
To: Sarah Harris
Subject: IESO-OEFC Note_v4.docx
Date: Monday, November 20, 2017 4:20:54 PM
Attachments: IESO-OEFC Note_v4.docx
ATT00001.txt

FYI. Some comments accepted.

OEFC -- IESO CREDIT FACILITY AGREEMENT & THE PERMITTED LIENS

~~ISSUE~~

The Independent Electricity System Operator ("IESO") has requested that OEFC amend the existing credit facility agreements between OEFC and IESO (for $160M and $120M) to address the additional obligations IESO is taking on under Ontario's Fair Hydro Plan. IESO has indicated that OEFC credit facilities will not be used for Ontario Fair Hydro Plan (FHP) purposes.

~~CONTEXT~~ IESO'S REQUEST

- Under t~~T~~he FHP, ~~requires~~ the IESO and Ontario Power Generation (OPG) are interacting~~to work together~~ to refinance ~~Ontario's clean energy investments~~a portion of the Global Adjustment over a longer period of time.

- IESO and OPG are in a discussion to grant a security/priority interest on IESO's assets to OPG Trust for the period of the first 4 years of the GA deferral.

- The IESO is planning to seek its Board's approval on Nov 22, 2017 to enter into a ~~for the~~ security agreement with OPG Trust. The security agreement is currently in draft form. Without amending the existing OEFC $160M and $120M credit facility agreements (the "OEFC Agreements"), IESO could potentially be considered to be in default of the terms of the security agreement~~s~~. IESO staff wrote:

  > *"…it likely is best to add to the definition of "Permitted Liens" in the two OEFC facilities to address a) IESO granting security to the OPG Trust during the first 4 years of fair hydro program and b) the possibility that the Clean Energy Adjustment funds collected by IESO might be considered to be subject to a lien. The IESO does not want to be inadvertently in default."*

- In order to address this issue, the IESO has requested to amend the definition of the "permitted liens" in both existing OEFC Agreements to include any liens related to the FHP. Specifically, adding a clause in the existing OEFC Agreements that any lien related to OFHP will not be viewed as negative pledge by OEFC, so those liens can be used to secure the performance of IESO's obligations to OPG under the FHP. This would allow IESO to grant security to the OPG Trust during the first 4 years of implementing the GA deferral and also avoid ~~of~~ breaching the terms of the existing agreements with OEFC.

- To support IESO's role in the implementation and participation under the Ontario Fair Hydro Plan Act, 2017 ("OFHP Act"), in July 2017~~,~~ the IESO had requested that the OFA ~~to~~ make ~~the same~~similar ~~request~~ changes to the credit facility agreements with OFA in October.
  - On November 6, 2017, the OFA amended the $475M facility to amend the definition of ~~the~~ "permitted liens" and also included same for the new $2B credit facility agreement between OFA and the IESO , as requested by the IESO.

CONSIDERATIONS

- ~~OFA's Capital Markets – Operations staff have commented that the legislation governing OEFC, the *Electricity Act, 1998*, may provide differing context from the OFA's objects and mandate under the *Capital Investment Plan Act, 1993*.~~

- With the proposed new security agreement between OPG Trust and IESO, OPG Trust would have a priority claim against potentially the Clean Energy Adjustment funds collected by or flowing~~n~~ through the IESO, the OEFC could find itself unable to collect payments due from the IESO. The likelihood of this scenario could be assessed as low.

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- The OFA agreed to IESO's requested changes to ~~included the requested changes in~~ the OFA credit facilities~~.~~

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- In order to support IESO's request in relation to its obligation with respect to FHP~~remain consistent with the language recently incorporated in existing IESO-OFA agreements~~, OFA staff are of the view that the exisiting OEFC Agreements can be amended to include liens related to FHP under the definition of the "permitted liens".

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Electricity Finance Branch / Corporate and Electricity Finance Division &
Capital Markets Operations, Capital Markets Division
Ontario Financing Authority
November ~~15~~20, 2017

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Electricity Finance Branch / Corporate and Electricity Finance Division &
Capital Markets Operations, Capital Markets Division
Ontario Financing Authority
November ~~15~~20, 2017

Sent from my iPhone

From: Ryan Blackbyrne
To: Sarah Harris
Subject: IESO-OEFC amendments
Date: Tuesday, November 28, 2017 1:26:01 PM
Attachments: $120M Note - amending agreement no.7 (blackline to no.6).docx
$120M Note - amending agreement no.7 (clean).docx
$160M revolving credit - amending agreement no.7 (blackline to no.6).docx
$160M revolving credit - amending agreement no.7 (clean).docx

---

HI Sarah,
Am I ok to go ahead and flip the attached documents to Lisa?
Thanks,

Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M7A 1Y7
416-325-8143
ryan.blackbyrne@ofina.on.ca

AMENDING AGREEMENT NO. 6

This Amending Agreement is made as of the 30th day of April, 2017 between:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")

WHEREAS IESO and OEFC have entered into an agreement providing for the Issuance of a Note dated April 1, 1999 (the "Original Agreement");

AND WHEREAS pursuant to amending agreements dated March 23, 2000, April 23, 2009, May 1, 2011, May 1, 2013, ~~and~~ April 30, 2014 and April 30, 2017 the parties amended the Original Agreement (as so amended, the "Agreement");

~~**AND WHEREAS** the parties wish to further amend the Agreement to increase the loan advanced to IESO from a principal amount of C$90 million to a principal amount of up to C$120 million and to extend the maturity date of the loan to June 30, 2020, all of which is to be evidenced through the the issuance of a Fifth Refinancing Note.~~

AND WHEREAS the parties wish to now amend the Agreement to change the definition of "Permitted Liens" to accommodate IESO's role and obligations under the Ontario Fair Hydro Plan (OFHP).

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and sufficiency of which are hereby acknowledged by each party), the parties agree as follows:

1. Section 1.1 Definitions of the Agreement is amended as follows:

The definition of Ontario Fair Hydro Plan "OFHP" is added under Section 1.1:

"OFHP" means the Ontario Fair Hydro Plan Act, 2017, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

The definition of "Permitted Liens" is amended by deleting the word "and" at the end of subsection (1.1.J); replacing the "." at the end of subsection (1.1.K) and replacing it with "and"; and adding the following subsection (1.1.L):

"(1.1.L) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts

received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

IN ALL OTHER RESPECTS, the Agreement is confirmed by the parties.

IN WITNESS WHEREOF the parties have executed and delivered this Amending Agreement as of the date first written above.

~~**1. Defined Terms**~~

~~Capitalized terms used in this Amending Agreement and not otherwise defined herein have the meanings specified in the Agreement.~~

~~**2. Amendments to Agreement**~~

~~(a) Definition of "Loan" in the Agreement is deleted.~~

~~(b) Article 1a (The Loan) of the Agreement is deleted in its entirety and replaced with the following:~~

~~**Article 1a $30 Million Advance**~~

~~Section 1a.1~~

~~Effective April 30, 2017, OEFC will make an advance to IESO in the amount of $30 million (the "$30 Million Advance"). IESO directs OEFC to apply, and OEFC agrees to apply, the $30 Million Advance, first to repay Advances Outstanding (as such term is defined in the Revolving Credit Facility Agreement), if any, under the Revolving Credit Facility Agreement, with any amount remaining out of the $30 Million Advance after repaying all Advances Outstanding to be used by IESO for the purpose of funding new IESO capital expenditures.~~

~~(c) The following sections are added to the Agreement following Section 2.15:~~

~~**Section 2.16 Fifth Refinancing Note**~~

~~On April 30, 2017, IESO shall execute and deliver to OEFC a promissory note in the form attached as Schedule 1 (the "Fifth Refinancing Note") which shall be in an aggregate principal amount equal to $120 million, dated as of April 30, 2017 and maturing on June 30, 2020 and bearing interest at a per annum rate equal to the Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020, as determined by the Chief Executive Officer of OEFC or the Chief Operating Officer of OEFC, or by a person designated by either of them, plus fifty basis points (0.50%) (after~~

as well as before default or judgment, with interest on the amounts in default at the same rate). Upon receipt of the Fifth Refinancing Note by OEFC, the Fourth Refinancing Note dated April 30, 2014 shall be of no further force or effect and shall be returned by OEFC to IESO marked "cancelled".

For greater clarity, the Fifth Refinancing Note shall evidence the indebtedness of IESO to OEFC in respect of the principal amount of $90 million under the Fourth Refinancing Note ("Part A") and the additional
$30 Million Advance ("Part B"), for a total aggregate principal amount of
$120 million.
Notwithstanding Section 1.5 herein, the interest rate on the Fifth Refinancing Note shall be set on Monday, May 1, 2017, with interest accruing on Part A commencing on Sunday, April 30, 2017, and interest accruing on Part B commencing on Monday, May 1, 2017.

Section 2.17 Interest on Fifth Refinancing Note

Notwithstanding Section 1.5 herein, interest on the Fifth Refinancing Note at the rate specified in Section 2.16 shall accrue daily and shall be payable in equal semi-annual instalments on June 30 and December 31(each an "Interest Payment Date"), provided however that the calculation of the amount of the first such interest payment for Part A shall be in respect only of the period from and including April 30, 2017 to but excluding June 30, 2017, and for Part B in respect only of the period from May 1, 2017 to but excluding June 30, 2017.

For the purposes of disclosure pursuant to the Interest Act (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under the Fifth Refinancing Note for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period."

2. Reference to and Effect on the Agreement.

On and after this date, each reference in the Agreement to "this Agreement" and each reference to the Agreement in any and all other agreements, documents and instruments delivered by IESO and OEFC shall mean and be a reference to the Agreement as amended by this Amending Agreement. On and after this date, each reference in the Agreement to either "the Note" or "the New Note" and each reference to either "the Note" or "the New Note" in any and all other agreements, documents and instruments delivered by IESO and OEFC shall mean and be a reference to the Fifth Refinancing Note.

4. Governing Law

This Amending Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

~~5. Counterparts~~

~~This Amending Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.~~

~~**6. Enurement**~~

~~This Amending Agreement shall be binding upon and shall enure to the benefit of the parties and their respective successors and permitted assigns.~~

IN ALL OTHER RESPECTS, the Agreement is confirmed by the parties.

IN WITNESS WHEREOF the parties have executed and delivered this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael Manning
Title: Chief Operating Officer

SCHEDULE 1

FORM OF FIFTH REFINANCING NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

NOTE

Aggregate Principal Amount: $120 million, consisting of: a Part A amount of $90 million ("Part A"), whereon interest accrues commencing on April 30, 2017, and a Part B amount of $30 million ("Part B"), whereon interest accrues commencing on May 1, 2017.

Date: April 30, 2017

Interest Rate: (Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020 + 50 basis points)

Due: June 30, 2020

FOR VALUERECEIVED, the INDEPENDENT ELECTRICITY SYSTEMOPERATOR ("IESO") existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, PROMISES TO PAY to or to the order of ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC") at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of $120 million in lawful money of Canada, with interest on such amount at the rate, calculated in the manner and payable at the times specified in this Note.

The principal amount of this Note together with all interest accrued thereon shall become due and payable on June 30, 2020.

The principal amount of this Note remaining from time to time unpaid and outstanding shall bear interest from the date of this Note both before and after maturity and both before and after default at the rate per annum equal to the Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020, as determined by the Chief Executive Officer of OEFC or the Chief Operating Officer of OEFC, or by a person designated by either of them, plus fifty basis points (0.50%). Interest at such rate shall accrue daily and shall be payable in arrears in equal semi-annual instalments on June 30 and December 31 (each an "Interest Payment Date") commencing June 30, 2017, provided however that the calculation of the amount of the first such interest payment for Part A shall be in respect only of the period from and including April 30, 2017 to but excluding June 30, 2017, and for Part B in respect only of the period from and including May 1, 2017 to but excluding June 30, 2017.

For the purposes of disclosure pursuant to the Interest Act (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Note for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of an agreement providing for the issuance of a note dated April 1, 1999 between the IESO and OEFC and amended by an amending agreement dated March 23, 2000, an amending agreement dated April 23, 2009, an amending agreement dated May 1, 2011, an amending agreement dated May 1, 2013, an amending agreement dated April 30, 2014, and an amending agreement dated April 30, 2017 (as so amended, the "Agreement"), which Agreement provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESQ waives presentment for payment and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

AMENDING AGREEMENT NO. 7

This Amending Agreement is made as of the • day of •, 2017 between:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")

WHEREAS IESO and OEFC have entered into an agreement providing for the issuance of a Note dated April 1, 1999 (the "Original Agreement");

AND WHEREAS pursuant to amending agreements dated March 23, 2000, April 23, 2009, May 1, 2011, May 1, 2013, April 30, 2014 and April 30, 2017 the parties amended the Original Agreement (as so amended, the "Agreement");

AND WHEREAS the parties wish to now amend the Agreement to change the definition of “Permitted Liens” to accommodate IESO’s role and obligations under the Ontario Fair Hydro Plan (OFHP).

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and sufficiency of which are hereby acknowledged by each party), the parties agree as follows:

1. Section 1.1 Definitions of the Agreement is amended as follows:

The definition of Ontario Fair Hydro Plan “OFHP” is added under Section 1.1:

“OFHP” means the Ontario Fair Hydro Plan Act, 2017, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

The definition of “Permitted Liens” is amended by deleting the word “and” at the end of subsection (1.1.J); replacing the “.” at the end of subsection (1.1.K) and replacing it with “and”; and adding the following subsection (1.1.L):

“(1.1.L) any Lien arising from the IESO’s role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.”

IN ALL OTHER RESPECTS, the Agreement is confirmed by the parties.

IN WITNESS WHEREOF the parties have executed and delivered this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael Manning
Title: Chief Operating Officer

SCHEDULE 1

FORM OF FIFTH REFINANCING NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

NOTE

Aggregate Principal Amount: $120 million, consisting of: a Part A amount of $90 million ("Part A"), whereon interest accrues commencing on April 30, 2017, and a Part B amount of $30 million ("Part B"), whereon interest accrues commencing on May 1, 2017.

Date: April 30, 2017

Interest Rate: (Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020 + 50 basis points)

Due: June 30, 2020

FOR VALUE RECEIVED, the INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO") existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, PROMISES TO PAY to or to the order of ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC") at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of $120 million in lawful money of Canada, with interest on such amount at the rate, calculated in the manner and payable at the times specified in this Note.

The principal amount of this Note together with all interest accrued thereon shall become due and payable on June 30, 2020.

The principal amount of this Note remaining from time to time unpaid and outstanding shall bear interest from the date of this Note both before and after maturity and both before and after default at the rate per annum equal to the Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020, as determined by the Chief Executive Officer of OEFC or the Chief Operating Officer of OEFC, or by a person designated by either of them, plus fifty basis points (0.50%). Interest at such rate shall accrue daily and shall be payable in arrears in equal semi-annual instalments on June 30 and December 31 (each an "Interest Payment Date") commencing June 30, 2017, provided however that the calculation of the amount of the first such interest payment for Part A shall be in respect only of the period from and including April 30, 2017 to but excluding June 30, 2017, and for Part B in respect only of the period from and including May 1, 2017 to but excluding June 30, 2017.

For the purposes of disclosure pursuant to the Interest Act (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Note for any period of less than a year

may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of an agreement providing for the issuance of a note dated April 1, 1999 between the IESO and OEFC and amended by an amending agreement dated March 23, 2000, an amending agreement dated April 23, 2009, an amending agreement dated May 1, 2011, an amending agreement dated May 1, 2013, an amending agreement dated April 30, 2014, and an amending agreement dated April 30, 2017 (as so amended, the "Agreement"), which Agreement provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESQ waives presentment for payment and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

AMENDING AGREEMENT NO. ~~6~~7

This Amending Agreement is effective as of the •~~30~~ day of •~~April~~, 2017.

BETWEEN: INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")

as Borrower

AND: ONTARIO ELECTRICITY FINANCIAL ~~–~~CORPORATION ("OEFC")

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011, Amending Agreement No. 3 dated April 30, 2013, Amending Agreement No. 4 dated April 30, 2014, ~~and~~ Amending Agreement No. 5 dated December 19, 2014 and Amending Agreement No. 6 dated April 30, 2017 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $~~95~~ 160 million.

~~**AND WHEREAS** IESO and OEFC wish to amend the Agreement to increase the revolving line of credit from a principal amount of CDN $95 million to a principal amount of up to CDN $160 million to provide funding for IESO Corporate Requirements (as defined herein);~~

~~**AND WHEREAS** IESO and OEFC wish to amend the Agreement to provide for an extension of the mandatory repayment date established in the Agreement to June 30, 2020;~~

~~**AND WHEREAS** IESO and OEFC wish to amend the Agreement to provide for the ability for Advances to be made on any business day up to a maximum of 12 times per year;~~

AND WHEREAS the parties wish to now amend the Agreement to change the definition of "Permitted Liens" to accommodate IESO's role and obligations under the Ontario Fair Hydro Plan (OFHP).

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as ~~–~~follows:

1. Section 1.1 Definitions of the Agreement is amended as follows:

The definition of Ontario Fair Hydro Plan "OFHP" is added under Section 1.1:

"OFHP" means the Ontario Fair Hydro Plan Act, 2017, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

The definition of "Permitted Liens" is amended by deleting the word "and" at the end of subsection (1.1.J); replacing the "." at the end of subsection (1.1.J) and replacing it with "and"; and adding the following subsection (1.1.L):

"(1.1.L) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

~~i) The definition of "Amalgamation" is deleted.~~

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael Manning
Title: Chief Operating Officer

SCHEDULE 1

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $160,000,000 Date: 30 April, 2017

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the

order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid ("Grid") attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement dated April 23,2010, as amended by Amending Agreement No. 1 dated July 21, 2010, by Amending Agreement No. 2 dated October 14, 2011, by Amending Agreement No. 3 dated April 30, 2013, by Amending Agreement No. 4 dated April 30, 2014, by Amending Agreement No. 5 dated December 19, 2014, ~~and~~ by Amending Agreement No. 6 dated April 30, 2017, and by Amending Agreement No. 7 dated •, •, 2017 (collectively the "Agreement").

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before June 30, 2020.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance or part of an Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be prima facie evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Agreement. All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO. IESO waives presentment for payment, demand, protest, notice of dishonour and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall

Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

(Revolving Credit Facility April 30, 2017)

DATE	PRINCIPAL ADVANCED	RATE	REPAYMENT DATE	INTEREST AMOUNT	AMOUNT OF PAYMENT		UNPAID BALANCE			NOTATION MADE BY
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	REFINANCED (AMOUNT & DATE)	

AMENDING AGREEMENT NO. 7

This Amending Agreement is effective as of the • day of •, 2017.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011, Amending Agreement No. 3 dated April 30, 2013, Amending Agreement No. 4 dated April 30, 2014, Amending Agreement No. 5 dated December 19, 2014 and Amending Agreement No. 6 dated April 30, 2017 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $160 million.

AND WHEREAS the parties wish to now amend the Agreement to change the definition of “Permitted Liens” to accommodate IESO’s role and obligations under the Ontario Fair Hydro Plan “OFHP”.

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. Section 1.1 Definitions of the Agreement is amended as follows:

The definition of Ontario Fair Hydro Plan “OFHP” is added under Section 1.1:

“OFHP” means the Ontario Fair Hydro Plan Act, 2017, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

The definition of “Permitted Liens” is amended by deleting the word “and” at the end of subsection (1.1.J); replacing the “.” at the end of subsection (1.1.K) and replacing it with “and”; and adding the following subsection (1.1.L):

“(1.1.L) any Lien arising from the IESO’s role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.”

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael Manning
Title: Chief Operating Officer

SCHEDULE 1

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $160,000,000 Date: 30 April, 2017

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid **("Grid")** attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No. 1 dated July 21, 2010, by Amending Agreement No. 2 dated October 14, 2011, by Amending Agreement No. 3 dated April 30, 2013, by Amending Agreement No. 4 dated April 30, 2014, by Amending Agreement No. 5 dated December 19, 2014, by Amending Agreement No. 6 dated April 30, 2017, and by Amending Agreement No. 7 dated •, •, 2017 (collectively the "Agreement").

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before June 30, 2020.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance or part of an Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be prima facie evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Agreement. All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO. IESO waives presentment for payment, demand, protest, notice of dishonour and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

(Revolving Credit Facility April 30, 2017)

DATE	PRINCIPAL ADVANCED	RATE	REPAYMENT DATE	INTEREST AMOUNT	AMOUNT OF PAYMENT		UNPAID BALANCE			NOTATION MADE BY
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	REFINANCED (AMOUNT & DATE)	

From:	Ryan Blackbyrne
To:	Sarah Harris
Subject:	IESO-OEFC amendments
Date:	Tuesday, November 28, 2017 1:26:01 PM
Attachments:	$120M Note - amending agreement no.7 (blackline to no.6).docx $120M Note - amending agreement no.7 (clean).docx $160M revolving credit - amending agreement no.7 (blackline to no.6).docx $160M revolving credit - amending agreement no.7 (clean).docx

---

HI Sarah,

Am I ok to go ahead and flip the attached documents to Lisa?

Thanks,

Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M7A 1Y7
416-325-8143
ryan.blackbyrne@ofina.on.ca

AMENDING AGREEMENT NO. 6

This Amending Agreement is made as of the 30th day of April, 2017 between:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")

WHEREAS IESO and OEFC have entered into an agreement providing for the Issuance of a Note dated April 1, 1999 (the "Original Agreement");

AND WHEREAS pursuant to amending agreements dated March 23, 2000, April 23, 2009, May 1, 2011, May 1, 2013, ~~and~~ April 30, 2014 and April 30, 2017 the parties amended the Original Agreement (as so amended, the "Agreement");

~~**AND WHEREAS** the parties wish to further amend the Agreement to increase the loan advanced to IESO from a principal amount of C$90 million to a principal amount of up to C$120 million and to extend the maturity date of the loan to June 30, 2020, all of which is to be evidenced through the the issuance of a Fifth Refinancing Note.~~

AND WHEREAS the parties wish to now amend the Agreement to change the definition of "Permitted Liens" to accommodate IESO's role and obligations under the Ontario Fair Hydro Plan (OFHP).

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and sufficiency of which are hereby acknowledged by each party), the parties agree as follows:

1. Section 1.1 Definitions of the Agreement is amended as follows:

The definition of Ontario Fair Hydro Plan "OFHP" is added under Section 1.1:

"OFHP" means the Ontario Fair Hydro Plan Act, 2017, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

The definition of "Permitted Liens" is amended by deleting the word "and" at the end of subsection (1.1.J); replacing the "." at the end of subsection (1.1.K) and replacing it with "and"; and adding the following subsection (1.1.L):

"(1.1.L) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts

received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

IN ALL OTHER RESPECTS, the Agreement is confirmed by the parties.

IN WITNESS WHEREOF the parties have executed and delivered this Amending Agreement as of the date first written above.

~~**1. Defined Terms**~~

~~Capitalized terms used in this Amending Agreement and not otherwise defined herein have the meanings specified in the Agreement.~~

~~**2. Amendments to Agreement**~~

~~(a) Definition of "Loan" in the Agreement is deleted.~~

~~(b) Article 1a (The Loan) of the Agreement is deleted in its entirety and replaced with the following:~~

~~**Article 1a $30 Million Advance**~~

~~Section 1a.1~~

~~Effective April 30, 2017, OEFC will make an advance to IESO in the amount of $30 million (the "$30 Million Advance"). IESO directs OEFC to apply, and OEFC agrees to apply, the $30 Million Advance, first to repay Advances Outstanding (as such term is defined in the Revolving Credit Facility Agreement), if any, under the Revolving Credit Facility Agreement, with any amount remaining out of the $30 Million Advance after repaying all Advances Outstanding to be used by IESO for the purpose of funding new IESO capital expenditures.~~

~~(c) The following sections are added to the Agreement following Section 2.15:~~

~~**Section 2.16 Fifth Refinancing Note**~~

~~On April 30, 2017, IESO shall execute and deliver to OEFC a promissory note in the form attached as Schedule 1 (the "Fifth Refinancing Note") which shall be in an aggregate principal amount equal to $120 million, dated as of April 30, 2017 and maturing on June 30, 2020 and bearing interest at a per annum rate equal to the Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020, as determined by the Chief Executive Officer of OEFC or the Chief Operating Officer of OEFC, or by a person designated by either of them, plus fifty basis points (0.50%) (after~~

as well as before default or judgment, with interest on the amounts in default at the same rate). Upon receipt of the Fifth Refinancing Note by OEFC, the Fourth Refinancing Note dated April 30, 2014 shall be of no further force or effect and shall be returned by OEFC to IESO marked "cancelled".

For greater clarity, the Fifth Refinancing Note shall evidence the indebtedness of IESO to OEFC in respect of the principal amount of $90 million under the Fourth Refinancing Note ("Part A") and the additional
$30 Million Advance ("Part B"), for a total aggregate principal amount of
$120 million.
Notwithstanding Section 1.5 herein, the interest rate on the Fifth Refinancing Note shall be set on Monday, May 1, 2017, with interest accruing on Part A commencing on Sunday, April 30, 2017, and interest accruing on Part B commencing on Monday, May 1, 2017.

Section 2.17 Interest on Fifth Refinancing Note

Notwithstanding Section 1.5 herein, interest on the Fifth Refinancing Note at the rate specified in Section 2.16 shall accrue daily and shall be payable in equal semi-annual instalments on June 30 and December 31(each an "Interest Payment Date"), provided however that the calculation of the amount of the first such interest payment for Part A shall be in respect only of the period from and including April 30, 2017 to but excluding June 30, 2017, and for Part B in respect only of the period from May 1, 2017 to but excluding June 30, 2017.

For the purposes of disclosure pursuant to the Interest Act (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under the Fifth Refinancing Note for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period."

2. Reference to and Effect on the Agreement.

On and after this date, each reference in the Agreement to "this Agreement" and each reference to the Agreement in any and all other agreements, documents and instruments delivered by IESO and OEFC shall mean and be a reference to the Agreement as amended by this Amending Agreement. On and after this date, each reference in the Agreement to either "the Note" or "the New Note" and each reference to either "the Note" or "the New Note" in any and all other agreements, documents and instruments delivered by IESO and OEFC shall mean and be a reference to the Fifth Refinancing Note.

4. Governing Law

This Amending Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

~~5. Counterparts~~

~~This Amending Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.~~

~~**6. Enurement**~~

~~This Amending Agreement shall be binding upon and shall enure to the benefit of the parties and their respective successors and permitted assigns.~~

IN ALL OTHER RESPECTS, the Agreement is confirmed by the parties.

IN WITNESS WHEREOF the parties have executed and delivered this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael Manning
Title: Chief Operating Officer

SCHEDULE 1

FORM OF FIFTH REFINANCING NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

NOTE

Aggregate Principal Amount: $120 million, consisting of: a Part A amount of $90 million ("Part A"), whereon interest accrues commencing on April 30, 2017, and a Part B amount of $30 million ("Part B"), whereon interest accrues commencing on May 1, 2017.

Date: April 30, 2017

Interest Rate: (Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020 + 50 basis points)

Due: June 30, 2020

FOR VALUERECEIVED, the INDEPENDENT ELECTRICITY SYSTEMOPERATOR ("IESO") existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, PROMISES TO PAY to or to the order of ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC") at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of $120 million in lawful money of Canada, with interest on such amount at the rate, calculated in the manner and payable at the times specified in this Note.

The principal amount of this Note together with all interest accrued thereon shall become due and payable on June 30, 2020.

The principal amount of this Note remaining from time to time unpaid and outstanding shall bear interest from the date of this Note both before and after maturity and both before and after default at the rate per annum equal to the Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020, as determined by the Chief Executive Officer of OEFC or the Chief Operating Officer of OEFC, or by a person designated by either of them, plus fifty basis points (0.50%). Interest at such rate shall accrue daily and shall be payable in arrears in equal semi-annual instalments on June 30 and December 31 (each an "Interest Payment Date") commencing June 30, 2017, provided however that the calculation of the amount of the first such interest payment for Part A shall be in respect only of the period from and including April 30, 2017 to but excluding June 30, 2017, and for Part B in respect only of the period from and including May 1, 2017 to but excluding June 30, 2017.

For the purposes of disclosure pursuant to the Interest Act (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Note for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of an agreement providing for the issuance of a note dated April 1, 1999 between the IESO and OEFC and amended by an amending agreement dated March 23, 2000, an amending agreement dated April 23, 2009, an amending agreement dated May 1, 2011, an amending agreement dated May 1, 2013, an amending agreement dated April 30, 2014, and an amending agreement dated April 30, 2017 (as so amended, the "Agreement"), which Agreement provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESQ waives presentment for payment and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

AMENDING AGREEMENT NO. 7

This Amending Agreement is made as of the • day of •, 2017 between:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")

WHEREAS IESO and OEFC have entered into an agreement providing for the issuance of a Note dated April 1, 1999 (the "Original Agreement");

AND WHEREAS pursuant to amending agreements dated March 23, 2000, April 23, 2009, May 1, 2011, May 1, 2013, April 30, 2014 and April 30, 2017 the parties amended the Original Agreement (as so amended, the "Agreement");

AND WHEREAS the parties wish to now amend the Agreement to change the definition of “Permitted Liens” to accommodate IESO’s role and obligations under the Ontario Fair Hydro Plan (OFHP).

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and sufficiency of which are hereby acknowledged by each party), the parties agree as follows:

1. Section 1.1 Definitions of the Agreement is amended as follows:

The definition of Ontario Fair Hydro Plan “OFHP” is added under Section 1.1:

“OFHP” means the Ontario Fair Hydro Plan Act, 2017, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

The definition of “Permitted Liens” is amended by deleting the word “and” at the end of subsection (1.1.J); replacing the “.” at the end of subsection (1.1.K) and replacing it with “and”; and adding the following subsection (1.1.L):

“(1.1.L) any Lien arising from the IESO’s role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.”

IN ALL OTHER RESPECTS, the Agreement is confirmed by the parties.

IN WITNESS WHEREOF the parties have executed and delivered this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael Manning
Title: Chief Operating Officer

SCHEDULE 1

FORM OF FIFTH REFINANCING NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

NOTE

Aggregate Principal Amount: $120 million, consisting of: a Part A amount of $90 million ("Part A"), whereon interest accrues commencing on April 30, 2017, and a Part B amount of $30 million ("Part B"), whereon interest accrues commencing on May 1, 2017.

Date: April 30, 2017

Interest Rate: (Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020 + 50 basis points)

Due: June 30, 2020

FOR VALUE RECEIVED, the INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO") existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, PROMISES TO PAY to or to the order of ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC") at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of $120 million in lawful money of Canada, with interest on such amount at the rate, calculated in the manner and payable at the times specified in this Note.

The principal amount of this Note together with all interest accrued thereon shall become due and payable on June 30, 2020.

The principal amount of this Note remaining from time to time unpaid and outstanding shall bear interest from the date of this Note both before and after maturity and both before and after default at the rate per annum equal to the Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020, as determined by the Chief Executive Officer of OEFC or the Chief Operating Officer of OEFC, or by a person designated by either of them, plus fifty basis points (0.50%). Interest at such rate shall accrue daily and shall be payable in arrears in equal semi-annual instalments on June 30 and December 31 (each an "Interest Payment Date") commencing June 30, 2017, provided however that the calculation of the amount of the first such interest payment for Part A shall be in respect only of the period from and including April 30, 2017 to but excluding June 30, 2017, and for Part B in respect only of the period from and including May 1, 2017 to but excluding June 30, 2017.

For the purposes of disclosure pursuant to the Interest Act (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Note for any period of less than a year

may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of an agreement providing for the issuance of a note dated April 1, 1999 between the IESO and OEFC and amended by an amending agreement dated March 23, 2000, an amending agreement dated April 23, 2009, an amending agreement dated May 1, 2011, an amending agreement dated May 1, 2013, an amending agreement dated April 30, 2014, and an amending agreement dated April 30, 2017 (as so amended, the "Agreement"), which Agreement provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESQ waives presentment for payment and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

AMENDING AGREEMENT NO. ~~6~~7

This Amending Agreement is effective as of the •~~30~~ day of •~~April~~, 2017.

BETWEEN: INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")

as Borrower

AND: ONTARIO ELECTRICITY FINANCIAL ~~–~~CORPORATION ("OEFC")

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011, Amending Agreement No. 3 dated April 30, 2013, Amending Agreement No. 4 dated April 30, 2014, ~~and~~ Amending Agreement No. 5 dated December 19, 2014 and Amending Agreement No. 6 dated April 30, 2017 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $~~95~~ 160 million.

~~**AND WHEREAS** IESO and OEFC wish to amend the Agreement to increase the revolving line of credit from a principal amount of CDN $95 million to a principal amount of up to CDN $160 million to provide funding for IESO Corporate Requirements (as defined herein);~~

~~**AND WHEREAS** IESO and OEFC wish to amend the Agreement to provide for an extension of the mandatory repayment date established in the Agreement to June 30, 2020;~~

~~**AND WHEREAS** IESO and OEFC wish to amend the Agreement to provide for the ability for Advances to be made on any business day up to a maximum of 12 times per year;~~

AND WHEREAS the parties wish to now amend the Agreement to change the definition of "Permitted Liens" to accommodate IESO's role and obligations under the Ontario Fair Hydro Plan (OFHP).

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as ~~–~~follows:

1. Section 1.1 Definitions of the Agreement is amended as follows:

The definition of Ontario Fair Hydro Plan "OFHP" is added under Section 1.1:

"OFHP" means the Ontario Fair Hydro Plan Act, 2017, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

The definition of "Permitted Liens" is amended by deleting the word "and" at the end of subsection (1.1.J); replacing the "." at the end of subsection (1.1.J) and replacing it with "and"; and adding the following subsection (1.1.L):

"(1.1.L) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

~~i) The definition of "Amalgamation" is deleted.~~

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael Manning
Title: Chief Operating Officer

SCHEDULE 1

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $160,000,000 Date: 30 April, 2017

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the

order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid ("Grid") attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement dated April 23,2010, as amended by Amending Agreement No. 1 dated July 21, 2010, by Amending Agreement No. 2 dated October 14, 2011, by Amending Agreement No. 3 dated April 30, 2013, by Amending Agreement No. 4 dated April 30, 2014, by Amending Agreement No. 5 dated December 19, 2014, ~~and~~ by Amending Agreement No. 6 dated April 30, 2017, and by Amending Agreement No. 7 dated •, •, 2017 (collectively the "Agreement").

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before June 30, 2020.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance or part of an Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be prima facie evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Agreement. All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO. IESO waives presentment for payment, demand, protest, notice of dishonour and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall

Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

(Revolving Credit Facility April 30, 2017)

DATE	PRINCIPAL ADVANCED	RATE	REPAYMENT DATE	INTEREST AMOUNT	AMOUNT OF PAYMENT		UNPAID BALANCE			NOTATION MADE BY
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	REFINANCED (AMOUNT & DATE)	

AMENDING AGREEMENT NO. 7

This Amending Agreement is effective as of the • day of •, 2017.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011, Amending Agreement No. 3 dated April 30, 2013, Amending Agreement No. 4 dated April 30, 2014, Amending Agreement No. 5 dated December 19, 2014 and Amending Agreement No. 6 dated April 30, 2017 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $160 million.

AND WHEREAS the parties wish to now amend the Agreement to change the definition of “Permitted Liens” to accommodate IESO’s role and obligations under the Ontario Fair Hydro Plan “OFHP”.

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. Section 1.1 Definitions of the Agreement is amended as follows:

The definition of Ontario Fair Hydro Plan “OFHP” is added under Section 1.1:

“OFHP” means the Ontario Fair Hydro Plan Act, 2017, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

The definition of “Permitted Liens” is amended by deleting the word “and” at the end of subsection (1.1.J); replacing the “.” at the end of subsection (1.1.K) and replacing it with “and”; and adding the following subsection (1.1.L):

“(1.1.L) any Lien arising from the IESO’s role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.”

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael Manning
Title: Chief Operating Officer

SCHEDULE 1

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $160,000,000 Date: 30 April, 2017

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid **("Grid")** attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No. 1 dated July 21, 2010, by Amending Agreement No. 2 dated October 14, 2011, by Amending Agreement No. 3 dated April 30, 2013, by Amending Agreement No. 4 dated April 30, 2014, by Amending Agreement No. 5 dated December 19, 2014, by Amending Agreement No. 6 dated April 30, 2017, and by Amending Agreement No. 7 dated •, •, 2017 (collectively the "Agreement").

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before June 30, 2020.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance or part of an Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be prima facie evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Agreement. All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO. IESO waives presentment for payment, demand, protest, notice of dishonour and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

(Revolving Credit Facility April 30, 2017)

DATE	PRINCIPAL ADVANCED	RATE	REPAYMENT DATE	INTEREST AMOUNT	AMOUNT OF PAYMENT		UNPAID BALANCE			NOTATION MADE BY
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	REFINANCED (AMOUNT & DATE)	

From:	Victor Buza
To:	William Tan
Cc:	Lisa Stein; Sarah Harris; Anthony Martinello
Subject:	IESO-Signed Revolving Credit Facility Agreement
Date:	Monday, November 06, 2017 3:28:41 PM
Attachments:	FHP Credit Agreement OFA IESO - Nov 6 2017 - IESO Signed.pdf
Importance:	High

Per my email below – see attached the IESO-signed Revolving Credit Facility Agreement re FHP.
Victor

From: Victor Buza
Sent: November 06, 2017 3:24 PM
To: 'William Tan'
Cc: Lisa Stein; Sarah Harris; Anthony Martinello
Subject: RE: Signatures for FHP and Amending Agreement No. 10
Importance: High

Will,

Please find attached the following documents signed by IESO:

1. Amending Agreement #10 to the Jan. 1, 2005 Credit Agreement;
2. Certified IESO Board Resolution and Incumbency Certificate;
3. Scan of the $2 Billion Grid Note.
4. Intercept Letter Agreement.

I will send the new Revolving Credit Facility Agreement in relation to FHP under a separate email immediately following.

We have already overnighted the original grid note for $2 billion and an original Intercept Letter signed by all parties. Per your request, we will send original agreement signature pages for both agreements as well – can we send those tomorrow or do you need the overnighted too?

Let us know. We look forward to receiving your confirmation of closing.

Victor

Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079
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From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 3:09 PM
To: Victor Buza
Cc: Lisa Stein; Sarah Harris; Anthony Martinello
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hello Victor,

I clarified internally and we would want an original signature page for the FHP Agreement and Amending Agreement No. 10.

Thanks,

Will

From: William Tan
Sent: Monday, November 06, 2017 2:25 PM

To: 'Victor Buza' <Victor.Buza@ieso.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hi Victor,

My apologies. Please scan the separated $2B and $475 MM Grid promissory notes. Forward the $2B promissory note but hold on to the $475MM Grid Promissory Note until November 21.

- Resolution of the Board of Directors
- Incumbency Certificate
- Intercept Letter
- $2 B Grid Promissory Note
- $475 MM Grid Promissory Note

Yes, please forward the documents to myself.

William Tan
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3

Thanks,
Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 2:12 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

I will scan and send all documents you listed in their entirety, not just signature pages. Can you confirm, are you saying you want a scan of the $475MM grid note?

Just so I get it right, should I courier the hardcopies of the Intercept Letter and Note to your attention and address, Will? Call me if it's quicker.

Victor
416-969-6079

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 1:57 PM
To: Victor Buza; Anthony Martinello
Cc: Lisa Stein; Sarah Harris
Subject: FW: Signatures for FHP and Amending Agreement No. 10

Hi Victor,

Thank you for the update. When you send the soft copy signatures, would it be possible to include the signatures within the agreements?

You were probably going to include the following signed soft copies anyway but out of caution I have listed them below:

- Resolution of the Board of Directors
- Incumbency Certificate
- Intercept Letter
- $2 B Grid Note

- $475 MM Grid Note

Hardcopy of the Intercept Letter and $2B Grid Note – overnight delivery is fine.
Per s. 16 AA #10 - Anthony and I discussed on Friday that $475MM Grid note would be signed today but held by IESO until November 21. After the borrowing notice and election notices are actioned, OFA will produce the grid notes to evidence payment and advancements. IESO will then send the new $475MM prom note to OFA. Once received OFA will send the $975MM cancelled prom note to IESO.
Thanks,
Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 10:48 AM
To: William Tan <William.Tan@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hi Will – I have a signing meeting scheduled with our signatory at 2:30pm this afternoon – so I will send you counterpart signatures and a scanned version of the Intercept Letter by 3:00pm or possibly earlier.
Hardcopy of Intercept Letter to follow as you prefer – overnight or pickup? We also need to make arrangements re delivery of the $2Bn Grid Note.
Per s.16 of AA#10, the other Note for $475MM is to be delivered following the Effective Time in exchange for the return by OFA of the Nov 30 2016 Note for $975MM.
Victor

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 10:33 AM
To: Anthony Martinello
Cc: Lisa Stein; Victor Buza; Sarah Harris
Subject: Signatures for FHP and Amending Agreement No. 10

Good morning Anthony,
Just checking-in on approximately when we can expect the documents to be executed so I may prepare my signatory.
Thanks,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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strictly prohibited. If you have received this message in error, or are not the named recipient(s), please notify the sender immediately and delete this e-mail message.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

as Borrower

and

ONTARIO FINANCING AUTHORITY

as Lender

REVOLVING CREDIT FACILITY AGREEMENT

Date: November 6, 2017

REVOLVING CREDIT FACILITY AGREEMENT

THIS AGREEMENT is made as of the 6th day of November 2017,

BETWEEN:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, a statutory corporation without share capital existing under Part II of the *Electricity Act, 1998* (the "**IESO**")
(as Borrower)

AND

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* (the "**OFA**" and together with the IESO, the "**Parties**")
(as Lender)

RECITALS:

WHEREAS the IESO has requested a revolving credit facility for up to a maximum principal amount of $2 billion from the OFA for the purpose of supporting the IESO's role in the implementation and administration of the *Ontario Fair Hydro Plan Act, 2017*.

THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the Parties agree as follows:

ARTICLE 1

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"Advances" means advances made by the OFA to the IESO under Article 3 and "Advance" means any one of such advances, and in the case of an election by the IESO under Section 3.3, includes a "Continued Advance", as defined in Section 3.3(1), as applicable.

"Advances Outstanding" means, at any time, an amount equal to the aggregate principal amount of all Advances outstanding at such time.

"Agreement", "herein", "hereby", "hereor', "hereunder" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression "Article" or "Section" followed by a number means the specified Article or Section of this Agreement.

"Borrowing Notice" has the meaning specified in Section 3.2(1).

"Business Day" means any day that is not a day on which banks are generally authorized or required by law or executive order to be closed in the City of Toronto.

"Clean Energy Adjustment" has the same meaning as that term is defined in the OFHP.

"Commitment" means, at any time, an amount equal to $2 billion.

"Consolidated Assets" means, at any time, the book value of the assets of the IESO and the Subsidiaries, determined as of such time on a consolidated basis in accordance with GAAP.

"Continued Advance" has the meaning specified in Section 3.3(1).

"Credit Facility" means the revolving credit facility to be made available to the IESO by the OFA under this Agreement for the purposes specified in Section 2.2.

"Current Repayment Date" has the meaning specified in Section 3.3(2).

"Default" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"Dollars" or **"$"** means lawful currency of Canada.

"Election Notice" has the meaning specified in Section 3.3(2).

"Event of Default" has the meaning specified in Section 5.1.

"First Advance" has the meaning specified in Section 3.2(3).

"GAAP" means accounting policies and standards as established by the Chartered Professional Accountants of Canada, at the relevant time and applied on a consistent basis.

"Grid Note" has the meaning specified in Section 3.2(2).

"Indebtedness" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) every obligation of such Person for borrowed money;

(b) every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments;

(c) every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) every capital lease obligation of such Person;

(f) the Swap Termination Value of each Swap Contract of such Person; and

(g) every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"Lien" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"Material Subsidiary" means, at any time, a Subsidiary which has consolidated assets with a book value of more than $25 million determined in accordance with GAAP.

"**New Repayment Date**" has the meaning specified in Section 3.3(2).

"**OFHP**" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

"Permitted Liens" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) any obligations or duties, affecting the property of the IESO to any municipality or governmental, statutory or public authority, with respect to any franchise, grant, license

or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by the IESO or such Material Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by the IESO or such Material Subsidiary;

(d) any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) the right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) any undetermined or inchoate Liens and charges incidental to the current operations of the IESO or a Material Subsidiary that have not at the time been filed against the IESO or such Material Subsidiary; provided, however, that if any such Lien or charge shall have been filed, the IESO or such Material Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) any Lien the validity of which is being contested at the time by the IESO or a Material Subsidiary in good faith and the enforcement of which has been stayed;

(h) any easements, rights-of-way and servitudes that in the opinion of the IESO will not in the aggregate materially and adversely impair the use or value of the land for the purpose for which it is held or occupied by the IESO or a Material Subsidiary;

(i) any Liens and privileges arising out of judgments or awards with respect to which the IESO or a Material Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall have secured a stay of execution pending such appeal or proceedings for review;

(j) any other Liens of a nature similar to the foregoing which do not in the opinion of the IESO, acting reasonably, materially impair the use of the property subject thereto or the operation of the business of the IESO or any Material Subsidiary or the value of such property for the purpose of any such business; and

(k) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other

lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

"Person" means any individual, corporation, partnership joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"Purchase Money Mortgage" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or part of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"Repayment Date" means, in respect of the repayment of Advances, the repayment date contained in the most recent Borrowing Notice or Election Notice.

"Stated Maturity" when used with respect to any Indebtedness or any installment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such installment of interest is due and payable.

"Subsidiary" means:

(a) a corporation more than 50% of the voting power or the outstanding Voting Shares of which is owned, directly or indirectly, by the IESO or by one or more other Subsidiaries or by the IESO and one or more other Subsidiaries; or

(b) any Person (other than a corporation) in which the IESO, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

"Swap Contract" means any agreement whether or not in writing, relating to any transaction or derivative transaction including a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction currency swap, cross-currency rate swap, swaption, currency option or other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.

"Swap Termination Value" means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap contracts:

(a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and

(b) for any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.

"Voting Shares" of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings.

The division of this Agreement into Articles and Sections and the insertion of headings are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and vice versa and words importing gender may include any gender. In this Agreement, (a) the words "including" and "includes" mean "including (or includes) without limitation", and (b) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" each mean "to but excluding".

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with GAAP.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the next succeeding Business Day.

ARTICLE 2
REVOLVING CREDIT FACILITY

Section 2.1 Availability.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO. The OFA shall make each Advance in Dollars.

Section 2.2 Use of Proceeds.

The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the *Electricity Act, 1998*, as such regulation may be amended or replaced from time to time, subject to the condition that proceeds of Advances may be used only for IESO's financing needs and requirements of any kind arising in connection with the IESO's role with respect to and obligations under the OFHP.

Section 2.3 Credit Facility Limit.

The Advances Outstanding shall not at any time exceed the Commitment. The Credit Facility shall revolve and no payment under the Credit Facility shall reduce the Commitment.

Section 2.4 Mandatory Repayment.

Subject to Sections 2.5 and 5.2, the IESO shall repay each Advance together with the interest accrued thereon on the applicable Repayment Date, and, in any event, shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder on September 30, 2022.

Section 2.5 Prepayments.

The IESO is not entitled to prepay any part of the Advances Outstanding or the interest accrued thereon without the prior written consent of the OFA.

Section 2.6 Payments under this Agreement.

(1) The OFA shall make Advances to the IESO under this Agreement to or to the order of the IESO by wire transfer of immediately available funds in accordance with wire transfer instructions given by the IESO to the OFA from time to time, or in such other manner as the IESO may specify to the OFA from time to time.

(2) The IESO shall make any payment required hereunder to be made by it to the OFA, to or to the order of the OFA, by wire transfer of immediately available funds in accordance with wire transfer instruction given by the OFA to the IESO from time to time, or in such other manner as the OFA may specify to the IESO from time to time. The IESO shall make each such payment in Canadian Dollars.

Section 2.7 Computations of Interest.

(1) All computations of interest shall be made by the OFA taking into account the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest is payable on the basis of a year of 365 days or 366 days, as the case may be.

(2) For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Agreement for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

Section 2.8 Limit on Rate of Interest.

(1) Notwithstanding any provision contained in this Agreement, the IESO shall not be obliged to make any payments of interest or other amounts payable to the OFA hereunder in excess of the amount or rate which would be prohibited by applicable law or would result in the receipt by the OFA of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada)).

(2) In the event that any such payments are limited or prohibited as provided in Section 2.8(1), the OFA shall have no further obligation to make any Advances available hereunder and the Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, shall become immediately due and payable.

Section 2.9 Application of Payments.

All payments made by the IESO under this Agreement shall be applied firstly to the payment of interest payable to the OFA on late payments of principal or interest hereunder, secondly, to the payment of accrued and unpaid interest payable to the OFA hereunder and thirdly, to the payment of the outstanding principal amount of any Advances payable to the OFA.

ARTICLE 3
ADVANCES

Section 3.1 Advances.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO under the Credit Facility from time to time on any Business Day prior to September 23, 2022.

Section 3.2 Procedure for Advances.

(1) Subject to Section 3.3(5), each Advance shall be made subject to two Business Days' prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each notice of an Advance (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1, other than a Borrowing Notice that is included in an Election Notice as permitted by Section 3.3(3). Each Borrowing Notice shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance; (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall not be earlier than 5 days and not later than 95 days after the date of the requested Advance. Each Borrowing Notice shall also certify the use of proceeds of the Advance which shall in any case be in accordance with Section 2.2. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, the IESO shall execute and deliver to the OFA a grid promissory note in respect of Advances substantially in the form of Schedule 3 (the "**Grid Note**"). The IESO authorizes the OFA to record on the Grid Note (a) the date and amount of each Advance or Continued Advance; (b) the applicable rate of interest for each Advance or Continued Advance; (c) the Repayment Date of each Advance or Continued Advance; (d) the date and amount of each payment of interest and each payment of principal or portion thereof in respect of each Advance or Continued Advance; and (e) Advances Outstanding. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such Advances and repayments; provided that the failure of the OFA to record any amount, rate or date shall not affect the obligation of the IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement.

(3) Respecting the first Advance to be made under this Agreement (the "**First Advance**"), a specified portion thereof (the "**Repayment Amount**") shall be used to repay a portion of the IESO's outstanding indebtedness to the OFA under the credit agreement between the Parties dated January 1, 2005, as amended (the "**Existing Credit Facility**"). The amount of the Repayment Amount shall be detailed in the Borrowing Notice issued in respect of the First Advance. Concurrently with the First Advance, OFA shall provide to IESO an updated grid in respect of the grid note issued under the Existing Credit Facility evidencing the repayment of the Repayment Amount thereunder.

Section 3.3 Elections Regarding Advances.

(1) The IESO may elect to continue all or a portion of the principal amount of any Advance and any amount of interest on such Advance (together, the "**Continued Advance**") for a further period of at least 5 days and up to a maximum of 95 days beginning on the then current Repayment Date in accordance with Section 3.3(2).

(2) Each notice to continue an Advance for a further period (an "**Election Notice**") shall be provided by the IESO to the OFA at least two Business Days prior to the Repayment Date of the Advance (the "**Current Repayment Date**"), and in each case, not later than

10:00 a.m. (Toronto time). Each such Election Notice shall be given substantially in the form of Schedule 2 and shall be irrevocable and binding upon the IESO and shall specify: (a) the Current Repayment Date; (b) the new aggregate total amount of the proposed Continued Advance; (c) the amount of interest or principal, if any, to be paid or re-paid by the IESO with respect to such Advance on the Current Repayment Date; and (d) the new Repayment Date of the proposed Continued Advance, which shall be no earlier than 5 days and not later than 95 days after the current Repayment Date (the "**New Repayment Date**"). If the IESO fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date.

(3) An Election Notice with respect to a proposed Continued Advance may include a Borrowing Notice for a further Advance proposed to be made on the Current Repayment Date. The Repayment Date of such further Advance shall be the New Repayment Date of the Continued Advance that is specified in the Election Notice. Such Borrowing Notice shall be given substantially in the form of Schedule 2.

(4) The calculation of interest on a Continued Advance shall be determined in the same manner as an Advance under Section 3.4 and shall be recorded on the Grid Note in accordance with Section 3.2(2).

(5) Any portion of an Advance not continued for a further period in accordance with Section 3.3(2) shall be repayable on the applicable Repayment Date.

(6) The Credit Facility shall at all times rank *pari passu* with all other unsubordinated and unsecured Indebtedness of the IESO, subject to the existence of any Liens that secure Indebtedness, as permitted by subections 4.6 (a) through (e) hereof.

(7) All amounts owing in respect of the Advances shall be paid without exercising any right of set off or counterclaim by the IESO.

Section 3.4 Interest on Advances.

(1) The IESO shall pay interest on the unpaid principal amount of each Advance in accordance with this Section 3.4 from and including the date of such Advance until the principal amount of such Advance is repaid in full.

(2) Interest shall accrue on the principal amount of each Advance from and including the date of the Advance to but excluding the Repayment Date of such Advance, at an annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum, before as well as after the date such principal amount or interest thereon becomes due hereunder and both before and after Default and shall be payable on the Repayment Date for such Advance. Any amount of interest arising hereunder which is not paid when due shall bear interest at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment. The amount of interest payable on an Advance will be calculated by the

OFA by dividing the interest rate applicable to the Advance by 365 or 366, as the case may be, and multiplying the result by the principal amount of the Advance and further multiplying the result by the number of days in the period from the date of the Advance to the Repayment Date of the Advance.

(3) If the IESO elects to continue an Advance in accordance with Section 3.3(2), the OFA shall determine the interest rate applicable after the original Repayment Date of the Advance and endorse the said rate on the grid forming part of the Grid Note in respect of Advances held by it.

Section 3.5 Conditions Precedent

The obligation of the OFA to make the Advances to the IESO pursuant to Section 2.1 is subject to the following conditions being satisfied to the OFA's satisfaction at the time of making each Advance:

(a) that the representations and warranties of the IESO contained in this Agreement are true and correct as at the date of making the Advance;

(b) that no Event of Default has occurred and is continuing;

(c) that there shall, in the reasonable opinion of the OFA, have been no material adverse change in the financial condition of the IESO or a Material Subsidiary; and

(d) that the OFA has received such other documentation which it has reasonably requested to ensure that the IESO is in compliance with the terms and conditions of this Agreement, including certified true copies of any necessary resolutions, a written legal opinion from counsel to the IESO confirming that the borrowing is within the legal powers of the IESO and that the Agreement is a direct, unsecured obligation of the IESO enforceable against the IESO in form satisfactory to the OFA.

ARTICLE 4
COVENANTS OF THE IESO

Section 4.1 Repayment of Advances.

The IESO will duly and punctually pay all amounts owing under this Agreement in accordance with the terms and subject to the conditions of this Agreement.

Section 4.2 IESO will Maintain its Corporate Existence.

The IESO will at all times maintain its corporate existence.

Section 4.3 Maintenance of Properties.

The IESO will cause all property owned by the IESO or any Material Subsidiary to be maintained and kept in good condition, repair and working order, all as in the judgment of the IESO or any Material Subsidiary may be necessary for the proper operation of such property, except as and to the extent that the IESO or any Material Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 4.3 shall prevent the IESO or any Material Subsidiary from discontinuing the maintenance of any such property or decommissioning any such property if such discontinuance or decommissioning is, in the judgment of the IESO or any such Material Subsidiary, desirable in the conduct of its business or the business of any such Material Subsidiary, or has been directly or indirectly requested or required by the Province of Ontario.

Section 4.4 Insurance.

The IESO will cause all property owned by the IESO or any Material Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the mature and to the extent that such property is usually insured by companies operating similar businesses.

Section 4.5 Conduct of Business.

The IESO will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in accordance with good business practice.

Section 4.6 Negative Pledge.

The IESO will not, and will not permit any Material Subsidiary to, create, incur or assume any Lien, charging the interest of the IESO or any Material Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, all amounts owing under this Agreement are secured equally and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) the creation, incurrence or assumption of any Purchase Money Mortgage;

(b) the grant of any Lien in the normal course of business to any banks or financial institutions for present or future Indebtedness of the IESO or any Material Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) any extension, renewal or replacement of any of the Liens referred to in Sections 4.6(a), (b) or (c), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased; and

(e) any Lien charging the interest of the IESO or any Material Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 4.6(a), (b) or (c), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 4.6(e) which is outstanding at such time does not exceed 10% of Consolidated Assets at such time.

Section 4.7 Payment of OFA Expenses

In addition to any liability of the IESO to the OFA under any other provision of this Agreement, the IESO will, on demand, reimburse and indemnify OFA for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OFA in connection with the Agreement (including those services incurred in the preservation of rights under or enforcement of this Agreement at any time during the continuance of a Default or Event of Default and for any reasonable loss or expense incurred by OFA as a result of any failure by the IESO to fulfill any of its obligations under this Agreement). All such costs, charges and expenses shall bear interest at the Province of Ontario's cost of funds plus 0.25 percent per annum (as determined by the OFA) calculated and payable monthly not in advance from in each case from the date on which the OFA incurs the cost, charge or expense until the date on which the IESO reimbursement the OFA therefor. The OFA agrees, acting reasonably, to invoice the IESO for any such costs, charges and expense as they are incurred, together with interest at the aforesaid rate (with interest on overdue interest).

Section 4.8 Reporting.

The IESO will promptly provide to the OFA any reports or supporting documents that the OFA may request from time to time.

Section 4.9 Late Repayment of Advance.

In the event that the IESO fails to repay the principal amount of any Advance and all interest accrued thereon when due, the IESO shall pay interest on the unpaid amount of such Advance at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment.

ARTICLE 5
EVENTS OF DEFAULT AND REMEDIES

Section 5.1 Event of Default.

Wherever used in this Agreement, the term "Event of Default" means any of the following:

(a) the IESO's failure to pay any interest upon any Advance when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) failure to pay the principal amount of any Advance on the applicable Repayment Date or the Advances Outstanding, all interest accrued thereon and all other amounts owing under this Agreement on September 30, 2022;

(c) failure on the part of the IESO to observe or perform its obligations set forth in Section 4.1;

(d) failure on the part of the IESO to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 20 days after the date on which written notice of such failure shall have been given to the IESO by the OFA;

(e) any representation or warranty made by the IESO in this Agreement or in any certificate or other document at any time delivered hereunder to the OFA was incorrect or misleading in any material respect;

(f) one or more breaches by the IESO of its covenants under one or more evidences of Indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $5 million, which breaches:

(i) constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist, or

(ii) have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived or rescinded);

(g) the IESO or any Material Subsidiary:

(i) becomes unable to meet its obligations as they generally become due or has ceased paying its current obligations in the ordinary course of business as they generally become due;

(ii) admits in writing its inability to pay its debts generally or makes a general assignment for the benefit its creditors or files a proposal or other scheme

of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) institutes or has instituted against it any proceeding seeking:

(A) to adjudicate it as bankrupt or insolvent,

(B) liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors, or

(C) the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets,

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismissed or unstayed for a period of 30 days, or any remedy sought in any such proceeding (including the entry of order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

(iv) takes any corporate action to authorize any of the actions in Sections 5.1 (g)(i) to (iii); or

(h) if there shall be rendered against the IESO or any Material Subsidiary a final judgment or judgments for the payment of money in an aggregate amount in excess of $5 million by a court or courts of competent jurisdiction, and the IESO or any Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 5.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case the OFA may at its option, in addition to any other remedy available to the OFA at law, by written notice to the IESO, take any or all of the following actions:

(a) suspend the right of the IESO to request any further Advance until the Event of Default has been cured to the OFA's satisfaction or, if the Event of Default is not

cured within three (3) Business Days after the date on which written notice of such Event of Default shall have been given to the IESO by the OFA, declare all amounts owing hereunder including all interest accrued to be due and payable immediately, by a notice in writing to the IESO, and upon any such declaration all such amounts shall become immediately due and payable.

(b) invoke the Intercept pursuant to section 5.7 of this Agreement to require payment of any amount due and payable under this Agreement.

Section 5.3 Suits for Enforcement by the OFA.

If an Event of Default occurs and is continuing, the OFA may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in the OFA by this Agreement or by law.

Section 5.4 OFA May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of the IESO under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property of the IESO, or if any other judicial proceedings relative to the IESO, its creditors or its property are pending, the OFA shall be entitled and empowered, by intention in such proceeding or otherwise:

(a) to file and prove a claim for all amounts owing under this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of the OFA (including any claim for fees and disbursements of the OFA, its agents and counsel) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claim.

Section 5.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to the OFA is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.6 Delay or Omission not Waiver.

No delay or omission of the OFA to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right or remedy given by this Article 5 or by law to OFA may be exercised from time to time, and as often as may be deemed expedient, by the OFA.

Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of even date herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the *Capital Investment Plan Act, 1993* (the "**Intercept Letter**"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("**Appropriated Funds**"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("**Intercept**").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

(e) The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or

inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail.

ARTICLE 6
REPRESENTATIONS AND WARRANTIES OF IESO

Section 6.1 Representations and Warranties of IESO

The IESO represents and warrants to the OFA that:

(a) the borrowing of money (including principal and accrued interest) by the IESO and the execution, delivery and performance of this Agreement are within the powers and capacities of the IESO and have been duly authorized by all necessary legal action and proper proceedings;

(b) the execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the compliance with the terms and conditions of this Agreement will not conflict with or result in a breach of any of the terms or provisions of the constituting documents or by-laws of the IESO, laws of Ontario, including laws of Canada applicable therein, applicable to the IESO or any contractual or other obligation binding on the IESO;

(c) this Agreement will, when executed and delivered, constitute the legal, valid and binding obligation of the IESO enforceable against it in accordance with its terms; and

(d) the monies advanced under this Agreement shall be used only by the IESO for the purposes set out in Section 2.2.

Section 6.2 Continuation of Representation and Warranties

The representations and warranties set out in Section 6.1 herein shall survive the execution and delivery of this Agreement, the making of each Advance by the OFA, notwithstanding any investigations or examinations which may be made by counsel for the OFA.

ARTICLE 7
GENERAL

Section 7.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy or other means of electronic communication addressed:

If to the IESO, to it at:

Independent Electricity System Operator
120 Adelaide Street West, Suite 1600
Toronto, ON M5H 1T1

Attention: Chief Financial Officer
Telephone: (416)969-6232
Facsimile: (905)403-6913

If to the OFA, to it at:

Ontario Financing Authority 1 Dundas Street West
Suite 1400 Toronto, Ontario M7A 1Y7

Attention: Executive Director & Chief Investment Officer – Capital Markets Division
Telephone: (416)325-8930
Facsimile: (416)860-8346

provided that any Borrowing Notice or Election Notice shall be addressed as indicated on Schedule 1 or Schedule 2 respectively.

Any communication hereunder shall be deemed to have been validly and effectively given if (a) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p.m. (Toronto time), otherwise on the next Business Day, (b) transmitted by facsimile or other means of electronic communication, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice give in accordance with this Section 7.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 7.1.

Section 7.2 Successors and Assigns.

This Agreement shall be binding on and enure to the benefit of the OFA and the IESO and their respective successors and permitted assigns, except that the IESO shall not, without the

prior written consent of the OFA assign, pledge or hypothecate any rights or obligations with respect to this Agreement.

Section 7.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of the Parties.

Section 7.4 Waiver.

(1) No waiver of any provisions of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) of this Agreement nor shall such waiver be binding unless executed in writing by the party to be bound by the waiver.

(2) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude another or further exercise of such right or the exercise of any other right.

Section 7.5 Further Assurances.

Each of the IESO and the OFA shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement

Section 7.6 Severability.

In case any provision in this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement shall not in any way be affected or impaired thereby.

Section 7.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 7.8 Entire Agreement.

This Agreement, including the schedules hereto and any other agreements expressly referred to herein, constitutes the whole agreement between the Parties with respect to the matters dealt with in it, and it supersedes any prior agreement, undertakings, discussions and the like respecting the matters dealt with in this Agreement and entered into by the Parties before the date the OFA signs this Agreement.

Section 7.9 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Agreement.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first written above.

ONTARIO FINANCING AUTHORITY

Per: _____

Name:
Title:

I have authority to bind the corporation.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: K Marshall

Name: Kimberly Marshall
Title: Vice President, Corporate Services;
Chief Financial Officer; Treasurer

I have authority to bind the corporation.

SCHEDULE 1

FORM OF BORROWING NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The principal amount of the Proposed Advance is $_____;
(c) The Repayment Date of the Proposed Advance is _____. [Not earlier than 5 days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:

Authorized Signatory

SCHEDULE 2

FORM OF ELECTION NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is _____.

(b) The aggregate amount of the proposed Continued Advance is $_____, which is comprised of:
   i. principal amount (or portion thereof) of Advance which is to be continued $_____; and
   ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date $_____;

(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): $ _____

(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _____. [Insert date not earlier than 5 days and not later than 95 days after the current Repayment Date for the Advance.]

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: $_____
The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Name:

Authorized Signatory

SCHEDULE 3 – FORM OF GRID NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $2,000,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR (the "**IESO**"), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY** ("**OFA**") at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement (as defined below).

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the Revolving Credit Facility Agreement dated **[INSERT DATE]** as amended, supplemented or restated from time to time, between the Borrower and the OFA (the "Agreement"). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:
Authorized Signatory

Revolving Credit Facility Grid Note

Ontario Financing Authority
Line of Credit Grid Note

Entity : Independent Electricity System Operator
Loan Limit:

Project:
Schedule of loan transactions to:
Loan Advanced to:

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days

From:	Victor Buza
To:	William Tan
Cc:	Lisa Stein; Sarah Harris; Anthony Martinello
Subject:	IESO-Signed Revolving Credit Facility Agreement
Date:	Monday, November 06, 2017 3:28:41 PM
Attachments:	FHP Credit Agreement OFA IESO - Nov 6 2017 - IESO Signed.pdf
Importance:	High

Per my email below – see attached the IESO-signed Revolving Credit Facility Agreement re FHP.
Victor

From: Victor Buza
Sent: November 06, 2017 3:24 PM
To: 'William Tan'
Cc: Lisa Stein; Sarah Harris; Anthony Martinello
Subject: RE: Signatures for FHP and Amending Agreement No. 10
Importance: High

Will,

Please find attached the following documents signed by IESO:

1. Amending Agreement #10 to the Jan. 1, 2005 Credit Agreement;
2. Certified IESO Board Resolution and Incumbency Certificate;
3. Scan of the $2 Billion Grid Note.
4. Intercept Letter Agreement.

I will send the new Revolving Credit Facility Agreement in relation to FHP under a separate email immediately following.

We have already overnighted the original grid note for $2 billion and an original Intercept Letter signed by all parties. Per your request, we will send original agreement signature pages for both agreements as well – can we send those tomorrow or do you need the overnighted too?

Let us know. We look forward to receiving your confirmation of closing.

Victor

Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079
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From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 3:09 PM
To: Victor Buza
Cc: Lisa Stein; Sarah Harris; Anthony Martinello
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hello Victor,

I clarified internally and we would want an original signature page for the FHP Agreement and Amending Agreement No. 10.

Thanks,

Will

From: William Tan
Sent: Monday, November 06, 2017 2:25 PM

To: 'Victor Buza' <Victor.Buza@ieso.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hi Victor,

My apologies. Please scan the separated $2B and $475 MM Grid promissory notes. Forward the $2B promissory note but hold on to the $475MM Grid Promissory Note until November 21.

- Resolution of the Board of Directors
- Incumbency Certificate
- Intercept Letter
- $2 B Grid Promissory Note
- $475 MM Grid Promissory Note

Yes, please forward the documents to myself.

William Tan
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3

Thanks,
Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 2:12 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

I will scan and send all documents you listed in their entirety, not just signature pages. Can you confirm, are you saying you want a scan of the $475MM grid note?

Just so I get it right, should I courier the hardcopies of the Intercept Letter and Note to your attention and address, Will? Call me if it's quicker.

Victor
416-969-6079

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 1:57 PM
To: Victor Buza; Anthony Martinello
Cc: Lisa Stein; Sarah Harris
Subject: FW: Signatures for FHP and Amending Agreement No. 10

Hi Victor,

Thank you for the update. When you send the soft copy signatures, would it be possible to include the signatures within the agreements?

You were probably going to include the following signed soft copies anyway but out of caution I have listed them below:

- Resolution of the Board of Directors
- Incumbency Certificate
- Intercept Letter
- $2 B Grid Note

- $475 MM Grid Note

Hardcopy of the Intercept Letter and $2B Grid Note – overnight delivery is fine.
Per s. 16 AA #10 - Anthony and I discussed on Friday that $475MM Grid note would be signed today but held by IESO until November 21. After the borrowing notice and election notices are actioned, OFA will produce the grid notes to evidence payment and advancements. IESO will then send the new $475MM prom note to OFA. Once received OFA will send the $975MM cancelled prom note to IESO.
Thanks,
Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 10:48 AM
To: William Tan <William.Tan@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hi Will – I have a signing meeting scheduled with our signatory at 2:30pm this afternoon – so I will send you counterpart signatures and a scanned version of the Intercept Letter by 3:00pm or possibly earlier.
Hardcopy of Intercept Letter to follow as you prefer – overnight or pickup? We also need to make arrangements re delivery of the $2Bn Grid Note.
Per s.16 of AA#10, the other Note for $475MM is to be delivered following the Effective Time in exchange for the return by OFA of the Nov 30 2016 Note for $975MM.
Victor

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 10:33 AM
To: Anthony Martinello
Cc: Lisa Stein; Victor Buza; Sarah Harris
Subject: Signatures for FHP and Amending Agreement No. 10

Good morning Anthony,
Just checking-in on approximately when we can expect the documents to be executed so I may prepare my signatory.
Thanks,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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strictly prohibited. If you have received this message in error, or are not the named recipient(s), please notify the sender immediately and delete this e-mail message.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

as Borrower

and

ONTARIO FINANCING AUTHORITY

as Lender

REVOLVING CREDIT FACILITY AGREEMENT

Date: November 6, 2017

REVOLVING CREDIT FACILITY AGREEMENT

THIS AGREEMENT is made as of the 6th day of November 2017,

BETWEEN:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, a statutory corporation without share capital existing under Part II of the *Electricity Act, 1998* (the "**IESO**")
(as Borrower)

AND

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* (the "**OFA**" and together with the IESO, the "**Parties**")
(as Lender)

RECITALS:

WHEREAS the IESO has requested a revolving credit facility for up to a maximum principal amount of $2 billion from the OFA for the purpose of supporting the IESO's role in the implementation and administration of the *Ontario Fair Hydro Plan Act, 2017*.

THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the Parties agree as follows:

ARTICLE 1

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"Advances" means advances made by the OFA to the IESO under Article 3 and "Advance" means any one of such advances, and in the case of an election by the IESO under Section 3.3, includes a "Continued Advance", as defined in Section 3.3(1), as applicable.

"Advances Outstanding" means, at any time, an amount equal to the aggregate principal amount of all Advances outstanding at such time.

"Agreement", "herein", "hereby", "hereor', "hereunder" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression "Article" or "Section" followed by a number means the specified Article or Section of this Agreement.

"Borrowing Notice" has the meaning specified in Section 3.2(1).

"Business Day" means any day that is not a day on which banks are generally authorized or required by law or executive order to be closed in the City of Toronto.

"Clean Energy Adjustment" has the same meaning as that term is defined in the OFHP.

"Commitment" means, at any time, an amount equal to $2 billion.

"Consolidated Assets" means, at any time, the book value of the assets of the IESO and the Subsidiaries, determined as of such time on a consolidated basis in accordance with GAAP.

"Continued Advance" has the meaning specified in Section 3.3(1).

"Credit Facility" means the revolving credit facility to be made available to the IESO by the OFA under this Agreement for the purposes specified in Section 2.2.

"Current Repayment Date" has the meaning specified in Section 3.3(2).

"Default" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"Dollars" or **"$"** means lawful currency of Canada.

"Election Notice" has the meaning specified in Section 3.3(2).

"Event of Default" has the meaning specified in Section 5.1.

"First Advance" has the meaning specified in Section 3.2(3).

"GAAP" means accounting policies and standards as established by the Chartered Professional Accountants of Canada, at the relevant time and applied on a consistent basis.

"Grid Note" has the meaning specified in Section 3.2(2).

"Indebtedness" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) every obligation of such Person for borrowed money;

(b) every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments;

(c) every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) every capital lease obligation of such Person;

(f) the Swap Termination Value of each Swap Contract of such Person; and

(g) every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"Lien" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"Material Subsidiary" means, at any time, a Subsidiary which has consolidated assets with a book value of more than $25 million determined in accordance with GAAP.

"**New Repayment Date**" has the meaning specified in Section 3.3(2).

"**OFHP**" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

"Permitted Liens" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) any obligations or duties, affecting the property of the IESO to any municipality or governmental, statutory or public authority, with respect to any franchise, grant, license

or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by the IESO or such Material Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by the IESO or such Material Subsidiary;

(d) any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) the right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) any undetermined or inchoate Liens and charges incidental to the current operations of the IESO or a Material Subsidiary that have not at the time been filed against the IESO or such Material Subsidiary; provided, however, that if any such Lien or charge shall have been filed, the IESO or such Material Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) any Lien the validity of which is being contested at the time by the IESO or a Material Subsidiary in good faith and the enforcement of which has been stayed;

(h) any easements, rights-of-way and servitudes that in the opinion of the IESO will not in the aggregate materially and adversely impair the use or value of the land for the purpose for which it is held or occupied by the IESO or a Material Subsidiary;

(i) any Liens and privileges arising out of judgments or awards with respect to which the IESO or a Material Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall have secured a stay of execution pending such appeal or proceedings for review;

(j) any other Liens of a nature similar to the foregoing which do not in the opinion of the IESO, acting reasonably, materially impair the use of the property subject thereto or the operation of the business of the IESO or any Material Subsidiary or the value of such property for the purpose of any such business; and

(k) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other

lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

"Person" means any individual, corporation, partnership joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"Purchase Money Mortgage" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or part of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"Repayment Date" means, in respect of the repayment of Advances, the repayment date contained in the most recent Borrowing Notice or Election Notice.

"Stated Maturity" when used with respect to any Indebtedness or any installment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such installment of interest is due and payable.

"Subsidiary" means:

(a) a corporation more than 50% of the voting power or the outstanding Voting Shares of which is owned, directly or indirectly, by the IESO or by one or more other Subsidiaries or by the IESO and one or more other Subsidiaries; or

(b) any Person (other than a corporation) in which the IESO, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

"Swap Contract" means any agreement whether or not in writing, relating to any transaction or derivative transaction including a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction currency swap, cross-currency rate swap, swaption, currency option or other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.

"Swap Termination Value" means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap contracts:

(a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and

(b) for any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.

"Voting Shares" of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings.

The division of this Agreement into Articles and Sections and the insertion of headings are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and vice versa and words importing gender may include any gender. In this Agreement, (a) the words "including" and "includes" mean "including (or includes) without limitation", and (b) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" each mean "to but excluding".

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with GAAP.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the next succeeding Business Day.

ARTICLE 2
REVOLVING CREDIT FACILITY

Section 2.1 Availability.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO. The OFA shall make each Advance in Dollars.

Section 2.2 Use of Proceeds.

The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the *Electricity Act, 1998*, as such regulation may be amended or replaced from time to time, subject to the condition that proceeds of Advances may be used only for IESO's financing needs and requirements of any kind arising in connection with the IESO's role with respect to and obligations under the OFHP.

Section 2.3 Credit Facility Limit.

The Advances Outstanding shall not at any time exceed the Commitment. The Credit Facility shall revolve and no payment under the Credit Facility shall reduce the Commitment.

Section 2.4 Mandatory Repayment.

Subject to Sections 2.5 and 5.2, the IESO shall repay each Advance together with the interest accrued thereon on the applicable Repayment Date, and, in any event, shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder on September 30, 2022.

Section 2.5 Prepayments.

The IESO is not entitled to prepay any part of the Advances Outstanding or the interest accrued thereon without the prior written consent of the OFA.

Section 2.6 Payments under this Agreement.

(1) The OFA shall make Advances to the IESO under this Agreement to or to the order of the IESO by wire transfer of immediately available funds in accordance with wire transfer instructions given by the IESO to the OFA from time to time, or in such other manner as the IESO may specify to the OFA from time to time.

(2) The IESO shall make any payment required hereunder to be made by it to the OFA, to or to the order of the OFA, by wire transfer of immediately available funds in accordance with wire transfer instruction given by the OFA to the IESO from time to time, or in such other manner as the OFA may specify to the IESO from time to time. The IESO shall make each such payment in Canadian Dollars.

Section 2.7 Computations of Interest.

(1) All computations of interest shall be made by the OFA taking into account the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest is payable on the basis of a year of 365 days or 366 days, as the case may be.

(2) For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Agreement for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

Section 2.8 Limit on Rate of Interest.

(1) Notwithstanding any provision contained in this Agreement, the IESO shall not be obliged to make any payments of interest or other amounts payable to the OFA hereunder in excess of the amount or rate which would be prohibited by applicable law or would result in the receipt by the OFA of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada)).

(2) In the event that any such payments are limited or prohibited as provided in Section 2.8(1), the OFA shall have no further obligation to make any Advances available hereunder and the Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, shall become immediately due and payable.

Section 2.9 Application of Payments.

All payments made by the IESO under this Agreement shall be applied firstly to the payment of interest payable to the OFA on late payments of principal or interest hereunder, secondly, to the payment of accrued and unpaid interest payable to the OFA hereunder and thirdly, to the payment of the outstanding principal amount of any Advances payable to the OFA.

ARTICLE 3
ADVANCES

Section 3.1 Advances.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO under the Credit Facility from time to time on any Business Day prior to September 23, 2022.

Section 3.2 Procedure for Advances.

(1) Subject to Section 3.3(5), each Advance shall be made subject to two Business Days' prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each notice of an Advance (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1, other than a Borrowing Notice that is included in an Election Notice as permitted by Section 3.3(3). Each Borrowing Notice shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance; (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall not be earlier than 5 days and not later than 95 days after the date of the requested Advance. Each Borrowing Notice shall also certify the use of proceeds of the Advance which shall in any case be in accordance with Section 2.2. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, the IESO shall execute and deliver to the OFA a grid promissory note in respect of Advances substantially in the form of Schedule 3 (the "**Grid Note**"). The IESO authorizes the OFA to record on the Grid Note (a) the date and amount of each Advance or Continued Advance; (b) the applicable rate of interest for each Advance or Continued Advance; (c) the Repayment Date of each Advance or Continued Advance; (d) the date and amount of each payment of interest and each payment of principal or portion thereof in respect of each Advance or Continued Advance; and (e) Advances Outstanding. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such Advances and repayments; provided that the failure of the OFA to record any amount, rate or date shall not affect the obligation of the IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement.

(3) Respecting the first Advance to be made under this Agreement (the "**First Advance**"), a specified portion thereof (the "**Repayment Amount**") shall be used to repay a portion of the IESO's outstanding indebtedness to the OFA under the credit agreement between the Parties dated January 1, 2005, as amended (the "**Existing Credit Facility**"). The amount of the Repayment Amount shall be detailed in the Borrowing Notice issued in respect of the First Advance. Concurrently with the First Advance, OFA shall provide to IESO an updated grid in respect of the grid note issued under the Existing Credit Facility evidencing the repayment of the Repayment Amount thereunder.

Section 3.3 Elections Regarding Advances.

(1) The IESO may elect to continue all or a portion of the principal amount of any Advance and any amount of interest on such Advance (together, the "**Continued Advance**") for a further period of at least 5 days and up to a maximum of 95 days beginning on the then current Repayment Date in accordance with Section 3.3(2).

(2) Each notice to continue an Advance for a further period (an "**Election Notice**") shall be provided by the IESO to the OFA at least two Business Days prior to the Repayment Date of the Advance (the "**Current Repayment Date**"), and in each case, not later than

10:00 a.m. (Toronto time). Each such Election Notice shall be given substantially in the form of Schedule 2 and shall be irrevocable and binding upon the IESO and shall specify: (a) the Current Repayment Date; (b) the new aggregate total amount of the proposed Continued Advance; (c) the amount of interest or principal, if any, to be paid or re-paid by the IESO with respect to such Advance on the Current Repayment Date; and (d) the new Repayment Date of the proposed Continued Advance, which shall be no earlier than 5 days and not later than 95 days after the current Repayment Date (the "**New Repayment Date**"). If the IESO fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date.

(3) An Election Notice with respect to a proposed Continued Advance may include a Borrowing Notice for a further Advance proposed to be made on the Current Repayment Date. The Repayment Date of such further Advance shall be the New Repayment Date of the Continued Advance that is specified in the Election Notice. Such Borrowing Notice shall be given substantially in the form of Schedule 2.

(4) The calculation of interest on a Continued Advance shall be determined in the same manner as an Advance under Section 3.4 and shall be recorded on the Grid Note in accordance with Section 3.2(2).

(5) Any portion of an Advance not continued for a further period in accordance with Section 3.3(2) shall be repayable on the applicable Repayment Date.

(6) The Credit Facility shall at all times rank *pari passu* with all other unsubordinated and unsecured Indebtedness of the IESO, subject to the existence of any Liens that secure Indebtedness, as permitted by subections 4.6 (a) through (e) hereof.

(7) All amounts owing in respect of the Advances shall be paid without exercising any right of set off or counterclaim by the IESO.

Section 3.4 Interest on Advances.

(1) The IESO shall pay interest on the unpaid principal amount of each Advance in accordance with this Section 3.4 from and including the date of such Advance until the principal amount of such Advance is repaid in full.

(2) Interest shall accrue on the principal amount of each Advance from and including the date of the Advance to but excluding the Repayment Date of such Advance, at an annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum, before as well as after the date such principal amount or interest thereon becomes due hereunder and both before and after Default and shall be payable on the Repayment Date for such Advance. Any amount of interest arising hereunder which is not paid when due shall bear interest at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment. The amount of interest payable on an Advance will be calculated by the

OFA by dividing the interest rate applicable to the Advance by 365 or 366, as the case may be, and multiplying the result by the principal amount of the Advance and further multiplying the result by the number of days in the period from the date of the Advance to the Repayment Date of the Advance.

(3) If the IESO elects to continue an Advance in accordance with Section 3.3(2), the OFA shall determine the interest rate applicable after the original Repayment Date of the Advance and endorse the said rate on the grid forming part of the Grid Note in respect of Advances held by it.

Section 3.5 Conditions Precedent

The obligation of the OFA to make the Advances to the IESO pursuant to Section 2.1 is subject to the following conditions being satisfied to the OFA's satisfaction at the time of making each Advance:

(a) that the representations and warranties of the IESO contained in this Agreement are true and correct as at the date of making the Advance;

(b) that no Event of Default has occurred and is continuing;

(c) that there shall, in the reasonable opinion of the OFA, have been no material adverse change in the financial condition of the IESO or a Material Subsidiary; and

(d) that the OFA has received such other documentation which it has reasonably requested to ensure that the IESO is in compliance with the terms and conditions of this Agreement, including certified true copies of any necessary resolutions, a written legal opinion from counsel to the IESO confirming that the borrowing is within the legal powers of the IESO and that the Agreement is a direct, unsecured obligation of the IESO enforceable against the IESO in form satisfactory to the OFA.

ARTICLE 4
COVENANTS OF THE IESO

Section 4.1 Repayment of Advances.

The IESO will duly and punctually pay all amounts owing under this Agreement in accordance with the terms and subject to the conditions of this Agreement.

Section 4.2 IESO will Maintain its Corporate Existence.

The IESO will at all times maintain its corporate existence.

Section 4.3 Maintenance of Properties.

The IESO will cause all property owned by the IESO or any Material Subsidiary to be maintained and kept in good condition, repair and working order, all as in the judgment of the IESO or any Material Subsidiary may be necessary for the proper operation of such property, except as and to the extent that the IESO or any Material Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 4.3 shall prevent the IESO or any Material Subsidiary from discontinuing the maintenance of any such property or decommissioning any such property if such discontinuance or decommissioning is, in the judgment of the IESO or any such Material Subsidiary, desirable in the conduct of its business or the business of any such Material Subsidiary, or has been directly or indirectly requested or required by the Province of Ontario.

Section 4.4 Insurance.

The IESO will cause all property owned by the IESO or any Material Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the mature and to the extent that such property is usually insured by companies operating similar businesses.

Section 4.5 Conduct of Business.

The IESO will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in accordance with good business practice.

Section 4.6 Negative Pledge.

The IESO will not, and will not permit any Material Subsidiary to, create, incur or assume any Lien, charging the interest of the IESO or any Material Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, all amounts owing under this Agreement are secured equally and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) the creation, incurrence or assumption of any Purchase Money Mortgage;

(b) the grant of any Lien in the normal course of business to any banks or financial institutions for present or future Indebtedness of the IESO or any Material Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) any extension, renewal or replacement of any of the Liens referred to in Sections 4.6(a), (b) or (c), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased; and

(e) any Lien charging the interest of the IESO or any Material Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 4.6(a), (b) or (c), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 4.6(e) which is outstanding at such time does not exceed 10% of Consolidated Assets at such time.

Section 4.7 Payment of OFA Expenses

In addition to any liability of the IESO to the OFA under any other provision of this Agreement, the IESO will, on demand, reimburse and indemnify OFA for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OFA in connection with the Agreement (including those services incurred in the preservation of rights under or enforcement of this Agreement at any time during the continuance of a Default or Event of Default and for any reasonable loss or expense incurred by OFA as a result of any failure by the IESO to fulfill any of its obligations under this Agreement). All such costs, charges and expenses shall bear interest at the Province of Ontario's cost of funds plus 0.25 percent per annum (as determined by the OFA) calculated and payable monthly not in advance from in each case from the date on which the OFA incurs the cost, charge or expense until the date on which the IESO reimbursement the OFA therefor. The OFA agrees, acting reasonably, to invoice the IESO for any such costs, charges and expense as they are incurred, together with interest at the aforesaid rate (with interest on overdue interest).

Section 4.8 Reporting.

The IESO will promptly provide to the OFA any reports or supporting documents that the OFA may request from time to time.

Section 4.9 Late Repayment of Advance.

In the event that the IESO fails to repay the principal amount of any Advance and all interest accrued thereon when due, the IESO shall pay interest on the unpaid amount of such Advance at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment.

ARTICLE 5
EVENTS OF DEFAULT AND REMEDIES

Section 5.1 Event of Default.

Wherever used in this Agreement, the term "Event of Default" means any of the following:

(a) the IESO's failure to pay any interest upon any Advance when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) failure to pay the principal amount of any Advance on the applicable Repayment Date or the Advances Outstanding, all interest accrued thereon and all other amounts owing under this Agreement on September 30, 2022;

(c) failure on the part of the IESO to observe or perform its obligations set forth in Section 4.1;

(d) failure on the part of the IESO to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 20 days after the date on which written notice of such failure shall have been given to the IESO by the OFA;

(e) any representation or warranty made by the IESO in this Agreement or in any certificate or other document at any time delivered hereunder to the OFA was incorrect or misleading in any material respect;

(f) one or more breaches by the IESO of its covenants under one or more evidences of Indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $5 million, which breaches:

(i) constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist, or

(ii) have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived or rescinded);

(g) the IESO or any Material Subsidiary:

(i) becomes unable to meet its obligations as they generally become due or has ceased paying its current obligations in the ordinary course of business as they generally become due;

(ii) admits in writing its inability to pay its debts generally or makes a general assignment for the benefit its creditors or files a proposal or other scheme

of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) institutes or has instituted against it any proceeding seeking:

(A) to adjudicate it as bankrupt or insolvent,

(B) liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors, or

(C) the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets,

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismissed or unstayed for a period of 30 days, or any remedy sought in any such proceeding (including the entry of order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

(iv) takes any corporate action to authorize any of the actions in Sections 5.1 (g)(i) to (iii); or

(h) if there shall be rendered against the IESO or any Material Subsidiary a final judgment or judgments for the payment of money in an aggregate amount in excess of $5 million by a court or courts of competent jurisdiction, and the IESO or any Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 5.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case the OFA may at its option, in addition to any other remedy available to the OFA at law, by written notice to the IESO, take any or all of the following actions:

(a) suspend the right of the IESO to request any further Advance until the Event of Default has been cured to the OFA's satisfaction or, if the Event of Default is not

cured within three (3) Business Days after the date on which written notice of such Event of Default shall have been given to the IESO by the OFA, declare all amounts owing hereunder including all interest accrued to be due and payable immediately, by a notice in writing to the IESO, and upon any such declaration all such amounts shall become immediately due and payable.

(b) invoke the Intercept pursuant to section 5.7 of this Agreement to require payment of any amount due and payable under this Agreement.

Section 5.3 Suits for Enforcement by the OFA.

If an Event of Default occurs and is continuing, the OFA may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in the OFA by this Agreement or by law.

Section 5.4 OFA May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of the IESO under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property of the IESO, or if any other judicial proceedings relative to the IESO, its creditors or its property are pending, the OFA shall be entitled and empowered, by intention in such proceeding or otherwise:

(a) to file and prove a claim for all amounts owing under this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of the OFA (including any claim for fees and disbursements of the OFA, its agents and counsel) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claim.

Section 5.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to the OFA is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.6 Delay or Omission not Waiver.

No delay or omission of the OFA to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right or remedy given by this Article 5 or by law to OFA may be exercised from time to time, and as often as may be deemed expedient, by the OFA.

Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of even date herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the *Capital Investment Plan Act, 1993* (the "**Intercept Letter**"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("**Appropriated Funds**"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("**Intercept**").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

(e) The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or

inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail.

ARTICLE 6
REPRESENTATIONS AND WARRANTIES OF IESO

Section 6.1 Representations and Warranties of IESO

The IESO represents and warrants to the OFA that:

(a) the borrowing of money (including principal and accrued interest) by the IESO and the execution, delivery and performance of this Agreement are within the powers and capacities of the IESO and have been duly authorized by all necessary legal action and proper proceedings;

(b) the execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the compliance with the terms and conditions of this Agreement will not conflict with or result in a breach of any of the terms or provisions of the constituting documents or by-laws of the IESO, laws of Ontario, including laws of Canada applicable therein, applicable to the IESO or any contractual or other obligation binding on the IESO;

(c) this Agreement will, when executed and delivered, constitute the legal, valid and binding obligation of the IESO enforceable against it in accordance with its terms; and

(d) the monies advanced under this Agreement shall be used only by the IESO for the purposes set out in Section 2.2.

Section 6.2 Continuation of Representation and Warranties

The representations and warranties set out in Section 6.1 herein shall survive the execution and delivery of this Agreement, the making of each Advance by the OFA, notwithstanding any investigations or examinations which may be made by counsel for the OFA.

ARTICLE 7
GENERAL

Section 7.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy or other means of electronic communication addressed:

If to the IESO, to it at:

Independent Electricity System Operator
120 Adelaide Street West, Suite 1600
Toronto, ON M5H 1T1

Attention: Chief Financial Officer
Telephone: (416)969-6232
Facsimile: (905)403-6913

If to the OFA, to it at:

Ontario Financing Authority 1 Dundas Street West
Suite 1400 Toronto, Ontario M7A 1Y7

Attention: Executive Director & Chief Investment Officer – Capital Markets Division
Telephone: (416)325-8930
Facsimile: (416)860-8346

provided that any Borrowing Notice or Election Notice shall be addressed as indicated on Schedule 1 or Schedule 2 respectively.

Any communication hereunder shall be deemed to have been validly and effectively given if (a) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p.m. (Toronto time), otherwise on the next Business Day, (b) transmitted by facsimile or other means of electronic communication, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice give in accordance with this Section 7.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 7.1.

Section 7.2 Successors and Assigns.

This Agreement shall be binding on and enure to the benefit of the OFA and the IESO and their respective successors and permitted assigns, except that the IESO shall not, without the

prior written consent of the OFA assign, pledge or hypothecate any rights or obligations with respect to this Agreement.

Section 7.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of the Parties.

Section 7.4 Waiver.

(1) No waiver of any provisions of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) of this Agreement nor shall such waiver be binding unless executed in writing by the party to be bound by the waiver.

(2) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude another or further exercise of such right or the exercise of any other right.

Section 7.5 Further Assurances.

Each of the IESO and the OFA shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement

Section 7.6 Severability.

In case any provision in this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement shall not in any way be affected or impaired thereby.

Section 7.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 7.8 Entire Agreement.

This Agreement, including the schedules hereto and any other agreements expressly referred to herein, constitutes the whole agreement between the Parties with respect to the matters dealt with in it, and it supersedes any prior agreement, undertakings, discussions and the like respecting the matters dealt with in this Agreement and entered into by the Parties before the date the OFA signs this Agreement.

Section 7.9 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Agreement.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first written above.

ONTARIO FINANCING AUTHORITY

Per: _____

Name:
Title:

I have authority to bind the corporation.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: K Marshall

Name: Kimberly Marshall
Title: Vice President, Corporate Services;
Chief Financial Officer; Treasurer

I have authority to bind the corporation.

SCHEDULE 1

FORM OF BORROWING NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The principal amount of the Proposed Advance is $_____;
(c) The Repayment Date of the Proposed Advance is _____. [Not earlier than 5 days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:

Authorized Signatory

SCHEDULE 2

FORM OF ELECTION NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is _____.

(b) The aggregate amount of the proposed Continued Advance is $_____, which is comprised of:
   i. principal amount (or portion thereof) of Advance which is to be continued $_____; and
   ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date $_____;

(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): $ _____

(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _____. [Insert date not earlier than 5 days and not later than 95 days after the current Repayment Date for the Advance.]

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: $_____
The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Name:

Authorized Signatory

SCHEDULE 3 – FORM OF GRID NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $2,000,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR (the "**IESO**"), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY** ("**OFA**") at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement (as defined below).

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the Revolving Credit Facility Agreement dated **[INSERT DATE]** as amended, supplemented or restated from time to time, between the Borrower and the OFA (the "Agreement"). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:
Authorized Signatory

Revolving Credit Facility Grid Note

Ontario Financing Authority
Line of Credit Grid Note

Entity : Independent Electricity System Operator
Loan Limit:

Project:
Schedule of loan transactions to:
Loan Advanced to:

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days

From: Opal Kandelas
To: Sarah Harris
Subject: IESO
Date: Tuesday, April 03, 2018 10:29:30 AM

Hi Sarah,

I know you are working on the IESO & OPG summaries, but let me know if I have this correct or if I'm missing anything:

Amend OEFC-IESO Credit Facility – extended term and increased from $95M to $160M

Amend OEFC-IESO Loan Agreement - extended term and increased size from $90M to $120M

For the Fair Hydro Plan – (i) New OFA lending OIC (ii) OFA-IESO $2B Credit Facility (iii) Amend OFA-IESO credit facility decrease $975M-$475M

Thanks,

Opal

From: William Tan
To: Sarah Harris; Opal Kandelas
Subject: IESO/OEFC Agreements - Authorized Signatories
Date: Tuesday, April 17, 2018 12:53:57 PM

Hello,

I have reviewed the agreements and amendments for $120M – IESO OEFC Agreement Providing for Issuance of a Note & $160M – IESO OEFC Revolving Credit Facility and unable to find anything that requires OEFC to provide authorized signatories to IESO. Please let me know if you require any additional information.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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From:	Anthony Martinello
To:	William Tan
Cc:	Olga Whiteley; Lisa Stein; Victor Buza; Sarah Harris
Subject:	IESO/OFA - FH line
Date:	Wednesday, August 29, 2018 8:48:34 AM

Will

Just a courtesy email …nothing to do yet.

The IESO:OFA Fair Hydro line of credit is at about $1 billion drawn out of the $2 billion max capacity.

We are drawing on avg about $200-300million/month.

The Fair Hydro Trust has not purchased the IESO's reg asset for a few months….if this continues I will be coming back to OFA to seek to increase the line of credit.

Regards.

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From:	Ricky Lai
To:	"john.s.lee@opg.com"; "sheen.liu@opg.com"; "ken.ryfa@opg.com"
Cc:	Mike Manning; Linda Smith; Sarah Harris; Brett Kichiy; Jean-Francois Beaupre; Ryan Blackbyrne; Kevin Shvarts; James Devine; Carlos Yep
Subject:	January 22, 2018 Advance
Date:	Friday, January 19, 2018 11:51:42 AM
Attachments:	$200 m loan Jan 22, 2018 signed.pdf 30-yr loan cal Jan 22 2018.pdf Bloomberg.pdf

---

Please find attached the details and pricing of the Advance dated January 22, 2018.

Thanks.

Ricky

From: Ricky Lai

Sent: Tuesday, January 16, 2018 10:39 AM

To: 'john.s.lee@opg.com' ; 'sheen.liu@opg.com' ; 'ken.ryfa@opg.com'

Cc: Mike Manning ; Linda Smith ; Sarah Harris ; Brett Kichiy ; Jean-Francois Beaupre ; 'Kelly.Listoe@ofina.on.ca' ; Ryan Blackbyrne ; Kevin Shvarts ; James Devine ; Carlos Yep

Subject: Credit Spread for January 22, 2018 30-Year Loan

Hello,

The credit spread for the January 22, 2018 30-year loan is **147.50** bps.

I will be sending the pricing and full details on January 19, 2018.

Thank you.

Ricky Lai

Ontario Electricity Financial Corporation
1 Dundas Street West
Suite 1400
Toronto ON M7A 1Y7

Société financière de l'industrie de l'électricité de l'Ontario
1 rue Dundas ouest
Bureau 1400
Toronto ON M7A 1Y7

(416) 325-8000

Phone: (416) 325-8000

January 19, 2018

Ontario Power Generation Inc.
700 University Avenue
Toronto, Ontario
M5G 1X8

Attention: John Lee
Vice-President Treasurer

Dear John:

Re: Advance of $200,000,000.00 dated January 22, 2018 maturing January 22, 2048 (the "Advance") pursuant to the General Corporate Requirements Credit Facility Agreement dated June 17, 2016 between Ontario Power Generation Inc. ("OPG") and Ontario Electricity Financial Corporation ("OEFC") (the "Agreement"), to provide financing for Other General Corporate Requirements.

Further to the Form of Borrowing Notice received by OEFC on January 8, 2018 from OPG requesting the Advance of $200,000,000.00 on January 22, 2018 (the "Advance Date"), and pursuant to Section 3.2 of the above referenced Agreement, please be advised that the applicable interest rate on the Advance will be 3.874% being the aggregate of the applicable Base Rate of 2.3992%, and the Applicable Spread of 147.50 basis points.

Regards,

James Devine
Director, Funding, Capital Markets
Capital Markets Division
Ontario Financing Authority

OPG LOAN - 30-Year

STEP 1: Loan Details

OPG Debt Issue Details	
Pricing Date	19-Jan-18
Maturity	22-Jan-48
Original Issue Date	22-Jan-18
Term (yrs)	30
Original Issue Size	$200,000,000

STEP 2: HEDGE RATE FOR GOV'T OF CANADA BOND

Canada Benchmark Bond
Hedge Information

		Coupon:	2.75%
		Maturity:	12/1/2048

Date Hedged	Amount	Yield	Price
18-Jan-18	25,000,000	2.3466	108.82
18-Jan-18	25,000,000	2.3453	108.85
19-Jan-18	5,000,000	2.3518	108.70
19-Jan-18	10,000,000	2.3692	108.30
19-Jan-18	20,000,000	2.3757	108.15
19-Jan-18	92,400,000	2.3714	108.25
Total Hedged:	177,400,000		
Percentage of Issue Hedged:	***100.0%***		
	Weighted Average	2.3640	108.42

STEP 3: DETERMINE ROLL

Canada Bonds Used to Determine Roll
Source: Bloomberg RBCB — ***** Bid side of market**

Coupon	Maturity	Yield	Price
5.00%	6/1/2037	2.349	141.044
4.00%	6/1/2041	2.386	128.777
3.50%	12/1/2045	2.388	122.536
2.75%	12/1/2048	2.374	108.200

Roll

Roll
-0.014

STEP 4: DETERMINE CANADA CURVE ADJUSTMENT

Hedged Bond and Canada Bond adjusted for Roll Used to Interpolate

Settlement:	19-Jan-18		
Coupon	Maturity	Adjusted Yield	
5.00%	6/1/2037	2.3490	
4.00%	6/1/2041	2.3860	
3.50%	12/1/2045	2.3780	Adjusted for Roll
2.75%	12/1/2048	2.3640	Hedged Bond

Canada Curve Adjustment to Bond Maturity Date

Interp To	Interpolated CAD Yld	Curve Adj off first bond
22-Jan-2048	2.3680	-0.0100

STEP 5: DETERMINE BASE RATE

Canada Bond Yield	2.3780
Curve Adjustment	-0.0100
Adjusted Cda Bond Yield	2.3680
Commission	0.0312
Base Rate	2.3992
OPG Credit Spread	1.4750
OPG Interest Rate on Debt	3.8740

Commission Calculation		
Price Method:		
Commission	0.550 cents	***based on Ontario's commissions
Hyp Coupon Rate	3.843	***coupon rate based on GOC + OPG credit spread
Price after commissions	99.450	
Yield	3.874%	
Commission in bps	0.031	
Modified Duration Method:		
	17.715	
Commission in bps	0.031	

<Menu> to Return

97) Settings 98) Output 99) Show in Launch Page 1/15 Royal Bank of Canada

Government & Provincial Bonds

RBC Capital Markets® RBC Dominion Securities Rates 66) MSG Contributor 10:00:22

Zoom 100%

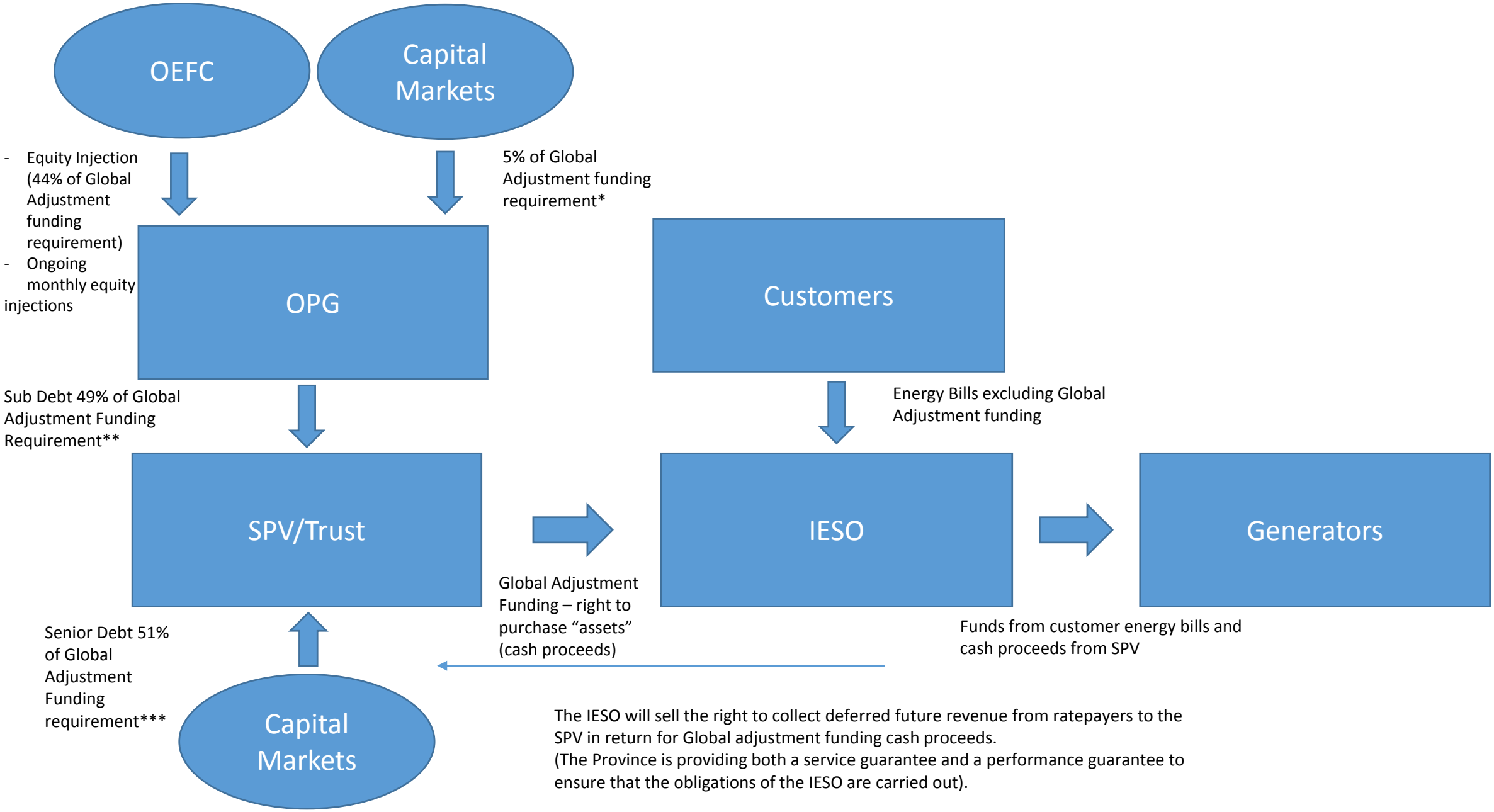
Royal Bank of Canada -> RBC North America (RBCZ/RBCY) -> CAD Government Pricing -> Government & Provincial Bonds

			Yield		Bid Px		
Description	Bid	Ask	Bid	Ask	Change	Duration	Time
1) CAN 1 ¼ 02/01/20	98.895	98.905	1.808	1.803	0.005	1.982	09:49
2) CAN 0 ¾ 09/01/20	97.177	97.207	1.866	1.854	0.007	2.550	09:49
3) CAN 0 ¾ 03/01/21	96.483	96.513	1.923	1.913	0.009	3.033	09:54
4) CAN 0 ¾ 09/01/21	95.858	95.898	1.946	1.934	0.001	3.515	09:54
5) CAN 0 ½ 03/01/22	94.177	94.217	1.985	1.974	0.001	4.016	09:58
6) CAN 2 ¾ 06/01/22	103.162	103.202	1.988	1.979	-0.005	4.082	09:54
7) CAN 1 09/01/22	95.500	95.540	2.029	2.020		4.443	09:54
8) CAN 1 ½ 06/01/23	97.114	97.164	2.072	2.062	-0.012	5.098	09:59
9) CAN 2 ½ 06/01/24	102.211	102.261	2.126	2.118	-0.016	5.838	10:00
10) CAN 2 ¼ 06/01/25	100.444	100.494	2.184	2.177	-0.093	6.726	10:00
11) CAN 1 ½ 06/01/26	94.528	94.578	2.221	2.214	-0.114	7.762	09:59
12) CAN 1 06/01/27	89.610	89.660	2.237	2.231	-0.105	8.812	09:58
13) CAN 2 06/01/28	97.601	97.651	2.261	2.256	-0.123	9.257	09:58
14) CAN 5 ¾ 06/01/29	134.667	134.767	2.269	2.261	-0.170	8.790	09:59
15) CAN 5 ¾ 06/01/33	144.291	144.421	2.308	2.300	-0.326	11.124	09:58
16) CAN 5 06/01/37	141.044	141.194	2.349	2.341	-0.404	13.554	09:58
17) CAN 4 06/01/41	128.777	128.897	2.386	2.380	-0.458	16.168	09:58
18) CAN 3 ½ 12/01/45	122.536	122.656	2.388	2.382	-0.504	18.757	09:59
19) CAN 2 ¾ 12/01/48	108.200	108.320	2.374	2.368	-0.500	21.095	09:58
20) CAN 2 12/01/51	91.210	91.410	2.380	2.370	-0.476	23.920	09:58

Australia 61 2 9777 8600 Brazil 5511 2395 9000 Europe 44 20 7330 7500 Germany 49 69 9204 1210 Hong Kong 852 2977 6000
Japan 81 3 3201 8900 Singapore 65 6212 1000 U.S. 1 212 318 2000 Copyright 2018 Bloomberg Finance L.P.
SN 745478 H017-5619-1 19-Jan-18 10:00:22 EST GMT-5:00

From: Ryan Blackbyrne
To: Sarah Harris
Subject: John Kim"s note
Date: Thursday, November 16, 2017 10:26:53 AM
Attachments: GA funding.pptx

Hi Sarah,
I understand JF is drafting a response to John Kim's note that he was going to pass on to you. In the meantime I was looking over Kelly's presentation again regarding the FHP. In order to fund the SPV/Trust it looks like 51% of funds are coming from Tranche A senior debt and 49% are to come from Tranche B sub debt from OPG – "via OEFC". The PowerPoint is not incredibly detailed and I was trying to see if there was any more information in the emails I received from Kelly –but had no luck. Would John Kim be able to provide us with additional information about how this works?
I know the $120M and $160M OEFC-IESO facilities have no relation to funding this "Tranche B Sub-debt" but I was just wondering if OPG Trusts concerns with respect to having "security/priority on IESO's assets to the OPG Trust for the period of the first four years of the GA deferral" have more to do with this then they do with the OEFC-IESO credit agreements we are looking at now? I passed my comments regarding this along to JF and I understand that you are having a call later. Please let me know if there is anything you would like me to research further. But I agree with JF's view that we need more information before making IESO's suggested amendments.
Thank You,
Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M7A 1Y7
416-325-8143
ryan.blackbyrne@ofina.on.ca



The IESO will sell the right to collect deferred future revenue from ratepayers to the SPV in return for Global adjustment funding cash proceeds.
(The Province is providing both a service guarantee and a performance guarantee to ensure that the obligations of the IESO are carried out).

Notes:

* Tranche C sub debt from OPG via Capital Markets 5%

** Tranche B sub debt from OPG via OEFC 39% + Tranche C sub debt from OPG via OEFC 5%

*** Tranche A senior debt from Capital Markets 51%

The SPV structure is used to accomplish the following:

- SPV holds the right to charge customers for the benefit of debt holders;
- Allows the financing vehicle to be separated from OPG as an SPV structure is set up as generally single purpose entities with no other operations that could add risk to the SPV, dilute debt holder rights, allow parties from other operations to claim rights to the future recovery from customers or allow these other parties to initiate bankruptcy proceedings;
- Enables SPV to potentially get a higher credit rating than OPG;
- Supports consolidation with OPG provided accounting requirements arc satisfied;

This approach supports a number of objectives of the Global Adjustment Recovery Right:

- 51% external senior debt supports separation of the SPV from the Province
- 5% junior subordinated debt establishes OPG's "at risk" equity which supports separation of the SPV from the Province
- Subordinated debt provides flexibility to the financing structure and additional credit support to external debt holders
- Subordinated debt sourced from OPG (mainly funded by equity injection from the Province) minimizes impact on OPG credit metrics reducing risk of an OPG rating downgrade that could result in the SPV being consolidated directly with the Province as the SPY would be considered an arm of the Province.

Potential Documents For Documentation Review (where OEFC or OFA or Province are a party):

OEFC – OPG equity master subscription agreement term sheet (June)

Provincial service and performance guarantees re IESO

IESO needs a backstop credit facility in the event the SPV does not, or cannot, purchase “assets” from IESO (right to collect electricity bill payments).

Other documents look to me to be “indirect”, but we may be asked to comment on sub debt docs and the like (but the parties are the SPV and the bond market).

From: Ryan Blackbyrne
To: Sarah Harris
Subject: John Kim"s note
Date: Thursday, November 16, 2017 10:26:53 AM
Attachments: GA funding.pptx

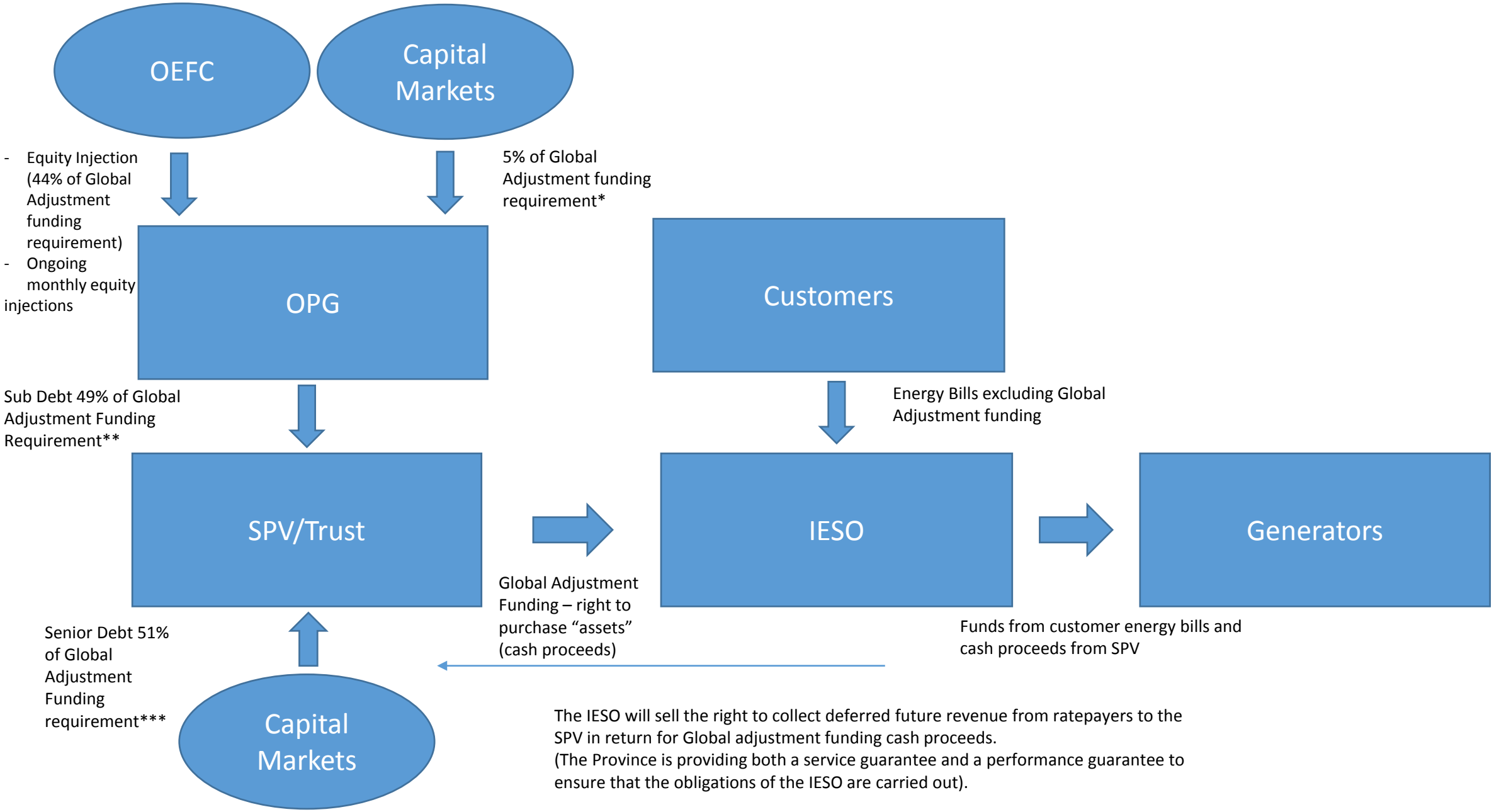
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The SPV structure is used to accomplish the following:

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IESO needs a backstop credit facility in the event the SPV does not, or cannot, purchase “assets” from IESO (right to collect electricity bill payments).

Other documents look to me to be “indirect”, but we may be asked to comment on sub debt docs and the like (but the parties are the SPV and the bond market).

From: Sarah Harris
To: Andrea Dalgarno
Date: Thursday, March 08, 2018 9:25:02 AM
Attachments: RE Prom Notes .msg
Prom Notes .msg

From: Sarah Harris []
To: Sarah Neville [Sarah.Neville@ofina.on.ca]; Malle Hanslep (MOF) [Malle.Hanslep@ontario.ca]
Subject: RE: Prom Notes
Date: Monday, June 12, 2017 13:06:56

Thank you, Sarah.

From: Sarah Neville
Sent: Monday, June 12, 2017 1:01 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>; Malle Hanslep (MOF) <Malle.Hanslep@ontario.ca>
Subject: RE: Prom Notes

Hi Sarah – I will ask for our file list/original documents list to be searched.

Sarah

From: Sarah Harris
Sent: Monday, June 12, 2017 12:26 PM
To: Malle Hanslep (MOF) <Malle.Hanslep@ontario.ca>; Sarah Neville <Sarah.Neville@ofina.on.ca>
Subject: Prom Notes

Hi Sarah and Malle,

As we have been working on the documents and OIC for the new OFA-IESO FHP credit facility, I was looking at the existing OFA OIC 675/97 (see page 10 of the attached .pdf) which underpins the existing 975M OFA-IESO credit facility as well as various other OFA loans. While there are no active IESO advances under this loan, there are other active OFA loans to third parties under this OIC.

Accompanying the 675/97 (on p. 14 of the attached .pdf) is a form of prom note issued

by the OFA to the Minister of Finance on any loans the OFA borrows from the Minister in relation to that OIC. I am trying to locate the executed prom note for this OIC675/97. We have looked in the Documentation safe and it is not in there.

Would you have any record of this prom note having been executed?

Thanks,

Sarah

From: Sarah Harris []
To: Malle Hanslep (MOF) [Malle.Hanslep@ontario.ca]; Sarah Neville [Sarah.Neville@ofina.on.ca]
Subject: Prom Notes
Date: Monday, June 12, 2017 12:26:17
Attachment 1: 767 - 99 and 675 -97.pdf

Hi Sarah and Malle,

As we have been working on the documents and OIC for the new OFA-IESO FHP credit facility, I was looking at the existing OFA OIC 675/97 (see page 10 of the attached .pdf) which underpins the existing 975M OFA-IESO credit facility as well as various other OFA loans. While there are no active IESO advances under this loan, there are other active OFA loans to third parties under this OIC.

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Would you have any record of this prom note having been executed?

Thanks,

Sarah

Ontario
Executive Council
Conseil des ministres

Order in Council
Décret

Corp. Finance
Borrowing Bylaw
for the OFA

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and concurrence of the Executive Council, orders that:

Sur la recommandation du soussigné, le lieutenant-gouverneur, sur l'avis et avec le consentement du Conseil des ministres, décrète ce qui suit :

WHEREAS pursuant to subsection 22(1) of the *Capital Investment Plan Act, 1993* (the "Act"), the Minister of Finance may purchase securities of or make loans to corporations established under subsection 2(1) of the Act in such amounts, at such times and on such terms and conditions as the Lieutenant Governor in Council considers expedient;

AND WHEREAS the Ontario Financing Authority (the "OFA") is a corporation established under subsection 2(1) of the Act;

AND WHEREAS pursuant to subsection 6(3) of the Act, the power of a corporation to borrow and issue securities, among other things, may only be exercised under the authority of a by-law that has been approved by the Minister of Finance;

AND WHEREAS the OFA wishes to borrow Six Hundred and Fifty-six Million Dollars from the Minister of Finance and has been authorized to do so by a borrowing by-law in accordance with the Act and approved by the Minister of Finance;

THEREFORE:

Pursuant to subsection 22 (1) of the Act, the Minister of Finance is authorized to lend a maximum of Six Hundred and Fifty-six Million Dollars in lawful money of Canada to the OFA on the following terms and conditions:

(a) the loan may be advanced in such amounts and at such time or times as required by the OFA;

(b) repayment of advances made under the loan plus accrued interest may be made in whole or in part at any time provided that the loan plus accrued interest shall be fully repaid by August 31, 2029;

(c) the OFA shall be entitled to use the loan as a revolving credit facility allowing for successive advances of moneys repaid under the loan, provided that the maximum principal amount of the loan outstanding at any time shall not exceed Six Hundred and Fifty-six Million Dollars;

(d) each advance (an "Advance") made under the loan hereby authorized shall bear interest at a rate which is determined as follows:

(i) from the date of advance to (but excluding) the date of repayment, the Advance shall bear interest at a per annum rate equivalent to the interest rate paid on ninety day Province of Ontario treasury bills (determined as at the auction date immediately preceding the date of the Advance), provided that if an Advance is outstanding for longer than ninety days, the interest rate shall be reset on the last day of each ninety day period (the "Reset Date") to the interest rate paid on ninety day Province of Ontario treasury bills as at the auction date immediately preceding the Reset Date for such ninety day period;

(ii) in the event that moneys included in an Advance are subsequently loaned by the OFA to third parties for the purposes contemplated in the Act, (a "Third Party Loan") the rate of interest payable by the OFA to the Province on the portion of the Advance so loaned may be adjusted at the option of the OFA effective as of the date of the Third Party Loan so that the per annum rate of interest payable by the OFA on such moneys is equivalent to either:

(A) the per annum rate of interest payable to the OFA under the Third Party Loan, or

(B) the per annum rate of interest payable to the OFA under the Third Party Loan less 25 basis points,

until but excluding the date on which the Third Party Loan is repaid, at which time the interest rate set out in subparagraph (i) shall again be applicable to that portion of the Advance; and

(iii) in the event that moneys described in subparagraph (ii), once repaid, are subsequently loaned to third parties again, subparagraph (ii) shall again be applicable in determining the interest rate payable to the Province on that portion of the Advance included in any subsequent loan, and so on, until the Advance shall be repaid to the Province in full;

(e) interest for any period of less than one year shall be payable for the actual number of days included in such period, computed on the basis of a 365-day year;

(f) the loan hereby authorized shall be evidenced by a promissory note in a form acceptable to the Minister of Finance.

Recommended

Minister of Finance

Concurred

Chair of Cabinet

Approved and Ordered

APR 2 1 1999

Date

Lieutenant Governor

Ministry of Finance

Office of the Minister

Frost Building South
7 Queen' s Park Cres.
Toronto ON M7A 1Y7
Tel: (416) 325-0400
Fax: (416) 325-0374

Ministère des Finances

Bureau du ministre

Edifice Frost sud
7 Queen' s Park Cres.
Toronto ON M7A 1Y7
Tél: (416) 325-0400
Téléc: (416) 325-0374

Ontario

February 22, 1999

MEMORANDUM TO: The Honourable Ernie Eves
Minister of Finance

SUBJECT: **Ontario Financing Authority 1999-2000 Borrowing OIC**

Attached for your approval and signature is an Order in Council (OIC) authorizing the Province to lend up to $656 Million to the Ontario Financing Authority ("OFA").

The amount authorized to be borrowed by the OFA from the Province will provide financing to Ontario Housing Corporation, Ontario Northland Transportation Commission and other public bodies. The borrowed funds can only be on-lent to these public bodies by the OFA for projects that have received approval from Management Board of Cabinet or the Minister of Finance or for specific lines of credit for cash management purposes.

The attached material contains supporting briefing notes and schedules. Staff are available to brief you should you have any questions regarding the OIC.

If you approve this request, will you please sign the proposed OIC so that it may be place on the agenda for the Cabinet meeting scheduled for March 10, 1999.

Bryne Purchase
Deputy Minister

ONTARIO FINANCING AUTHORITY

Issue:

An Order in Council (OIC) authorizing the Ontario Financing Authority (OFA) to borrow up to $656 million from the Province.

Comments:

- The OIC for $656 million will fund the OFA's lending requirements for the 1999/2000 fiscal year.

- The $656 million will be loaned to meet Government committments to Ontario Housing Corporation, Ontario Northland Transportation Commission and other public bodies as per attached schedule showing the projected use of funds for these organizations as well as the previous fiscal year advances.

- The OFA lends funds to public bodies, as an intermediary of the Province subject to the conditions and restrictions of the OFA Lending Policy.

- The OFA Lending Policy requires that the OFA Board approve an annual borrowing plan for the OFA that identifies;

  (i) the OFA's borrowing requirements for the year from the Province and any other sources; and

  (ii) the projects or purposes for which the borrowed funds will be used, including loans to public bodies for specific projects and contingencies.

- All necessary OFA Board and Management Board approvals must be in place before the OFA will execute this borrowing authority and on-lend funds to any government agency.

- Interest will be paid by the OFA to the Province under one of the following rates:

  - the Provincial 90-day Treasury Bill rate,
  - the rates charged by OFA on the corresponding loans by the OFA to government agencies, or
  - less 25 basis points on the said loans.

  This flexibility will allow the OFA to match the terms of the loan from the Province to the terms of the loans made by the OFA to government agencies.

RECOMMENDATION:

- Approval of the OIC authorizing a loan up to $656 million to the OFA.

Tony Salerno
Gadi Mayman
Linda Smith (5-8142)/Irene Stich (5-8053)
Capital Markets Division
February 18,1999

Irene

1999-00 REVIEW OF OFA LENDING POLICY: FOR OFA LENDING UNDERTAKEN as an INTERMEDIARY of the PROVINCE

Issue

- Review of the OFA Lending Policy for lending activities undertaken where the OFA is acting as an intermediary of the Province.

Recommendation

- It is recommended that the OFA Board make no changes to the current OFA Lending Policy for the year 1999-00. No amendments are required to the Lending Policy since it still accurately reflects the lending activities of the OFA, and no change is anticipated in those lending activities.

Background

- Under the current Lending Policy, the OFA:

  (i) does not lend to public bodies, other than as an intermediary of the Province, without the prior approval of the OFA Board;

  (ii) advances loans to Crown Agencies and Other Public Bodies where the Province supports the provision of Provincial financing and it is advantageous to the Province for the OFA to provide the loan; and

  (iii) does not receive a fee from the Province or earn a profit for lending activities where it is acting as an intermediary on behalf of the Province.

- The Lending Policy requires that an annual borrowing plan for the OFA be provided to the OFA Board for approval along with a report outlining the status of all loans outstanding.

- Where Cabinet, Management Board of Cabinet or the Minister of Finance requests the OFA to advance a loan to a public body or authorizes the public body to borrow from the OFA, no further OFA Board approval is required.

- Where the Province has approved Provincial financing to a public body without specifying the role of the OFA, the OFA will advance the loan if:

  – the CEO of the OFA and the Director of Corporate Finance or a committee of the OFA Board or the Board has authorized the OFA to advance the loan; and

- there is sufficient allocation for the loan in the annual borrowing plan.

- The OFA will adhere to the lending terms and conditions outlined in the Lending Policy unless otherwise requested by Cabinet, Management Board of Cabinet or the Minister of Finance.

Bill Ralph (5-8057)/John McKendrick (5-9815)/Sophie Léger (5-9817)
Ontario Financing Authority
February 15, 1999

Total OFA Loans Outstanding

Borrower & Project	As of December 31, 1998 ($ million)		
	Principal Advanced	Accrued Interest	Total Outstanding
City of Toronto [1] Restructuring	100.0	0.0	100.0
City of Windsor Joint Justice Facility	16.8	0.7	17.5
Metropolitan Toronto Convention Centre [2] Convention Centre Expansion	137.4	16.0	153.4
Ontario Northland Transportation Commission Rails Cars and Spur Line	13.6	0.0	13.6
Ontario Science Centre OMNIMAX Theatre	1.6	0.0	1.6
Ontario Transportation Capital Corporation [3] Highway 407	1,400.3	106.7	1,507.0
Ontario Housing Corporation Prepayment of CMHC Debentures	0.0	0.0	0.0
Contingency Amount [4] As Required and Approved	0.0	0.0	0.0
Total	**1,669.7**	**123.4**	**1,793.1**

1. City of Toronto loan expected to be assigned to MMAH in March 1999; second $100 M will be provided by MMAH.
2. Refinancing of a portion of the MTCC loan is expected in April 1999.
3. Sales proceeds for the Highway 407 are expected in May 1999.
4. Use of Contingency amount is subject to the approvals required in the OFA lending policy.

Ontario Financing Authority, Corporate Finance Division
February 10, 1999
H:\ofa\1999-00 by-law\borrowing&onlending plan 99-00 2.wpd

OFA loan

Ontario

Executive Council
Conseil exécutif

O.C./Décret 675/97

I hereby certify that the attached is a true copy of an Order made on April 2nd, 1997, by Her Honour the Honourable Hilary M. Weston, Lieutenant Governor of the Province of Ontario in Council.

Deputy Clerk, Executive Council of Ontario

Dated at Toronto,
April 3rd, 1997

Ontario
Executive Council
Conseil des ministres

Order in Council
Décret

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and concurrence of the Executive Council, orders that:

Sur la recommandation du soussigné, le lieutenant-gouverneur, sur l'avis et avec le consentement du Conseil des ministres, décrète ce qui suit :

WHEREAS pursuant to subsection 22(1) of the *Capital Investment Plan Act, 1993* (the "Act"), the Minister of Finance may purchase securities of or make loans to corporations established under subsection 2(1) of the Act in such amounts, at such times and on such terms and conditions as the Lieutenant Governor in Council considers expedient;

AND WHEREAS the Ontario Financing Authority (the "OFA") is a corporation established under subsection 2(1) of the Act;

AND WHEREAS pursuant to subsection 6(3) of the Act, the power of a corporation to borrow and issue securities, among other things, may only be exercised under the authority of a by-law that has been approved by the Minister of Finance;

AND WHEREAS the OFA wishes to borrow Two Billion One Hundred and Sixty Million Dollars from the Minister of Finance and has been authorized to do so by a borrowing by-law approved in accordance with the Act;

THEREFORE:

Pursuant to subsection 22 (1) of the Act, the Minister of Finance is authorized to lend a maximum of Two Billion One Hundred and Sixty Million Dollars in lawful money of Canada to the OFA on the following terms and conditions:

(a) the loan may be advanced in such amounts and at such time or times as required by the OFA;

(b) repayment of advances made under the loan plus accrued interest may be made in whole or in part at any time provided that the loan plus accrued interest shall be fully repaid by August 31, 2027;

(c) the OFA shall be entitled to use the loan as a revolving credit facility allowing for successive advances of moneys repaid under the loan; provided that the maximum principal amount of the loan outstanding at any time shall not exceed Two Billion One Hundred and Sixty Million Dollars;

(d) each advance (an "Advance") made under the loan hereby authorized shall bear interest at a rate which is determined as follows:

(i) from the date of advance to (but excluding) the date of repayment the Advance shall bear interest at a per annum rate equivalent to the yield earned on ninety day Province of Ontario treasury bills (determined as at the auction date immediately preceding the date of the Advance), provided that if an Advance is outstanding for longer than ninety days, the interest rate shall be reset on the last day of each ninety day period (the "Reset Date") to the yield earned on ninety day Province of Ontario treasury bills as at the auction date immediately preceding the Reset Date for such ninety day period;

(ii) in the event that moneys included in an Advance are subsequently loaned by the OFA to third parties for the purposes contemplated in the Act, (a "Third Party Loan") the rate of interest payable by the OFA to the Province on the portion of the Advance so loaned may be adjusted at the option of the OFA effective as of the date of the Third Party Loan so that the per annum rate of interest payable by the OFA on such moneys is equivalent to either:

(A) the per annum rate of interest payable to the OFA under the Third Party Loan, or

(B) the per annum rate of interest payable to the OFA under the Third Party Loan less 25 basis points,

until but excluding the date on which the Third Party Loan is repaid, at which time the interest rate set out in subparagraph (i) shall again be applicable to that portion of the Advance; and

(iii) in the event that moneys described in subparagraph (ii), once repaid, are subsequently loaned to third parties again, subparagraph (ii) shall again be applicable in determining the interest rate payable to the Province on that portion of the Advance included in any subsequent loan, and so on, until the Advance shall be repaid to the Province in full;

(e) interest for any period of less than one year shall be payable for the actual number of days included in such period, computed on the basis of a 365-day year;

(f) the loan hereby authorized shall be evidenced by a promissory note in a form acceptable to the Minister of Finance.

Recommended
Minister of Finance

Concurred
Chair of Cabinet

Approved and Ordered
APR - 2 1997
Date

Lieutenant Governor

Promissory Note

For value received, the Ontario Financing Authority (the "Borrower") promises to pay to Her Majesty the Queen in right of Ontario as represented by the Minister of Finance, Province of Ontario (the "Lender") at the City of Toronto in lawful money of Canada, the lesser of;

(i) Two Billion One Hundred and Sixty Million Dollars; and
(ii) the aggregate unpaid principal balance of all advances made by the Lender as recorded on the reverse of this note or on any attachment described below;

at such time and on such other terms and conditions including the payment of interest as follows;

(a) the Borrower shall be entitled to advances of the loan (an "Advance") in such amounts and at such times as it requires;

(b) the Borrower shall be entitled to repay Advances plus accrued interest either in whole or in part and at such time or times as it determines provided that all Advances plus accrued interest shall be fully repaid by August 31, 2027;

(c) the Borrower shall be entitled to use the loan as a revolving credit facility allowing for successive advances of moneys repaid under the loan; provided that the maximum principal amount of the loan outstanding at any time shall not exceed Two Billion One Hundred and Fifty-Five Million Dollars;

(d) the Borrower shall pay to the Lender interest on each Advance at a rate which is determined as follows:

(i) from the date of advance to (but excluding) the date of repayment the Borrower shall pay to the Lender interest on the Advance at a per annum rate equivalent to the yield earned on ninety day Province of Ontario treasury bills (determined as at the auction date immediately preceding the date of the Advance), provided that if an Advance is outstanding for longer than ninety days, the interest rate shall be reset on the last day of each ninety day period (the "Reset Date") to the yield earned on ninety day Province of Ontario treasury bills as at the auction date immediately preceding the Reset Date for such ninety day period;

(ii) in the event that moneys included in an Advance are subsequently loaned by the Borrower to third parties for the purposes contemplated in the Act, (a "Third Party Loan") the rate of interest payable by the Borrower to the Lender on the portion of the Advance so loaned may be adjusted at the option of the Borrower effective as of the date of the Third Party Loan so that the per annum rate of interest payable by the Borrower on such moneys is equivalent to either

(A) the per annum rate of interest payable to the Borrower under the Third Party Loan, or

(B) the per annum rate of interest payable to the Borrower under the Third Party Loan less 25 basis points,

rather than the rate specified in subparagraph (i), until but excluding the date on which the Third Party Loan is repaid, at which time the interest rate set out in subparagraph (i) shall again be applicable to that portion of the Advance;

(iii) in the event that moneys described in subparagraph (ii), once repaid, are subsequently loaned to third parties again, subparagraph (ii) shall again be applicable in determining the interest rate payable to the Lender on that portion of the Advance included in any subsequent loan, and so on, until the Advance shall be repaid to the Province in full; and

(e) interest for any period of less than one year shall be payable for the actual number of days included in such period, computed on the basis of a 365-day year.

The undersigned authorizes the Lender to record on the reverse of this note or on any attachment to this note all advances, repayments and prepayments of principal and interest and the unpaid balance of principal from time to time. The undersigned agrees that in the absence of manifest error the record kept by the Lender on this note or any attachment shall be conclusive evidence of the matters recorded, provided that the failure of the Lender to record or correctly record any amount or date shall not affect the obligation of the undersigned to pay the outstanding principal amount of the Advances and interest.

Dated this day of , 1997.

Ontario Financing Authority

per:_____
Executive Director

ADVANCES OF PRINCIPAL

TKT #	DOC #	TRADE DATE	INT RESET DATE	# DAYS	INT. REF: T-Bill or OFA Loan or OFA Loan less 25 bps	INT RATE	ADVANCE	ACCRUED INT.	TOTAL ADVANCES

Date: Thursday, December 07, 2017 3:30:18 PM

Hi Opal,

Regarding the OEFC business plan, on Page 3 - Item 4. *Provide financial assistance, as required, to the Ontario Hydro successor corporations*, the first bullet is no longer accurate. The bullet covers results for 2016-2017, and while the OPG credit facility initially was 700M to Dec 2017, the was amended in September 2017:

> ***AND WHEREAS*** *OPG and OEFC have now agreed to increase the total commitment amount under the Agreement to an amount of up to Two Billion Three Hundred Fifty Million Dollars, with no more than One Billion Five Hundred Million Dollars to be advanced prior to January 1, 2018;*

I suggest we include something to this effect:

- Continued to monitor and implement financial assistance from OEFC to Ontario Power Generation (OPG), including a new credit facility of $700 million put in place for 2017 for the purpose of financing general corporate purposes, including the Darlington refurbishment project. The credit facility agreement was subsequently amended to increase the limit to $1.5 billion up to December 31, 2017 and $2.35 billion thereafter until December 31, 2018.

Additionally, we should update IESO's loan and Credit facility limits on the table on p. 29

- Monitoring a $120 million loan refinancing and a $160 million credit facility extension to the IESO, both expiring June 30, 2020, to provide the IESO with flexibility to meet financing and liquidity requirements.

Let me know if you have any comments, and I will update the draft.

Sarah

From: Sarah Harris
To: Andrea Dalgarno
Date: Thursday, March 08, 2018 9:25:02 AM
Attachments: RE Prom Notes .msg
Prom Notes .msg

From: Sarah Harris []
To: Sarah Neville [Sarah.Neville@ofina.on.ca]; Malle Hanslep (MOF) [Malle.Hanslep@ontario.ca]
Subject: RE: Prom Notes
Date: Monday, June 12, 2017 13:06:56

Thank you, Sarah.

From: Sarah Neville
Sent: Monday, June 12, 2017 1:01 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>; Malle Hanslep (MOF) <Malle.Hanslep@ontario.ca>
Subject: RE: Prom Notes

Hi Sarah – I will ask for our file list/original documents list to be searched.

Sarah

From: Sarah Harris
Sent: Monday, June 12, 2017 12:26 PM
To: Malle Hanslep (MOF) <Malle.Hanslep@ontario.ca>; Sarah Neville <Sarah.Neville@ofina.on.ca>
Subject: Prom Notes

Hi Sarah and Malle,

As we have been working on the documents and OIC for the new OFA-IESO FHP credit facility, I was looking at the existing OFA OIC 675/97 (see page 10 of the attached .pdf) which underpins the existing 975M OFA-IESO credit facility as well as various other OFA loans. While there are no active IESO advances under this loan, there are other active OFA loans to third parties under this OIC.

Accompanying the 675/97 (on p. 14 of the attached .pdf) is a form of prom note issued by the OFA to the Minister of Finance on any loans the OFA borrows from the Minister in relation to that OIC. I am trying to locate the executed prom note for this OIC675/97. We have looked in the Documentation safe and it is not in there.

Would you have any record of this prom note having been executed?

Thanks,
Sarah

From: Sarah Harris []
To: Malle Hanslep (MOF) [Malle.Hanslep@ontario.ca]; Sarah Neville [Sarah.Neville@ofina.on.ca]
Subject: Prom Notes
Date: Monday, June 12, 2017 12:26:17
Attachment 1: 767 - 99 and 675 -97.pdf

Hi Sarah and Malle,

As we have been working on the documents and OIC for the new OFA-IESO FHP credit facility, I was looking at the existing OFA OIC 675/97 (see page 10 of the attached .pdf) which underpins the existing 975M OFA-IESO credit facility as well as various other OFA loans. While there are no active IESO advances under this loan, there are other active OFA loans to third parties under this OIC.

Accompanying the 675/97 (on p. 14 of the attached .pdf) is a form of prom note issued by the OFA to the Minister of Finance on any loans the OFA borrows from the Minister in relation to that OIC. I am trying to locate the executed prom note for this OIC675/97. We have looked in the Documentation safe and it is not in there.

Would you have any record of this prom note having been executed?

Thanks,
Sarah

Ontario
Executive Council
Conseil des ministres

Order in Council
Décret

Corp. Finance
Borrowing Bylaw
for the OFA

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and concurrence of the Executive Council, orders that:

Sur la recommandation du soussigné, le lieutenant-gouverneur, sur l'avis et avec le consentement du Conseil des ministres, décrète ce qui suit :

WHEREAS pursuant to subsection 22(1) of the *Capital Investment Plan Act, 1993* (the "Act"), the Minister of Finance may purchase securities of or make loans to corporations established under subsection 2(1) of the Act in such amounts, at such times and on such terms and conditions as the Lieutenant Governor in Council considers expedient;

AND WHEREAS the Ontario Financing Authority (the "OFA") is a corporation established under subsection 2(1) of the Act;

AND WHEREAS pursuant to subsection 6(3) of the Act, the power of a corporation to borrow and issue securities, among other things, may only be exercised under the authority of a by-law that has been approved by the Minister of Finance;

AND WHEREAS the OFA wishes to borrow Six Hundred and Fifty-six Million Dollars from the Minister of Finance and has been authorized to do so by a borrowing by-law in accordance with the Act and approved by the Minister of Finance;

THEREFORE:

Pursuant to subsection 22 (1) of the Act, the Minister of Finance is authorized to lend a maximum of Six Hundred and Fifty-six Million Dollars in lawful money of Canada to the OFA on the following terms and conditions:

(a) the loan may be advanced in such amounts and at such time or times as required by the OFA;

(b) repayment of advances made under the loan plus accrued interest may be made in whole or in part at any time provided that the loan plus accrued interest shall be fully repaid by August 31, 2029;

(c) the OFA shall be entitled to use the loan as a revolving credit facility allowing for successive advances of moneys repaid under the loan, provided that the maximum principal amount of the loan outstanding at any time shall not exceed Six Hundred and Fifty-six Million Dollars;

(d) each advance (an "Advance") made under the loan hereby authorized shall bear interest at a rate which is determined as follows:

(i) from the date of advance to (but excluding) the date of repayment, the Advance shall bear interest at a per annum rate equivalent to the interest rate paid on ninety day Province of Ontario treasury bills (determined as at the auction date immediately preceding the date of the Advance), provided that if an Advance is outstanding for longer than ninety days, the interest rate shall be reset on the last day of each ninety day period (the "Reset Date") to the interest rate paid on ninety day Province of Ontario treasury bills as at the auction date immediately preceding the Reset Date for such ninety day period;

(ii) in the event that moneys included in an Advance are subsequently loaned by the OFA to third parties for the purposes contemplated in the Act, (a "Third Party Loan") the rate of interest payable by the OFA to the Province on the portion of the Advance so loaned may be adjusted at the option of the OFA effective as of the date of the Third Party Loan so that the per annum rate of interest payable by the OFA on such moneys is equivalent to either:

(A) the per annum rate of interest payable to the OFA under the Third Party Loan, or

(B) the per annum rate of interest payable to the OFA under the Third Party Loan less 25 basis points,

until but excluding the date on which the Third Party Loan is repaid, at which time the interest rate set out in subparagraph (i) shall again be applicable to that portion of the Advance; and

(iii) in the event that moneys described in subparagraph (ii), once repaid, are subsequently loaned to third parties again, subparagraph (ii) shall again be applicable in determining the interest rate payable to the Province on that portion of the Advance included in any subsequent loan, and so on, until the Advance shall be repaid to the Province in full;

(e) interest for any period of less than one year shall be payable for the actual number of days included in such period, computed on the basis of a 365-day year;

(f) the loan hereby authorized shall be evidenced by a promissory note in a form acceptable to the Minister of Finance.

Recommended

Minister of Finance

Concurred

Chair of Cabinet

Approved and Ordered

APR 2 1 1999

Date

Lieutenant Governor

Ministry of Finance

Office of the Minister

Frost Building South
7 Queen' s Park Cres.
Toronto ON M7A 1Y7
Tel: (416) 325-0400
Fax: (416) 325-0374

Ministère des Finances

Bureau du ministre

Edifice Frost sud
7 Queen' s Park Cres.
Toronto ON M7A 1Y7
Tél: (416) 325-0400
Téléc: (416) 325-0374

Ontario

February 22, 1999

MEMORANDUM TO: The Honourable Ernie Eves
Minister of Finance

SUBJECT: **Ontario Financing Authority 1999-2000 Borrowing OIC**

Attached for your approval and signature is an Order in Council (OIC) authorizing the Province to lend up to $656 Million to the Ontario Financing Authority ("OFA").

The amount authorized to be borrowed by the OFA from the Province will provide financing to Ontario Housing Corporation, Ontario Northland Transportation Commission and other public bodies. The borrowed funds can only be on-lent to these public bodies by the OFA for projects that have received approval from Management Board of Cabinet or the Minister of Finance or for specific lines of credit for cash management purposes.

The attached material contains supporting briefing notes and schedules. Staff are available to brief you should you have any questions regarding the OIC.

If you approve this request, will you please sign the proposed OIC so that it may be place on the agenda for the Cabinet meeting scheduled for March 10, 1999.

Bryne Purchase
Deputy Minister

ONTARIO FINANCING AUTHORITY

Issue:

An Order in Council (OIC) authorizing the Ontario Financing Authority (OFA) to borrow up to $656 million from the Province.

Comments:

- The OIC for $656 million will fund the OFA's lending requirements for the 1999/2000 fiscal year.

- The $656 million will be loaned to meet Government committments to Ontario Housing Corporation, Ontario Northland Transportation Commission and other public bodies as per attached schedule showing the projected use of funds for these organizations as well as the previous fiscal year advances.

- The OFA lends funds to public bodies, as an intermediary of the Province subject to the conditions and restrictions of the OFA Lending Policy.

- The OFA Lending Policy requires that the OFA Board approve an annual borrowing plan for the OFA that identifies;

  (i) the OFA's borrowing requirements for the year from the Province and any other sources; and

  (ii) the projects or purposes for which the borrowed funds will be used, including loans to public bodies for specific projects and contingencies.

- All necessary OFA Board and Management Board approvals must be in place before the OFA will execute this borrowing authority and on-lend funds to any government agency.

- Interest will be paid by the OFA to the Province under one of the following rates:

  - the Provincial 90-day Treasury Bill rate,
  - the rates charged by OFA on the corresponding loans by the OFA to government agencies, or
  - less 25 basis points on the said loans.

  This flexibility will allow the OFA to match the terms of the loan from the Province to the terms of the loans made by the OFA to government agencies.

RECOMMENDATION:

- Approval of the OIC authorizing a loan up to $656 million to the OFA.

Tony Salerno
Gadi Mayman
Linda Smith (5-8142)/Irene Stich (5-8053)
Capital Markets Division
February 18,1999

Irene

1999-00 REVIEW OF OFA LENDING POLICY: FOR OFA LENDING UNDERTAKEN as an INTERMEDIARY of the PROVINCE

Issue

- Review of the OFA Lending Policy for lending activities undertaken where the OFA is acting as an intermediary of the Province.

Recommendation

- It is recommended that the OFA Board make no changes to the current OFA Lending Policy for the year 1999-00. No amendments are required to the Lending Policy since it still accurately reflects the lending activities of the OFA, and no change is anticipated in those lending activities.

Background

- Under the current Lending Policy, the OFA:

  (i) does not lend to public bodies, other than as an intermediary of the Province, without the prior approval of the OFA Board;

  (ii) advances loans to Crown Agencies and Other Public Bodies where the Province supports the provision of Provincial financing and it is advantageous to the Province for the OFA to provide the loan; and

  (iii) does not receive a fee from the Province or earn a profit for lending activities where it is acting as an intermediary on behalf of the Province.

- The Lending Policy requires that an annual borrowing plan for the OFA be provided to the OFA Board for approval along with a report outlining the status of all loans outstanding.

- Where Cabinet, Management Board of Cabinet or the Minister of Finance requests the OFA to advance a loan to a public body or authorizes the public body to borrow from the OFA, no further OFA Board approval is required.

- Where the Province has approved Provincial financing to a public body without specifying the role of the OFA, the OFA will advance the loan if:

  – the CEO of the OFA and the Director of Corporate Finance or a committee of the OFA Board or the Board has authorized the OFA to advance the loan; and

- there is sufficient allocation for the loan in the annual borrowing plan.

- The OFA will adhere to the lending terms and conditions outlined in the Lending Policy unless otherwise requested by Cabinet, Management Board of Cabinet or the Minister of Finance.

Bill Ralph (5-8057)/John McKendrick (5-9815)/Sophie Léger (5-9817)
Ontario Financing Authority
February 15, 1999

Total OFA Loans Outstanding

Borrower & Project	As of December 31, 1998 ($ million)		
	Principal Advanced	Accrued Interest	Total Outstanding
City of Toronto [1] Restructuring	100.0	0.0	100.0
City of Windsor Joint Justice Facility	16.8	0.7	17.5
Metropolitan Toronto Convention Centre [2] Convention Centre Expansion	137.4	16.0	153.4
Ontario Northland Transportation Commission Rails Cars and Spur Line	13.6	0.0	13.6
Ontario Science Centre OMNIMAX Theatre	1.6	0.0	1.6
Ontario Transportation Capital Corporation [3] Highway 407	1,400.3	106.7	1,507.0
Ontario Housing Corporation Prepayment of CMHC Debentures	0.0	0.0	0.0
Contingency Amount [4] As Required and Approved	0.0	0.0	0.0
Total	**1,669.7**	**123.4**	**1,793.1**

1. City of Toronto loan expected to be assigned to MMAH in March 1999; second $100 M will be provided by MMAH.
2. Refinancing of a portion of the MTCC loan is expected in April 1999.
3. Sales proceeds for the Highway 407 are expected in May 1999.
4. Use of Contingency amount is subject to the approvals required in the OFA lending policy.

Ontario Financing Authority, Corporate Finance Division
February 10, 1999
H:\ofa\1999-00 by-law\borrowing&onlending plan 99-00 2.wpd

OFA loan

Ontario

Executive Council
Conseil exécutif

O.C./Décret 675/97

I hereby certify that the attached is a true copy of an Order made on April 2nd, 1997, by Her Honour the Honourable Hilary M. Weston, Lieutenant Governor of the Province of Ontario in Council.

Deputy Clerk, Executive Council of Ontario

Dated at Toronto,
April 3rd, 1997

Ontario
Executive Council
Conseil des ministres

Order in Council
Décret

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and concurrence of the Executive Council, orders that:

Sur la recommandation du soussigné, le lieutenant-gouverneur, sur l'avis et avec le consentement du Conseil des ministres, décrète ce qui suit :

WHEREAS pursuant to subsection 22(1) of the *Capital Investment Plan Act, 1993* (the "Act"), the Minister of Finance may purchase securities of or make loans to corporations established under subsection 2(1) of the Act in such amounts, at such times and on such terms and conditions as the Lieutenant Governor in Council considers expedient;

AND WHEREAS the Ontario Financing Authority (the "OFA") is a corporation established under subsection 2(1) of the Act;

AND WHEREAS pursuant to subsection 6(3) of the Act, the power of a corporation to borrow and issue securities, among other things, may only be exercised under the authority of a by-law that has been approved by the Minister of Finance;

AND WHEREAS the OFA wishes to borrow Two Billion One Hundred and Sixty Million Dollars from the Minister of Finance and has been authorized to do so by a borrowing by-law approved in accordance with the Act;

THEREFORE:

Pursuant to subsection 22 (1) of the Act, the Minister of Finance is authorized to lend a maximum of Two Billion One Hundred and Sixty Million Dollars in lawful money of Canada to the OFA on the following terms and conditions:

(a) the loan may be advanced in such amounts and at such time or times as required by the OFA;

(b) repayment of advances made under the loan plus accrued interest may be made in whole or in part at any time provided that the loan plus accrued interest shall be fully repaid by August 31, 2027;

(c) the OFA shall be entitled to use the loan as a revolving credit facility allowing for successive advances of moneys repaid under the loan; provided that the maximum principal amount of the loan outstanding at any time shall not exceed Two Billion One Hundred and Sixty Million Dollars;

(d) each advance (an "Advance") made under the loan hereby authorized shall bear interest at a rate which is determined as follows:

(i) from the date of advance to (but excluding) the date of repayment the Advance shall bear interest at a per annum rate equivalent to the yield earned on ninety day Province of Ontario treasury bills (determined as at the auction date immediately preceding the date of the Advance), provided that if an Advance is outstanding for longer than ninety days, the interest rate shall be reset on the last day of each ninety day period (the "Reset Date") to the yield earned on ninety day Province of Ontario treasury bills as at the auction date immediately preceding the Reset Date for such ninety day period;

(ii) in the event that moneys included in an Advance are subsequently loaned by the OFA to third parties for the purposes contemplated in the Act, (a "Third Party Loan") the rate of interest payable by the OFA to the Province on the portion of the Advance so loaned may be adjusted at the option of the OFA effective as of the date of the Third Party Loan so that the per annum rate of interest payable by the OFA on such moneys is equivalent to either:

(A) the per annum rate of interest payable to the OFA under the Third Party Loan, or

(B) the per annum rate of interest payable to the OFA under the Third Party Loan less 25 basis points,

until but excluding the date on which the Third Party Loan is repaid, at which time the interest rate set out in subparagraph (i) shall again be applicable to that portion of the Advance; and

(iii) in the event that moneys described in subparagraph (ii), once repaid, are subsequently loaned to third parties again, subparagraph (ii) shall again be applicable in determining the interest rate payable to the Province on that portion of the Advance included in any subsequent loan, and so on, until the Advance shall be repaid to the Province in full;

(e) interest for any period of less than one year shall be payable for the actual number of days included in such period, computed on the basis of a 365-day year;

(f) the loan hereby authorized shall be evidenced by a promissory note in a form acceptable to the Minister of Finance.

Recommended
Minister of Finance

Concurred
Chair of Cabinet

Approved and Ordered
APR - 2 1997
Date

Lieutenant Governor

Promissory Note

For value received, the Ontario Financing Authority (the "Borrower") promises to pay to Her Majesty the Queen in right of Ontario as represented by the Minister of Finance, Province of Ontario (the "Lender") at the City of Toronto in lawful money of Canada, the lesser of;

(i) Two Billion One Hundred and Sixty Million Dollars; and
(ii) the aggregate unpaid principal balance of all advances made by the Lender as recorded on the reverse of this note or on any attachment described below;

at such time and on such other terms and conditions including the payment of interest as follows;

(a) the Borrower shall be entitled to advances of the loan (an "Advance") in such amounts and at such times as it requires;

(b) the Borrower shall be entitled to repay Advances plus accrued interest either in whole or in part and at such time or times as it determines provided that all Advances plus accrued interest shall be fully repaid by August 31, 2027;

(c) the Borrower shall be entitled to use the loan as a revolving credit facility allowing for successive advances of moneys repaid under the loan; provided that the maximum principal amount of the loan outstanding at any time shall not exceed Two Billion One Hundred and Fifty-Five Million Dollars;

(d) the Borrower shall pay to the Lender interest on each Advance at a rate which is determined as follows:

(i) from the date of advance to (but excluding) the date of repayment the Borrower shall pay to the Lender interest on the Advance at a per annum rate equivalent to the yield earned on ninety day Province of Ontario treasury bills (determined as at the auction date immediately preceding the date of the Advance), provided that if an Advance is outstanding for longer than ninety days, the interest rate shall be reset on the last day of each ninety day period (the "Reset Date") to the yield earned on ninety day Province of Ontario treasury bills as at the auction date immediately preceding the Reset Date for such ninety day period;

(ii) in the event that moneys included in an Advance are subsequently loaned by the Borrower to third parties for the purposes contemplated in the Act, (a "Third Party Loan") the rate of interest payable by the Borrower to the Lender on the portion of the Advance so loaned may be adjusted at the option of the Borrower effective as of the date of the Third Party Loan so that the per annum rate of interest payable by the Borrower on such moneys is equivalent to either

(A) the per annum rate of interest payable to the Borrower under the Third Party Loan, or

(B) the per annum rate of interest payable to the Borrower under the Third Party Loan less 25 basis points,

rather than the rate specified in subparagraph (i), until but excluding the date on which the Third Party Loan is repaid, at which time the interest rate set out in subparagraph (i) shall again be applicable to that portion of the Advance;

(iii) in the event that moneys described in subparagraph (ii), once repaid, are subsequently loaned to third parties again, subparagraph (ii) shall again be applicable in determining the interest rate payable to the Lender on that portion of the Advance included in any subsequent loan, and so on, until the Advance shall be repaid to the Province in full; and

(e) interest for any period of less than one year shall be payable for the actual number of days included in such period, computed on the basis of a 365-day year.

The undersigned authorizes the Lender to record on the reverse of this note or on any attachment to this note all advances, repayments and prepayments of principal and interest and the unpaid balance of principal from time to time. The undersigned agrees that in the absence of manifest error the record kept by the Lender on this note or any attachment shall be conclusive evidence of the matters recorded, provided that the failure of the Lender to record or correctly record any amount or date shall not affect the obligation of the undersigned to pay the outstanding principal amount of the Advances and interest.

Dated this day of , 1997.

Ontario Financing Authority

per:_____
Executive Director

ADVANCES OF PRINCIPAL

TKT #	DOC #	TRADE DATE	INT RESET DATE	# DAYS	INT. REF: T-Bill or OFA Loan or OFA Loan less 25 bps	INT RATE	ADVANCE	ACCRUED INT.	TOTAL ADVANCES

From:	Ricky Lai
To:	"john.s.lee@opg.com"; "sheen.liu@opg.com"; "ken.ryfa@opg.com"
Cc:	Mike Manning; Linda Smith; Sarah Harris; Brett Kichiy; Jean-Francois Beaupre; Ryan Blackbyrne; Kevin Shvarts; James Devine; Carlos Yep; YAO Anthea -FUNDMGMT
Subject:	March 22, 2018 Advance
Date:	Wednesday, March 21, 2018 11:10:32 AM
Attachments:	$400 m loan March 22, 2018 signed.pdf $400 m loan March 22, 2018 calculation.pdf Bloomberg Mar 21 2018.pdf

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Please find attached the details and pricing of the Advance dated March 22, 2018.

Thanks.

Ricky

Ontario Electricity Financial Corporation
1 Dundas Street West
Suite 1400
Toronto ON M7A 1Y7

Société financière de l'industrie de l'électricité de l'Ontario
1 rue Dundas ouest
Bureau 1400
Toronto ON M7A 1Y7

(416) 325-8000

Phone: (416) 325-8000

March 21, 2018

Ontario Power Generation Inc.
700 University Avenue
Toronto, Ontario
M5G 1X8

Attention: John Lee
Vice-President Treasurer

Dear John:

Re: Advance of $400,000,000.00 dated March 22, 2018 maturing March 22, 2048 (the "Advance") pursuant to the General Corporate Requirements Credit Facility Agreement dated June 17, 2016 between Ontario Power Generation Inc. ("OPG") and Ontario Electricity Financial Corporation ("OEFC") (the "Agreement"), to provide financing for Other General Corporate Requirements.

Further to the Form of Borrowing Notice received by OEFC on March 5, 2018 from OPG requesting the Advance of $400,000,000.00 on March 22, 2018 (the "Advance Date"), and pursuant to Section 3.2 of the above referenced Agreement, please be advised that the applicable interest rate on the Advance will be 3.997% being the aggregate of the applicable Base Rate of 2.402 %, and the Applicable Spread of 159.50 basis points.

Regards,

James Devine
Director, Funding, Capital Markets
Capital Markets Division
Ontario Financing Authority

OPG LOAN - 30-Year

STEP 1: Loan Details

OPG Debt Issue Details	
Pricing Date	21-Mar-18
Maturity	22-Mar-48
Original Issue Date	22-Mar-18
Term (yrs)	30
Original Issue Size	$400,000,000

STEP 2: HEDGE RATE FOR GOV'T OF CANADA BOND

Canada Benchmark Bond
Hedge Information

		Coupon:	2.75%
		Maturity:	12/1/2048
Date Hedged	Amount	Yield	Price
20-Mar-18	10,000,000	2.3223	109.35
20-Mar-18	55,000,000	2.3257	109.27
20-Mar-18	30,000,000	2.3287	109.20
21-Mar-18	30,000,000	2.3635	108.40
21-Mar-18	5,000,000	2.3682	108.29
21-Mar-18	20,000,000	2.3753	108.13
21-Mar-18	30,000,000	2.3832	107.95
21-Mar-18	156,000,000	2.3854	107.90
21-Mar-18	20,400,000	2.3810	108.00
Total Hedged:	356,400,000		
Percentage of Issue Hedged:	***100.0%***		
	Weighted Average	2.3666	108.33

STEP 3: DETERMINE ROLL

Canada Bonds Used to Determine Roll
Source: Bloomberg RBCB ***** Bid side of market**

Coupon	Maturity	Yield	Price
5.00%	6/1/2037	2.368	140.397
4.00%	6/1/2041	2.399	128.343
3.50%	12/1/2045	2.398	122.198
2.75%	12/1/2048	2.383	107.950

Roll

Roll
-0.015

STEP 4: DETERMINE CANADA CURVE ADJUSTMENT

Hedged Bond and Canada Bond adjusted for Roll Used to Interpolate

Settlement:	21-Mar-18		
Coupon	Maturity	Adjusted Yield	
5.00%	6/1/2037	2.3680	
4.00%	6/1/2041	2.3990	
3.50%	12/1/2045	2.3816	Adjusted for Roll
2.75%	12/1/2048	2.3666	Hedged Bond

Canada Curve Adjustment to Bond Maturity Date

Interp To	Interpolated CAD Yld	Curve Adj off first bond
22-Mar-2048	2.3700	-0.0115

STEP 5: DETERMINE BASE RATE

Canada Bond Yield	2.3816
Curve Adjustment	-0.0115
Adjusted Cda Bond Yield	2.3700
Commission	0.0316
Base Rate	2.4017
OPG Credit Spread	1.5950
OPG Interest Rate on Debt	3.9970

Commission Calculation

Price Method:		
Commission	0.550	cents
Hyp Coupon Rate	3.965	
Price after commissions	99.450	
Yield	3.997%	
Commission in bps	0.032	
Modified Duration Method:		
	17.454	
Commission in bps	0.032	

***based on Ontario's commissions
***coupon rate based on GOC + OPG credit spread

RBC Capital Markets®

RBC Dominion Securities Rates

66) MSG Contributor 09:59:13

Zoom 100%

Royal Bank of Canada -> RBC North America (RBCZ/RBCY) -> CAD Government Pricing -> Government & Provincial Bonds

				Yield		Bid Px		
	Description	Bid	Ask	Bid	Ask	Change	Duration	Time
1)	CAN 1 ¼ 02/01/20	98.875	98.885	1.867	1.862	-0.080	1.826	09:47
2)	CAN 0 ¾ 09/01/20	97.197	97.227	1.931	1.918	-0.100	2.398	09:47
3)	CAN 0 ¾ 03/01/21	96.489	96.519	1.985	1.975	-0.119	2.883	09:47
4)	CAN 0 ¾ 09/01/21	95.770	95.810	2.029	2.017	-0.135	3.366	09:47
5)	CAN 0 ½ 03/01/22	94.105	94.145	2.065	2.054	-0.162	3.864	09:52
6)	CAN 2 ¾ 06/01/22	102.722	102.762	2.068	2.059	-0.187	3.919	09:52
7)	CAN 1 09/01/22	95.424	95.464	2.084	2.075	-0.184	4.304	09:52
8)	CAN 1 ¾ 03/01/23	98.345	98.385	2.104	2.096	-0.210	4.698	09:52
9)	CAN 1 ½ 06/01/23	96.993	97.043	2.114	2.104	-0.227	4.936	09:52
10)	CAN 2 ½ 06/01/24	101.916	101.966	2.167	2.159	-0.267	5.676	09:55
11)	CAN 2 ¼ 06/01/25	100.233	100.283	2.214	2.207	-0.325	6.564	09:55
12)	CAN 1 ½ 06/01/26	94.449	94.499	2.245	2.239	-0.351	7.601	09:55
13)	CAN 1 06/01/27	89.590	89.640	2.260	2.254	-0.370	8.650	09:55
14)	CAN 2 06/01/28	97.443	97.493	2.282	2.277	-0.418	9.095	09:55
15)	CAN 5 ¾ 06/01/29	133.805	133.905	2.305	2.297	-0.568	8.624	09:55
16)	CAN 5 ¾ 06/01/33	143.391	143.491	2.339	2.333	-0.706	10.954	09:55
17)	CAN 5 06/01/37	140.397	140.547	2.368	2.360	-0.751	13.384	09:51
18)	CAN 4 06/01/41	128.343	128.463	2.399	2.393	-0.839	15.998	09:55
19)	CAN 3 ½ 12/01/45	122.198	122.318	2.398	2.393	-0.926	18.586	09:55
20)	CAN 2 ¾ 12/01/48	107.950	108.070	2.383	2.378	-0.920	20.923	09:51

Australia 61 2 9777 8600 Brazil 5511 2395 9000 Europe 44 20 7330 7500 Germany 49 69 9204 1210 Hong Kong 852 2977 6000
Japan 81 3 3201 8900 Singapore 65 6212 1000 U.S. 1 212 318 2000 Copyright 2018 Bloomberg Finance L.P.
SN 745478 G690-1388-1 21-Mar-18 9:59:13 EDT GMT-4:00

From:	Sarah Harris
To:	Sarah Harris
Subject:	Note to File
Date:	Monday, September 17, 2018 12:44:31 PM
Attachments:	RE Updated Incumbency Certificate.msg

The e-mail just below is from Lisa Stein, OFA legal counsel letting Will know that certain information was not meant to be shared with Victor Buza, legal counsel from IESO.

I spoke with Will about this and he said he didn't know that it wasn't supposed to be shared (original e-mail attached from Lisa). I told him it is a matter of using judgement. Though I told him that I didn't think there was significant harm done here, it is important to analyze the information before sharing it, and not simply act as a "flow through" of information.

The information that OFA legal counsel provided to him was for his understanding and colour, and Will should only share with other parties information that is appropriate and necessary for them in order to carry out the business at hand. I indicated, in this instance, that it would have been sufficient to say something to the effect that, upon further reflections, we are fine with only referencing the 2 OFA agreements in the COI, and they we only have one proposed change to reference to the 2017 FHP agreement could also state "as may be amended from time to time". On the other hand, if we were to push for all 4 agreements, it then would be appropriate to give our rationale to IESO of why we would have wanted to amend the COI to include the additional agreements.

From: Lisa Stein
Sent: Monday, September 17, 2018 11:20 AM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Updated Incumbency Certificate

Hi Will,

FYI - the first two sentences contained my analysis and were not intended for the IESO.

Lisa

From: William Tan
Sent: Monday, September 17, 2018 11:09 AM
To: 'Victor Buza' <Victor.Buza@ieso.ca>
Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: FW: Updated Incumbency Certificate

Hello Victor,

The Board Resolution in relation to the OFA credit facilities is redacted, as such the reference to "Credit Facilities" therein may not be general. In any event, it is appropriate that the COI refers to the two specific OFA agreements. The only comment is the reference to the 2017 FHP agreement could also state "as may be amended from time to time".

Also, there is no need for a new certificate in relation to the OEFC financings at this time.

Thanks,

Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Tuesday, September 11, 2018 4:22 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
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The form of certificate I forwarded for your review yesterday is the one OFA required in the past in connection with the two OFA financings only.

Victor

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: September 11, 2018 1:28 PM
To: Victor Buza
Cc: Olga Whiteley; Anthony Martinello; Sarah Harris
Subject: FW: Updated Incumbency Certificate

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Hello Victor,

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$120M Note, April 1, 1999
$160M Revolving Credit Facility, April 23, 2010
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$475M Credit Agreement, Jan 1, 2005

Thanks,

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To: William Tan <William.Tan@ofina.on.ca>
Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: Updated Incumbency Certificate

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At the August meeting of our Board, Barb Anderson's position as VP and CFO was changed so that it is no longer "Interim". The change was made retroactive to July 9.

I have prepared a draft updated certificate based on the current certificate (see attached) and just wanted to confirm its form is acceptable to OFA prior to arranging for it to be executed.

Thanks,
Victor

Victor Buza | Senior Counsel
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From: Lisa Stein []
To: William Tan [William.Tan@ofina.on.ca]
CC: Sarah Harris [Sarah.Harris@ofina.on.ca]
Subject: RE: Updated Incumbency Certificate
Date: Monday, September 17, 2018 09:45:56

Hi Will,

The COI is intended only for the two OFA credit facilities. Based on Victor's e-mail below, it appears that there is no need for a new certificate in relation to the OEFC financings at this time.

As the Board Resolution in relation to the OFA credit facilities is redacted, it is possible that the reference to "Credit Facilities" therein may not be general. In any event, I think it is appropriate that the COI refers to the specific OFA agreements. My only comment is that perhaps the reference to the 2017 FHP agreement could also state "as may be amended from time to time".

Happy to discuss.

Lisa

From: William Tan
Sent: Friday, September 14, 2018 10:21 AM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: RE: Updated Incumbency Certificate

Hi Lisa,

My only comment is the IESO has four credit facilities with us and only two of them were noted on the COI. According to the Board Resolution, the CFO has general signing authority, so it may not be necessary to note the two specific credit facilities. Other than that, I have no other concerns.

Thanks,

Will

From: Lisa Stein
Sent: Friday, September 14, 2018 10:17 AM
To: William Tan <William.Tan@ofina.on.ca>
Subject: RE: Updated Incumbency Certificate

Hi Will,

Do you have specific concerns with the COI for the OFA financings? It appears that they have used the same form as in the past.

Lisa

From: William Tan
Sent: Thursday, September 13, 2018 3:17 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: FW: Updated Incumbency Certificate

Hi Lisa,

Just checking-in if you have a chance to look at the COI?

Thanks,

Will

From: Lisa Stein
Sent: Wednesday, September 12, 2018 4:04 PM
To: William Tan <William.Tan@ofina.on.ca>
Subject: RE: Updated Incumbency Certificate

Hi Will,

Sorry I haven't had a chance to look at this today due to high priority Board items. I'll try to look at this either later afternoon or tomorrow.

Thank you,

Lisa

From: William Tan
Sent: Wednesday, September 12, 2018 3:16 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: FW: Updated Incumbency Certificate

Hi Lisa,

You are probably busy, this being your first day back from vacation. Do you think you are going to get a chance to look at this today? I just want to give Victor an update.

Thanks,

Will

From: William Tan
Sent: Wednesday, September 12, 2018 8:53 AM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Sarah Neville <Sarah.Neville@ofina.on.ca>
Subject: FW: Updated Incumbency Certificate

Hello Lisa,

Would you be able to assist with this?
My comments are below. Victor indicated that his draft COI is consistent in format to the COI provided on November 6, 2017 and reviewed by us.
Attached is the draft Incumbency Certificate provided by Victor. I have included a copy of the Board Resolution from June 14, 2017 (that authorizes the CFO) and COI from November 6, 2017 of the same format as the draft.

Thanks,

Will

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To: William Tan <William.Tan@ofina.on.ca>
Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Updated Incumbency Certificate

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From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: September 11, 2018 1:28 PM
To: Victor Buza
Cc: Olga Whiteley; Anthony Martinello; Sarah Harris
Subject: FW: Updated Incumbency Certificate

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Hello Victor,

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Thanks,
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To: Sarah Harris
Subject: Note to File
Date: Monday, September 17, 2018 12:44:31 PM
Attachments: RE Updated Incumbency Certificate.msg

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Subject: RE: Updated Incumbency Certificate
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To: 'Victor Buza' <Victor.Buza@ieso.ca>
Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: FW: Updated Incumbency Certificate
Hello Victor,
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To: William Tan <William.Tan@ofina.on.ca>
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Victor

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: September 11, 2018 1:28 PM
To: Victor Buza
Cc: Olga Whiteley; Anthony Martinello; Sarah Harris
Subject: FW: Updated Incumbency Certificate

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To: William Tan [William.Tan@ofina.on.ca]
CC: Sarah Harris [Sarah.Harris@ofina.on.ca]
Subject: RE: Updated Incumbency Certificate
Date: Monday, September 17, 2018 09:45:56

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From: Lisa Stein
Sent: Monday, September 17, 2018 11:20 AM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Updated Incumbency Certificate

Hi Will,

FYI - the first two sentences contained my analysis and were not intended for the IESO.

Lisa

From: William Tan
Sent: Monday, September 17, 2018 11:09 AM
To: 'Victor Buza' <Victor.Buza@ieso.ca>
Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: FW: Updated Incumbency Certificate

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Also, there is no need for a new certificate in relation to the OEFC financings at this time.

Thanks,

Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Tuesday, September 11, 2018 4:22 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
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Victor

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: September 11, 2018 1:28 PM
To: Victor Buza
Cc: Olga Whiteley; Anthony Martinello; Sarah Harris
Subject: FW: Updated Incumbency Certificate

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Thanks,

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Victor Buza | Senior Counsel
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From: Lisa Stein []
To: William Tan [William.Tan@ofina.on.ca]
CC: Sarah Harris [Sarah.Harris@ofina.on.ca]
Subject: RE: Updated Incumbency Certificate
Date: Monday, September 17, 2018 09:45:56

Hi Will,

The COI is intended only for the two OFA credit facilities. Based on Victor's e-mail below, it appears that there is no need for a new certificate in relation to the OEFC financings at this time.

As the Board Resolution in relation to the OFA credit facilities is redacted, it is possible that the reference to "Credit Facilities" therein may not be general. In any event, I think it is appropriate that the COI refers to the specific OFA agreements. My only comment is that perhaps the reference to the 2017 FHP agreement could also state "as may be amended from time to time".

Happy to discuss.

Lisa

From: William Tan
Sent: Friday, September 14, 2018 10:21 AM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: RE: Updated Incumbency Certificate

Hi Lisa,

My only comment is the IESO has four credit facilities with us and only two of them were noted on the COI. According to the Board Resolution, the CFO has general signing authority, so it may not be necessary to note the two specific credit facilities. Other than that, I have no other concerns.

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Just checking-in if you have a chance to look at the COI?

Thanks,

Will

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To: William Tan <William.Tan@ofina.on.ca>
Subject: RE: Updated Incumbency Certificate

Hi Will,

Sorry I haven't had a chance to look at this today due to high priority Board items. I'll try to look at this either later afternoon or tomorrow.

Thank you,

Lisa

From: William Tan
Sent: Wednesday, September 12, 2018 3:16 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: FW: Updated Incumbency Certificate

Hi Lisa,

You are probably busy, this being your first day back from vacation. Do you think you are going to get a chance to look at this today? I just want to give Victor an update.

Thanks,

Will

From: William Tan
Sent: Wednesday, September 12, 2018 8:53 AM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Sarah Neville <Sarah.Neville@ofina.on.ca>
Subject: FW: Updated Incumbency Certificate

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Sent: September 11, 2018 1:28 PM
To: Victor Buza
Cc: Olga Whiteley; Anthony Martinello; Sarah Harris
Subject: FW: Updated Incumbency Certificate

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From:	/O=OFA/OU=OFINA ADMINISTRATIVE GROUP/CN=RECIPIENTS/CN=SHARRIS
To:	Sarah Harris
Subject:	Note to File
Date:	Monday, September 17, 2018 12:44:00 PM
Attachments:	RE Updated Incumbency Certificate.msg

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Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>
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Attachments: RE Updated Incumbency Certificate.msg

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To: 'Victor Buza' <Victor.Buza@ieso.ca>
Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: FW: Updated Incumbency Certificate
Hello Victor,
The Board Resolution in relation to the OFA credit facilities is redacted, as such the reference to "Credit Facilities" therein may not be general. In any event, it is appropriate that the COI refers to the two specific OFA agreements. The only comment is the reference to the 2017 FHP agreement could also state "as may be amended from time to time".
Also, there is no need for a new certificate in relation to the OEFC financings at this time.
Thanks,
Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Tuesday, September 11, 2018 4:22 PM

To: William Tan <William.Tan@ofina.on.ca>
Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Updated Incumbency Certificate

Hi Will – I will have to defer to your group on the details relating to differences in documentation for the different financings. We have been using the forms of incumbency certificates OEFC/OFA gave to us for each of the financings (as this is a lender requirement).

The first two items on your list are the OEFC financings which were last renewed on May 1, 2017. These used a slightly different form of Incumbency Certificate than the one that I forwarded re the last two financings (i.e. the OFA financings). The certificate for the OEFC financings addressed the identity and authority of the authorized signatory only as of the date of execution of the May 2017 amending agreements. Separately, we also provided a certified Board resolution authorizing IESO's CFO to draw funds under the OEFC financings.

The form of certificate I forwarded for your review yesterday is the one OFA required in the past in connection with the two OFA financings only.

Victor

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: September 11, 2018 1:28 PM
To: Victor Buza
Cc: Olga Whiteley; Anthony Martinello; Sarah Harris
Subject: FW: Updated Incumbency Certificate

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Hello Victor,

May I provide final comments tomorrow? Lisa Stein is away until tomorrow. However, if this matter is urgent, I can call upon another contact.

In the interim, to my knowledge IESO has four agreements with OFA. The Incumbency Certificate only mentions two agreements. Unless of course you intended to provide signing authority to these two specific agreements only.

$120M Note, April 1, 1999
$160M Revolving Credit Facility, April 23, 2010
$2B Revolving Credit Facility, Nov 6, 2017
$475M Credit Agreement, Jan 1, 2005

Thanks,
Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Tuesday, September 11, 2018 10:12 AM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: Updated Incumbency Certificate

Hi Will. In Olga's absence this week, I wanted to get the ball rolling on updating IESO's Incumbency Certificate re the OFA financings.

At the August meeting of our Board, Barb Anderson's position as VP and CFO was changed so that it is no longer "Interim". The change was made retroactive to July 9.

I have prepared a draft updated certificate based on the current certificate (see attached) and just

wanted to confirm its form is acceptable to OFA prior to arranging for it to be executed.

Thanks,

Victor

Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079

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From: Lisa Stein []
To: William Tan [William.Tan@ofina.on.ca]
CC: Sarah Harris [Sarah.Harris@ofina.on.ca]
Subject: RE: Updated Incumbency Certificate
Date: Monday, September 17, 2018 09:45:56

Hi Will,

The COI is intended only for the two OFA credit facilities. Based on Victor's e-mail below, it appears that there is no need for a new certificate in relation to the OEFC financings at this time.

As the Board Resolution in relation to the OFA credit facilities is redacted, it is possible that the reference to "Credit Facilities" therein may not be general. In any event, I think it is appropriate that the COI refers to the specific OFA agreements. My only comment is that perhaps the reference to the 2017 FHP agreement could also state "as may be amended from time to time".

Happy to discuss.

Lisa

From: William Tan
Sent: Friday, September 14, 2018 10:21 AM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: RE: Updated Incumbency Certificate

Hi Lisa,

My only comment is the IESO has four credit facilities with us and only two of them were noted on the COI. According to the Board Resolution, the CFO has general signing authority, so it may not be necessary to note the two specific credit facilities. Other than that, I have no other concerns.

Thanks,

Will

From: Lisa Stein
Sent: Friday, September 14, 2018 10:17 AM
To: William Tan <William.Tan@ofina.on.ca>
Subject: RE: Updated Incumbency Certificate

Hi Will,

Do you have specific concerns with the COI for the OFA financings? It appears that they have used the same form as in the past.

Lisa

From: William Tan
Sent: Thursday, September 13, 2018 3:17 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: FW: Updated Incumbency Certificate

Hi Lisa,

Just checking-in if you have a chance to look at the COI?

Thanks,

Will

From: Lisa Stein
Sent: Wednesday, September 12, 2018 4:04 PM
To: William Tan <William.Tan@ofina.on.ca>
Subject: RE: Updated Incumbency Certificate

Hi Will,

Sorry I haven't had a chance to look at this today due to high priority Board items. I'll try to look at this either later afternoon or tomorrow.

Thank you,

Lisa

From: William Tan
Sent: Wednesday, September 12, 2018 3:16 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: FW: Updated Incumbency Certificate

Hi Lisa,

You are probably busy, this being your first day back from vacation. Do you think you are going to get a chance to look at this today? I just want to give Victor an update.

Thanks,

Will

From: William Tan
Sent: Wednesday, September 12, 2018 8:53 AM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Sarah Neville <Sarah.Neville@ofina.on.ca>
Subject: FW: Updated Incumbency Certificate

Hello Lisa,

Would you be able to assist with this?
My comments are below. Victor indicated that his draft COI is consistent in format to the COI provided on November 6, 2017 and reviewed by us.
Attached is the draft Incumbency Certificate provided by Victor. I have included a copy of the Board Resolution from June 14, 2017 (that authorizes the CFO) and COI from November 6, 2017 of the same format as the draft.

Thanks,

Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Tuesday, September 11, 2018 4:22 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Updated Incumbency Certificate

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From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: September 11, 2018 1:28 PM
To: Victor Buza
Cc: Olga Whiteley; Anthony Martinello; Sarah Harris
Subject: FW: Updated Incumbency Certificate

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Hello Victor,

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$160M Revolving Credit Facility, April 23, 2010
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$475M Credit Agreement, Jan 1, 2005

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Will

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Subject: Updated Incumbency Certificate

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Thanks,
Victor

Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079

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From:	Ryan Blackbyrne
To:	Lisa Stein
Cc:	Sarah Harris
Subject:	OEFC advance to OPG - January 22, 2018
Date:	Tuesday, January 09, 2018 4:03:55 PM
Attachments:	$700 million OEFC-OPG Credit Facility (Executed Original).pdf 2017 $700 Million Facility Amending Agreement 1 (Executed).pdf Amendment No 2 (executed).pdf Amendment No 3 (executed).pdf image003.png $200M OEFC Borrowing Notice - 01 08 18 signed.pdf image001.png image002.png image004.png

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Hi Lisa,

Thanks for the jumping on that call. As discussed, we received the attached $200M advance request from OPG. The proposed advance date is January 22, 2018 and the request is for a 30 year term (due January 22, 2048).

Based on the wording of the latest Amending Agreement No. 3 (attached) there is some confusion as to whether the repayment of this $200M advance needs to be staggered or if the full principal amount can be repaid in 30 years. From the wording of Amending Agreement No. 3, dated September 6, 2017: *"The Repayment Date of each Proposed Advance to be made in 2018 shall be such that the Repayment Date is a) no more than 30 years after the date of the Proposed Advance for no more than 50% of the total amount of such Proposed Advances for 2018, and b) no more than 10 years after the date of the Proposed Advance for the remaining amount of the Proposed Advances for 2018. This requirement may only be modified with the written consent of OEFC."*

Because the current advance request of $200M is for 30 years, OPG is under the impression that they need written consent from OEFC in order to repay the full principal amount of $200M in 30 years. Without this written consent, they believe the above clause stipulates that a portion of the $200M principal must be repaid within 10 years, and no more than 50% of the principal can be repaid up to 30 years out. They have asked OEFC to provide a letter of consent acknowledging that for this specific Advance, the full principal amount can be repaid in 30 years.

In reading the language of this clause we note that it has changed from the Original Agreement dated June 17, 2016 through Amending Agreements No.1-3. I have pasted the language from each agreement below for convenience. In our view it looks like the original intention of the clause was to split up principal repayment for EACH advance, so no more than 50% could be repaid up to 30 years out. However, from the most recent language in Amending Agreement No. 3 it is our interpretation that this clause is referring to the AGGREGATE amount of the advances in 2018 rather than for each specific advance.

We are looking for direction from OFA Legal in how to interpret this clause in Amending Agreement No. 3 and whether the consent letter OPG is requesting is necessary.

From Original Agreement dated June 17, 2016:
Section 3.1

ARTICLE 3
ADVANCES AND INTEREST

Section 3.1 Advances.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to OPG under the Credit Facility from time to time on any Business Day prior to January 1, 2018. OPG shall not request Advances more than four (4) times per calendar year without first obtaining the prior written consent of OEFC. OPG may request at the same time Advances for the Darlington Requirements and for the Other General Corporate Requirements. It is anticipated that OPG will request these Advances approximately quarterly throughout a calendar year.

The Repayment Dates of the Proposed Advances for any date shall be such that the Repayment Dates are a) no more than 30 years after the date of the Proposed Advances for no more than 50% of the total amount of such Proposed Advances, and b) no more than 10 years after the date of the Proposed Advances for the remaining amount of the Proposed Advances.

No Advances shall be made under this Agreement after December 31, 2017.

From Amending Agreement No. 1, dated September 7, 2016:
Provision # 5

The Repayment Dates of the Proposed Advances for any date shall be such that the Repayment Dates are a) no more than 30 years after the date of the Proposed Advances for no more than 50% of the total amount of such Proposed Advances, and b) no more than 10 years after the date of the Proposed Advances for the remaining amount of the Proposed Advances.

From Amending Agreement No. 2, dated February 2, 2017:
Provision # 5

The Repayment Date of each Proposed Advance made during 2017 shall be no more than thirty (30) years after the date of the Proposed Advance."

From Amending Agreement No. 3, dated September 6, 2017:
Provision # 5

The Repayment Date of each Proposed Advance to be made in 2018 shall be such that the Repayment Date is a) no more than 30 years after the date of the Proposed Advance for no more than 50% of the total amount of such Proposed Advances for 2018, and b) no more than 10 years after the date of the Proposed Advance for the remaining amount of the Proposed Advances for 2018. This requirement may only be modified with the written consent of OEFC.

Thank You,
Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M5G 1Z3
416-325-8143
ryan.blackbyrne@ofina.on.ca
-----Original Message-----
From: Linda Smith
Sent: Monday, January 08, 2018 3:05 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Subject: RE: OEFC borrowing notice - January 22, 2018
Ok thanks. OPG would like to borrow the $200 million for 30 years. The current agreement restricts 30 year borrowing to 50% of each loan. Mike is fine with waiving this. Can we do it by a letter?
-----Original Message-----
From: YAO Anthea -FUNDMGMT [mailto:anthea.yao@opg.com]
Sent: Thursday, January 04, 2018 2:04 PM
To: 'Kelly.Listoe@ofina.on.ca' <Kelly.Listoe@ofina.on.ca>
Cc: TETI Vicki -FIN & C CTRL <vicki.teti@opg.com>; RYFA Ken -TREASURY <ken.ryfa@opg.com>; Linda Smith <Linda.Smith@ofina.on.ca>; CASHP <CASHP@ofina.on.ca>; CASHO <CASHO@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>; Serena Ly <Serena.Ly@ofina.on.ca>; GO Matthew -TREASURY <matthew.go@opg.com>
Subject: OEFC borrowing notice - January 22, 2018
Kelly,
Attached is a scanned copy of the Borrowing Notice and Promissory Note for $200 million General Corporate Requirements under the Credit Facility Agreement. The advance has a value date of January 22, 2018 and is for a 30-year term.
I will courier the originals to your attention.
Thanks,
Anthea
Anthea Yao | Ontario Power Generation
700 University Avenue, Suite H18 C2, Toronto, Ontario, M5G 1X6 | T416.592.5542 | F 416.592.4189 | E anthea.yao@opg.com

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ONTARIO POWER GENERATION INC.

as Borrower

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION

as Lender

GENERAL CORPORATE REQUIREMENTS CREDIT FACILITY AGREEMENT

Dated: June 17, 2016

THIS GENERAL CORPORATE REQUIREMENTS CREDIT FACILITY AGREEMENT is made on the 17th day of June, 2016

between:

ONTARIO POWER GENERATION INC. ("OPG")

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC").

RECITAL:

OPG has requested to borrow from OEFC an amount of up to Seven Hundred Million Dollars for the purpose of financing OPG's general corporate requirements for the period June 1, 2016 to December 31, 2017, including costs related to the Darlington Refurbishment Project and OEFC has agreed to lend such amount to OPG on the terms and conditions set out herein.

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the parties agree as follows:

ARTICLE 1
DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"Adjusted Repayment Date" has the meaning specified in Section 3.4.

"Advance Date" has the meaning set forth in Section 3.2.

"Advances" means advances made by OEFC to OPG under Article 3 and **"Advance"** means any one of such advances.

"Advances Outstanding" means, at any time, an amount equal to the aggregate principal amount of all Advances outstanding at such time and "Advance Outstanding" means the principal amount outstanding of any Advance.

"Agreement", "herein", "hereby", "hereof", "hereunder" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression **"Article"** or **"Section"** followed by a number means the specified Article or Section of this Agreement.

"Applicable Spread" means the additional interest in basis points over the Base Rate that will apply to an Advance, as determined by OEFC based on a survey of market rates.

"Base Rate" means an annual rate of interest comprised of the applicable yield for the Benchmark Government of Canada bonds as published by Bloomberg RBCB as of the Business Day immediately preceding the Advance Date for the term specified in the applicable Notice of Borrowing and includes all costs of borrowing, including applicable fees and commissions. In the event that there are no Benchmark Government of Canada bonds listed at the time of the Advance with the same term, the rate shall be established by interpolating the terms of the two Benchmark Government of Canada bonds that are closest to the term of the Advance, one being for a longer term and the other being for a shorter term.

"Borrowing Notice" has the meaning specified in Section 3.2.

"Business Day" means any day other than a Saturday, Sunday or a statutory or civic holiday in Toronto, Ontario.

"Commitment" means, at any time, an amount equal to the principal amount of Seven Hundred Million Dollars.

"Consolidated Net Worth" means, at any time, the aggregate amount of shareholders equity of OPG and the Subsidiaries, determined as of such time on a consolidated basis in accordance with generally accepted accounting principles.

"Credit Facility" means the credit facility to be made available to OPG by OEFC under this Agreement for the purposes specified in Section 2.3.

"Default" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"Darlington Refurbishment Project" means OPG's project to refurbish any or all of the existing units at the Darlington Nuclear Generating Station.

"Darlington Requirements" means OPG's general corporate requirements for the period June 1, 2016 to December 31, 2017, for the Darlington Refurbishment Project.

"Disposition" has the meaning specified in Section 6.1.

"Dollars" or "$" means lawful currency of Canada.

"Event of Default" has the meaning specified in Section 5.1.

"General Corporate Requirements" means OPG's general corporate requirements for the period June 1, 2016 to December 31, 2017, comprised of the Darlington Requirements and the Other General Corporate Requirements.

"Indebtedness" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) every obligation of such Person for borrowed money;

(b) every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments;

(c) every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) every capital lease obligation of such Person; and

(f) the Swap Termination Value of each Swap Contract of such Person; and

(g) every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"Interest Payment Dates" for any Advance shall be the semi-annual dates as specified in the Borrowing Notice.

"Lien" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"Make-Whole Amount" in respect of an Advance Outstanding means the amount determined by OEFC as described in Schedule 3.

"Material Subsidiary" means, at any time, a Subsidiary which has consolidated assets with a book value of more than $25 million determined as of such time in accordance with generally accepted accounting principles, and a Subsidiary not otherwise defined as a Material Subsidiary associated with a Specified Project as set out in Schedule "A" as such Schedule "A" may be amended from time to time.

"Note" means the notes of OPG issued under this Agreement.

"OPG" means Ontario Power Generation Inc., a corporation incorporated under the laws of the Province of Ontario, until a successor corporation shall have succeeded to all of the rights and obligations of Ontario Power Generation Inc. pursuant to Section 6.1 and thereafter **"OPG"** shall mean such successor corporation (or any successor thereto which shall have become such pursuant to Section 6.1).

"Other General Corporate Requirements" means OPG's general corporate requirements for the period June 1, 2016 to December 31, 2017, other than the Darlington Requirements.

"Permitted Liens" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) any obligations or duties, affecting the property of OPG or a Material Subsidiary, to any municipality or governmental, statutory or public authority, with respect to any franchise, grant, license or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by OPG or such Material Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by OPG or such Material Subsidiary;

(d) any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to

current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) the right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) any undetermined or inchoate Liens and charges incidental to the current operations of OPG or a Material Subsidiary that have not at the time been filed against OPG or such Material Subsidiary; provided, however, that if any such Lien or charge shall have been filed, OPG or such Material Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) any Lien the validity of which is being contested at the time by OPG or a Material Subsidiary in good faith and the enforcement of which has been stayed;

(h) any easements, rights-of-way and servitudes that in the opinion of OPG will not in the aggregate materially and adversely impair the use or value of the land for the purpose for which it is held or occupied by OPG or a Material Subsidiary;

(i) any Liens and privileges arising out of judgments or awards with respect to which OPG or a Material Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall have secured a stay of execution pending such appeal or proceedings for review; and

(j) pledges of cash or cash equivalents to secure OPG's or a Material Subsidiary's liabilities from time to time under Swap Contracts and pledges of cash or cash equivalents in an aggregate amount not exceeding $25 million at any time to secure OPG's or a Material Subsidiary's liabilities from time to time under commodity swap, commodity option and commodity future contracts entered into in the ordinary course of business for the purpose of directly mitigating risks associated with fluctuations in prices or availability of commodities purchased or to be purchased by OPG or a Material Subsidiary in the ordinary course of business, and not entered into for the purposes of speculation; and

(k) any other Liens of a nature similar to the foregoing which do not in the opinion of OPG, acting reasonably, materially impair the use of the property subject thereto or the operation of the business of OPG or any Material Subsidiary or the value of such property for the purpose of any such business.

"Person" means any individual, corporation, partnership joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"Prepayment Amount" means the amount determined in accordance with Section 2.5.

"Prepayment Calculation Date" means the date three Business Days prior to the Prepayment Date.

"Prepayment Date" means, in respect of the prepayment of Advances, the prepayment date set forth in the Prepayment Notice.

"Prepayment Notice" has the meaning specified in Section 2.5.

"Proposed Advance" has the meaning specified in Schedule 1.

"Purchase Money Mortgage" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or part of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"Repayment Date" means, in respect of the repayment of Advances, the repayment date set forth in the applicable Borrowing Notice and Note.

"Specified Project" means a project listed and generally described in Schedule "A" as such Schedule "A" may be amended from time to time.

"Stated Maturity" when used with respect to any Indebtedness or any installment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such installment of interest is due and payable.

"Subsidiary" means:

(a) a corporation with more than 50% of the voting power or the outstanding Voting Shares of which is owned, directly or indirectly, by OPG or by one or more other Subsidiaries or by OPG and one or more other Subsidiaries, or

(b) any Person (other than a corporation) in which OPG, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

"Swap Contract" means any agreement whether or not in writing, relating to any transaction or derivative transaction including a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction currency swap, cross-currency rate swap, swaption, currency option or other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.

"Swap Termination Value" means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap contracts:

(a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and

(b) for any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.

"Voting Shares" of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings and Table of Contents.

The division of this Agreement into Articles and Sections the insertion of headings and the provision of a Table of Contents are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and vice versa and words importing gender may include any gender. In this Agreement, (a) the words **"including"** and **"includes"** mean "including (or includes) without limitation", and (b) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" excluding".

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with generally accepted accounting principles. Generally accepted accounting principles refer to either (i) those accounting principles which are recognized as being generally accepted in Canada as set out in the Handbook published by the Canadian Institute of Chartered Accountants or any successor organization, applied on a consistent basis, or (ii) where and for as so long as is necessary to give effect to any applicable laws, those accounting principles that are recognized as being generally accepted in the United States of America and which are in effect from time to time, as promulgated by the Financial Accounting Standards Board, or successor organization, applied on a consistent basis.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the next following Business Day.

ARTICLE 2
NON-REVOLVING CREDIT FACILITY

Section 2.1 Availability.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to OPG up to the amount of the Commitment.

Section 2.2 Commitment and Facility Limits.

The Advances Outstanding to OPG under the Credit Facility shall not at any time exceed the Commitment. The Credit Facility shall not revolve.

Section 2.3 Use of Proceeds.

OPG shall use the proceeds of Advances for General Corporate Requirements.

Section 2.4 Mandatory Repayment.

Subject to Sections 3.6 and 5.2, OPG shall repay each Advance on the applicable Repayment Date or Adjusted Repayment Date, as the case may be.

Section 2.5 Prepayments.

(1) OPG shall have the right, at its option, to repay at any time, in whole or in part, any Advance Outstanding under this Agreement, provided that the minimum principal amount to be repaid at any time shall be $50,000,000 and the total principal amount which may be repaid in any one calendar year shall not exceed 50% of the total of all of

the Advances when such total Advances are more than $100,000,000, by payment to OEFC of the amount calculated in accordance with this section (the "Prepayment Amount").

(2) The Prepayment Amount shall be calculated as the sum of the following:

(a) the amount of the Advance Outstanding to be paid on the Prepayment Date;

(b) the accrued and unpaid interest on the amount of the Advance Outstanding to be paid on the Prepayment Date; and

(c) the Make-Whole Amount, if any, applicable to the amount of the Advance Outstanding to be paid on the Prepayment Date.

(3) OPG shall provide OEFC with written notice of its intention to prepay any Advance Outstanding, in whole or in part, not more than 90 calendar days and not less than 30 calendar days prior to the date OPG intends to make such payment (the "Prepayment Date"). The Prepayment Date shall be a Business Day. The notice ("Prepayment Notice") shall specify: (a) the principal amount to be repaid; (b) the Prepayment Date; and (c) OPG's covenant to pay the Prepayment Amount on the Prepayment Date. The Prepayment Notice is irrevocable and binding on both parties.

(4) On the Prepayment Calculation Date, OEFC shall provide OPG with written notice setting out the calculation of the Prepayment Amount, including a reasonably detailed calculation of the Make-Whole Amount and the assumptions used in making such calculations. An example of such calculation is set forth in Schedule 3 attached to this Agreement.

(5) OEFC shall give OPG one Business Day to review the calculations, after which the calculation of the Prepayment Amount shall be binding on OPG, absent manifest error.

Section 2.6 Advances and Payments under this Agreement.

(1) OEFC shall make Advances to OPG under this Agreement to or to the order of OPG by wire transfer of immediately available funds in accordance with wire transfer instructions given by OPG to OEFC from time to time, or in such other manner as OPG may specify to OEFC from time to time.

(2) OPG shall make any payment required hereunder to be made by it to OEFC, to or to the order of OEFC, by wire transfer of immediately available funds in accordance with wire transfer instruction given by OEFC to OPG from time to time, or in such other manner as OEFC may specify to OPG from time to time. OPG shall make each such payment in Canadian Dollars.

ARTICLE 3
ADVANCES AND INTEREST

Section 3.1 Advances.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to OPG under the Credit Facility from time to time on any Business Day prior to January 1, 2018. OPG shall not request Advances more than four (4) times per calendar year without first obtaining the prior written consent of OEFC. OPG may request at the same time Advances for the Darlington Requirements and for the Other General Corporate Requirements. It is anticipated that OPG will request these Advances approximately quarterly throughout a calendar year.

The Repayment Dates of the Proposed Advances for any date shall be such that the Repayment Dates are a) no more than 30 years after the date of the Proposed Advances for no more than 50% of the total amount of such Proposed Advances, and b) no more than 10 years after the date of the Proposed Advances for the remaining amount of the Proposed Advances.

No Advances shall be made under this Agreement after December 31, 2017.

Section 3.2 Procedure for Advances.

OPG shall provide OEFC with written notice requesting an Advance at least 10 Business Days prior to the date of the Advance; provided that if the total of the Proposed Advances for any date exceeds $200,000,000, such notice shall be provided at least 20 Business Days prior to the date of the Advance unless otherwise agreed. Each such notice (a **"Borrowing Notice"**) shall be substantially in the form of Schedule 1 and shall specify, with respect to each Proposed Advance: (a) the date of the Advance (the **"Advance Date"**); (b) the principal amount of the Advance; (c) the purpose of the Advance, that is, whether it is for Darlington Requirements or Other General Corporate Requirements; (d) the Repayment Date of the Advance; and (e) the Interest Payment Dates. The interest rate that shall apply to such Advance shall be set in accordance with the procedure set forth in Section 3.4.

Section 3.3 Issue of Notes.

(1) By no later than 5:00 p.m. on the date that OPG delivers the Borrowing Notice, OPG shall deliver in escrow to OEFC executed promissory note(s) in the principal amount of the Advance(s), substantially in the form of Schedules 2 and 2A. Each Note shall be

dated the date of the respective Advance and shall mature on the Repayment Date and bear interest at the rate per annum (after as well as before Default or judgment) agreed to pursuant to Section 3.4, with interest on the amounts in Default at the same rate. The Notes delivered in escrow shall not contain the interest rate, therefore OEFC shall complete the interest rate on the day of the Advance, and provide OPG with a certified true copy of same. The Notes shall automatically be released from escrow upon receipt by OPG of the amount of the Advance. In the event that funds are not received by OPG on the Advance Date, OPG and OEFC agree to take all steps necessary to amend the date of the Notes and the applicable Repayment Dates, without amending the interest rate that was agreed to with respect to such Advance, subject to Section 3.4(2) hereof. OPG shall provide OEFC with written notice (which may be made by electronic transmission) that it has received the Advance and that the Notes have therefore automatically been released from escrow.

(2) The Notes shall at all times rank *pari passu* with all other unsubordinated Indebtedness of OPG, subject to the existence of any Permitted Liens of OPG.

(3) Interest shall be payable on the Notes in accordance with Section 3.4.

(4) All amounts owing in respect of the Notes shall be paid without exercising any right or set off or counterclaim by OPG irrespective of whether or not, at the time any such amount is due and payable, amounts are due and payable by OPG to OEFC.

Section 3.4 Interest on Advances.

(1) The interest rate applicable to an Advance shall be the aggregate of the applicable Base Rate and the Applicable Spread. The Applicable Spread shall be determined by OEFC and shall be calculated as of the date that is at least 1 Business Day before the Advance Date and not greater than 5 days before the Advance Date.

(2) OEFC shall notify OPG of the Applicable Spread and Base Rate in writing by no later than 2:00 p.m. on the Business Day before the Advance Date, provided that OPG has up to 5 Business Days to advise OEFC of any errors or discrepancies.

(3) Interest shall accrue daily on the principal amount of each Note from and including the date of the Note to but excluding the Repayment Date of such Advance, at an annual rate equal to the aggregate of the Base Rate and the Applicable Spread (both before and after the date such principal amount or interest thereon becomes due and both before and after Default) and shall be payable in equal semi-annual installments on the Interest Payment Dates.

(4) Notwithstanding the foregoing, whenever it is necessary to compute interest in respect of the Notes for a period of less than one full year, other than such equal semi-annual installments, such interest shall be calculated on the basis of the actual number of days elapsed in a year of 365 days. If any Repayment Date is not a Business Day, such

Repayment Date will be adjusted to the following Business Day, (the "Adjusted Repayment Date"), and, notwithstanding Section 1.5 of this Agreement, additional interest shall accrue daily on the principal amount of each Note from and including the Repayment Date to but excluding the Adjusted Repayment Date of such Advance, at an annual rate equal to the aggregate of the Base Rate and the Applicable Spread (both before and after the date such principal amount or interest thereon becomes due and both before and after Default), and shall be payable together with the principal amount of the Advance on the Adjusted Repayment Date.

Section 3.5 Computations of Interest.

(1) All computations of interest shall be made by OEFC taking into account the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest is payable on the basis of a year of 365 days.

(2) For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Agreement for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

Section 3.6 Limit on Rate of Interest.

(1) Notwithstanding any provision contained in this Agreement, OPG shall not be obliged to make any payments of interest or other amounts payable to OEFC hereunder in excess of the amount or rate which would be prohibited by applicable law or would result in the receipt by OEFC of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada), as amended from time to time).

(2) In the event that any such payments are limited or prohibited as provided in Section 3.6(1), OEFC shall have no further obligation to make any Advances available hereunder and the Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, shall become immediately due and payable.

Section 3.7 Conditions Precedent.

The obligation of OEFC to make the Advances pursuant to Section 2.1 is subject to the following conditions being met to OEFC's satisfaction at the time of making each Advance:

(a) that the representations and warranties of OPG contained in this Agreement are true and correct as at the date of making the Advance;

(b) that no Event of Default has occurred and is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default;

(c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of OPG; and

(d) that OEFC has received such other documentation which it has reasonably requested to ensure that OPG is in compliance with the terms and conditions of this Agreement, including certified true copies of any necessary resolutions including resolutions authorizing the borrowing and authorized signatories.

ARTICLE 4
COVENANTS OF OPG

Section 4.1 Payment of Advances.

OPG will duly and punctually pay or cause to be paid all amounts owing under this Agreement in accordance with the terms and subject to the conditions of this Agreement.

Section 4.2 OPG will Maintain its Corporate Existence.

Subject to Section 6.1, OPG will at all times maintain its corporate existence.

Section 4.3 Maintenance of Properties.

OPG will cause all property owned by OPG or any Material Subsidiary to be maintained and kept in good condition, repair and working order, all as in the judgment of OPG or any Material Subsidiary may be necessary for the proper operation of such property, except as and to the extent that OPG or any Material Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 4.3 shall prevent OPG or any Material Subsidiary from discontinuing the maintenance of any such property or decommissioning any such property if such discontinuance or decommissioning is, in the judgment of OPG or any Material Subsidiary, desirable in the conduct of its business or the business of any such Material Subsidiary, or has been directly or indirectly requested or required by the Province of Ontario.

Section 4.4 Insurance.

OPG will cause all property owned by OPG or any Material Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for

mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the nature and to the extent that such property is usually insured by companies operating similar businesses.

Section 4.5 Conduct of Business.

Subject to Section 4.3, OPG will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in a proper, efficient and business-like manner and in accordance with good business practice.

Section 4.6 Negative Pledge.

OPG will not, and will not permit any Material Subsidiary to, create, incur or assume any Lien, charging the interest of OPG or any Material Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, all amounts owing under this Agreement are secured equally and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) the creation, incurrence or assumption of any Purchase Money Mortgage;

(b) the creation, incurrence or assumption of any Lien over assets that relate to a Specified Project, or to such other projects as may be agreed to from time to time;

(c) the grant of any Lien in the normal course of business to any banks or financial institutions for present or future indebtedness of OPG or any Material Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(d) Permitted Liens;

(e) any extension, renewal or replacement of any of the Liens referred to in Sections 4.6(a), (b), (c) or (d), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased; and

(f) any Lien charging the interest of OPG or any Material Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 4.6(a), (b), (c) or (d), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 4.6(f) which is outstanding at such time does not exceed 10% of Consolidated Net Worth at such time.

Section 4.7 Payment of OEFC Expenses.

OPG will, on demand, reimburse and indemnify OEFC for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OEFC in connection with the preservation of rights under or enforcement of this Agreement at any time during the continuance of a Default or Event of Default. All such costs, charges and expenses shall bear interest at the Prime Rate calculated and payable monthly in arrears from the 30th day after demand for reimbursement thereof is made by OEFC.

Section 4.8 Reporting Requirements.

OPG will provide to OEFC, or at its direction, to the Province of Ontario and the Ontario Financing Authority any available information respecting the Darlington Refurbishment Project and the Credit Facility which may be reasonably requested by OEFC, the Province of Ontario or the Ontario Financing Authority from time to time and which may include, without limitation, information on Darlington Refurbishment Project milestones and progress achieved and expected, financial progress and explanations and variances, if any between what expected and actual progress.

ARTICLE 5
EVENTS OF DEFAULT AND REMEDIES

Section 5.1 Event of Default.

Wherever used in this Agreement, the term **"Event of Default"** means any of the following:

(a) failure to pay any interest upon any Advance when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) failure to pay the principal amount of any Advance on the applicable Repayment Date;

(c) failure on the part of OPG to observe or perform its obligations set forth in Section 6.1;

(d) failure on the part of OPG to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 30 days after the date on which written notice of such failure shall have been given to OPG by OEFC;

(e) any representation or warranty made by OPG in this Agreement or in any certificate or other document at any time delivered hereunder to OEFC was incorrect or misleading in any material respect;

(f) one or more breaches by OPG of its covenants under one or more evidences of indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $25 million, which breaches:

(i) constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist, or

(ii) have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived or rescinded);

(g) OPG, or any Material Subsidiary:

(i) becomes generally not able to pay its debts as they become due;

(ii) admits in writing its inability to pay its debts generally or makes a general assignment for the benefit of its creditors or files a proposal or other scheme of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) institutes or has instituted against it any proceeding seeking:

(A) to adjudicate it a bankrupt or insolvent,

(B) liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy / insolvency / reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors, or

(C) the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets,
and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismisssed or unstayed for a period of 30 days, or any remedy sought in any such

proceeding (including the entry of order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

(iv) takes any corporate action to authorize any of the actions in Sections 5.1(g)(i) to (iii); or

(h) if there shall be rendered against OPG or any Material Subsidiary a final judgment or judgments for the payment of money in an aggregate amount in excess of $25 million by a court or courts of competent jurisdiction, and OPG or any Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 5.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case OEFC may declare all amounts owing hereunder to be due and payable immediately, by a notice in writing to OPG, and upon any such declaration all such amounts shall become immediately due and payable.

Section 5.3 Suits for Enforcement by OEFC.

If an Event of Default occurs and is continuing, OEFC may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in OEFC by this Agreement or by law.

Section 5.4 OEFC May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of OPG under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property of OPG, or if any other judicial proceedings relative to OPG, its creditors or its property are pending, OEFC shall be entitled and empowered, by intention in such proceeding or otherwise:

(a) to file and prove a claim for all amounts owing under this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of OEFC (including any claim for fees and disbursements of OEFC, its agents and counsel as contemplated under Section 4.7) allowed in such judicial proceeding; and

(b) to collect and receive any moneys or other property payable or deliverable on any such claim.

Section 5.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to OEFC is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.6 Delay or Omission not Waiver.

No delay or omission of OEFC to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right or remedy given by this Article 5 or by law to OEFC may be exercised from time to time, and as often as may be deemed expedient, by OEFC.

ARTICLE 6
CONSOLIDATION, AMALGAMATION, MERGER OF OPG

Section 6.1 Certain Requirements in Respect of Merger, etc.

OPG may not and may not cause any Material Subsidiary, in a single transaction or a series of related transactions, amalgamate or consolidate with or merge into any other Person, or permit any other Person to amalgamate or consolidate with or merge into OPG or the Material Subsidiary, or directly or indirectly transfer, sell, lease or otherwise dispose of all or substantially all of its property or assets (a "Disposition") to any Person without the written consent of its shareholder, the Province of Ontario.

Section 6.2 Successor Substituted.

Upon any consolidation, amalgamation, merger or Disposition described in, and complying with the provisions of, Section 6.1 in which OPG is not the continuing corporation,

the successor Person shall succeed to all of the rights and obligations of OPG under this Agreement, and from time to time may exercise every right and power of OPG under this Agreement.

ARTICLE 7

REPRESENTATIONS AND WARRANTIES OF OPG

Section 7.1 Representations and Warranties of OPG.

OPG represents and warrants to OEFC that:

(a) the borrowing of money (including principal and accrued interest) by OPG and the execution, delivery and performance of this Agreement are within the powers and capacities of OPG and have been duly authorized by all necessary legal action and proper proceedings;

(b) the execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the compliance with the terms and conditions of this Agreement will not conflict with or result in a breach of any of the terms or provisions of the constituting documents or by-laws of OPG, laws of Ontario, including laws of Canada applicable therein, applicable to OPG or any contractual or other obligation binding on OPG;

(c) this Agreement will, when executed and delivered, constitute the legal, valid and binding obligation of OPG enforceable against it in accordance with its terms; and

(d) the monies advanced under this Agreement shall be used only by OPG for the purposes set out in Section 2.3.

Section 7.2 Continuation of Representation and Warranties.

The representations and warranties set out in Section 7.1 herein shall survive the execution and delivery of this Agreement, the making of each advance by OEFC, notwithstanding any investigations or examinations which may be made by counsel for OEFC.

ARTICLE 8
GENERAL

Section 8.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy or other means of electronic communication addressed:

If to OPG, to it at:

Ontario Power Generation Inc.
700 University Avenue
Toronto, ON M5G 1X6

Attention: Treasurer
Telephone: 416-592-6392
Telecopier: 416-592-4189

If to OEFC, to it at:

Ontario Electricity Financial Corporation
c/o Ontario Financing Authority
1 Dundas Street West
Suite 1400
Toronto, ON M7A 1Y7

Attention: Executive Director - Capital Markets Division
Telephone: (416) 325-8930
Telecopier: (416) 325-8111

provided that any Borrowing Notice shall be addressed as indicated on Schedule 1.

Any communication hereunder shall be deemed to have been validly and effectively given if (a) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p. m (Toronto time), otherwise on the next Business Day, (b) transmitted by telecopier or other means of electronic communication, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice given in accordance with this Section 8.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 8.1.

Section 8.2 Successors and Assigns.

This Agreement shall be binding on and enure to the benefit of OEFC and OPG and their respective successors and permitted assigns, except that OPG shall not, without the prior written consent of OEFC assign, pledge or hypothecate any rights or obligations with respect to this Agreement.

Section 8.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of OEFC and OPG.

Section 8.4 Waiver.

(1) No waiver of any provisions of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) or this Agreement nor shall such waiver be binding unless executed in writing by the party to be bound by the waiver.

(2) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude another or further exercise of such right or the exercise of any other right.

Section 8.5 Further Assurances.

Each of OPG and OEFC shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement.

Section 8.6 Severability.

In case any provision in this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement shall not in any way be affected or impaired thereby.

Section 8.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 8.8 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF the parties have executed this Agreement as of the 17th day of June, 2016.

ONTARIO POWER GENERATION INC.

by: _____
Name: John Lee
Title: Vice President Treasurer

and: _____
Name: Ken Hartwick
Title: Senior Vice President Finance,
Strategy, Risk & Chief Financial Officer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

SCHEDULE "A"

SPECIFIED PROJECTS

1) Lower Mattagami Project

The Lower Mattagami Project, being the redevelopment and expansion of the Lower Mattagami river complex comprising of 4 hydroelectric generating stations, being Little Long, Smoky Falls, Harmon and Kipling hydroelectric generating stations (and the related operational, transmission and interconnection assets) located on the Mattagami River in north-eastern Ontario approximately 70 km northeast of Kapuskasing, in the District of Cochrane and more specifically involving (a) the addition of a third turbine/generator unit at each of Little Long, Harmon and Kipling hydroelectric generating stations; (b) the construction of a 3-unit station with installed turbine capacity of 268 MW and decommissioning of the existing Smoky Falls hydroelectric generation station; and (c) related transmission work in order to connect the new generation to the grid.

Lower Mattagami Project Subsidiaries

- LM Energy Inc.;
- Lower Mattagami Energy Limited Partnership;
- Lower Mattagami Limited Partnership; and
- LM Extension Inc.

2) Peter Sutherland Sr. GS Project (formerly the New Post Creek Project)

The Peter Sutherland Sr. GS Project is a greenfield development of a 28 MW, two unit, hydroelectric generating facility on the New Post Creek, which is located approximately 200 km north of Timmins and situated 10 km northeast of the Abitibi Canyon Generating Station and 20 km south of the Otter Rapids Generating Station, both existing OPG assets. The facility site lies within the traditional territory of the Taykwa Tagamou Nation. The generating facility will be located on the Abitibi River, with the intake at New Post Creek, approximately 6 km upstream of its confluence with the Abitibi River. Upon completion of construction, the facility is expected to generate an average of 129 GWh annually. The total installed capacity of the facility is anticipated to be 28 MW. The development of the facility is expected to be completed no later than December 2017.

Peter Sutherland Sr. GS Project Subsidiaries

- PSS Generating Station LP

SCHEDULE 1

FORM OF BORROWING NOTICE

Date:

Ontario Electricity Financial Corporation (**"OEFC"**)
c/o Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A1Y7

Attention: Cash Management
Via e-mail*: CashP@ofina.on.ca

Dear Sirs:

The undersigned, Ontario Power Generation Inc. ("OPG"), refer to the General Corporate Requirements Credit Facility Agreement dated June 17, 2016 (as amended, supplemented or restated from time to time, the **"Agreement"**, the terms defined therein being used herein as therein defined) between OPG and OEFC, and gives you notice pursuant to Section 3.2 of the Agreement that OPG requests the following Advances under the Agreement (each a **"Proposed Advance"**), and, in that connection, sets forth below the information relating to such Proposed Advances as required by Section 3.2 of the Agreement:

Proposed Advance – term up to 30 years:

(a) The date of the Proposed Advance, being a Business Day is •
(b) The principal amount of the Proposed Advance is $• **[may not be amount greater than Proposed Advance – term up to 10 years]**
(c) The purpose of the Proposed Advance is **[Darlington Requirements or, Other General Corporate Requirements]**
(d) The Repayment Date of the Proposed Advance is **[insert repayment date i.e. a date not more than 30 years after the date of the Proposed Advance]**
(e) The Interest Payment Dates are **[insert semi-annual interest payment dates].**

Proposed Advance – term up to 10 years:

(a) The date of the Proposed Advance, being a Business Day is •
(b) The principal amount of the Proposed Advance is $•
(c) The purpose of the Proposed Advance is **[Darlington Requirements or, Other General Corporate Requirements]**
(d) The Repayment Date of the Proposed Advance **is [insert repayment date i.e. a date not more than 10 years after the date of the Proposed Advance]**
(e) The Interest Payment Dates are **[insert semi-annual interest payment dates].**

OPG hereby certifies that:

The representations and warranties of OPG contained in the Agreement are true and correct as at the date hereof.

The Repayment Date of any of the Proposed Advance(s) is no more than 30 years after the date of such Proposed Advance for no more than 50% of the total of all Proposed Advances to be made on the date of the Proposed Advance.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

OPG has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received previously as Advances under the Agreement have been expended or are being held solely for the purpose for which they were advanced; no part of said funds has been nor any part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

ONTARIO POWER GENERATION INC.

Per: _____
Authorized Signature

*To be confirmed by telephone call to OEFC Cash Management (416) 325-8108

SCHEDULE 2

ONTARIO POWER GENERATION INC.

NOTE
(GENERAL CORPORATE REQUIREMENTS CREDIT FACILITY)

Principal Amount: $• Date: •
Interest Rate: •% per annum
Due: • **[no more than 10 years after the proposed date of the advance]**

FOR VALUE RECEIVED, ONTARIO POWER GENERATION INC. ("OPG"), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of $• in lawful money of Canada, with interest on such amount at the rate, calculated in the manner and payable at the times specified in this Note.

The outstanding principal amount of this Note together with all interest accrued thereon shall become due and payable on •.

OEFC shall and is unconditionally and absolutely authorized and directed by OPG to record the date and amount of each prepayment, made with OEFC's consent, on account of the principal paid to OEFC and the resulting outstanding principal amount of this Note (the "Records". OPG agrees that, in the absence of manifest mathematical error, the Records shall be p*rima facie* evidence of such payments, provided that the failure of OEFC to record or correctly record any amount or date shall not affect the obligation of OPG to pay the outstanding principal amount of the advances and interest, if applicable.

The principal amount of this Note remaining from time to time unpaid and outstanding shall bear interest from the date of this Note both before and after maturity and both before and after Default at the rate of per annum equal to •%. Interest at such rate shall accrue daily and shall be payable in arrears, in equal semi-annual payments on • and • of each year commencing • until repaid in full. Overdue interest shall bear interest at the same rate, calculated as aforesaid. Whenever it is necessary to compute interest in respect of this Note for a period of less than one full year, other than such equal semi-annual payments, such interest shall be calculated on the basis of the actual number of days elapsed in a year of 365 days.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the General Corporate Requirements Credit Facility Agreement dated June 17, 2016 between OPG and OEFC (the "**Agreement**"), which Agreement provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of OPG. OPG waives presentment for payment and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF OPG has executed this Note

ONTARIO POWER GENERATION INC.

By:

By:

SCHEDULE 2 A

ONTARIO POWER GENERATION INC.

NOTE
(GENERAL CORPORATE REQUIREMENTS CREDIT FACILITY)

Principal Amount: $• Date: •
Interest Rate: •% per annum
Due: • **[no more than 30 years after the proposed date of the advance]**

FOR VALUE RECEIVED, ONTARIO POWER GENERATION INC. ("OPG"), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of $• in lawful money of Canada, with interest on such amount at the rate, calculated in the manner and payable at the times specified in this Note.

The outstanding principal amount of this Note together with all interest accrued thereon shall become due and payable on •.

OEFC shall and is unconditionally and absolutely authorized and directed by OPG to record the date and amount of each prepayment, made with OEFC's consent, on account of the principal paid to OEFC and the resulting outstanding principal amount of this Note (the "Records". OPG agrees that, in the absence of manifest mathematical error, the Records shall be p*rima facie* evidence of such payments, provided that the failure of OEFC to record or correctly record any amount or date shall not affect the obligation of OPG to pay the outstanding principal amount of the advances and interest, if applicable.

The principal amount of this Note remaining from time to time unpaid and outstanding shall bear interest from the date of this Note both before and after maturity and both before and after Default at the rate of per annum equal to •%. Interest at such rate shall accrue daily and shall be payable in arrears, in equal semi-annual payments on • and • of each year commencing • until repaid in full. Overdue interest shall bear interest at the same rate, calculated as aforesaid. Whenever it is necessary to compute interest in respect of this Note for a period of less than one full year, other than such equal semi-annual payments, such interest shall be calculated on the basis of the actual number of days elapsed in a year of 365 days.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the General Corporate Requirements Credit Facility Agreement dated June 17, 2016 between OPG and OEFC (the "**Agreement**"), which Agreement provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of OPG. OPG waives presentment for payment and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF OPG has executed this Note

ONTARIO POWER GENERATION INC.

By:

By:

SCHEDULE 3

CALCULATION OF MAKE-WHOLE AMOUNT AND EXAMPLE CALCULATION

For the purposes of this Schedule 3, the following terms shall have the meanings assigned to them below:

"OPG Market Price" means the price that is calculated using the OPG Interpolated Yield for the remaining term to maturity of the Advance Outstanding as of the Prepayment Calculation Date.

"OPG Interpolated Yield" means the interpolated yield calculated by using a Province of Ontario Yield Curve.

"Province of Ontario Yield Curve" means the yield curve that is constructed of only issues with an active, whole-bond float of at least CAD $2 Billion in size.

OEFC will calculate the Make-Whole Amount as the OPG Market Price multiplied by the amount of the Advance Outstanding that is to be repaid.

If the shape of the Province of Ontario Yield Curve for the remaining term to maturity is convex, then a cubic-spline method for interpolation will be used (i.e. the interpolation will follow the curvature of that portion of the yield curve). If the constructed yield curve is concave at this term, a linear (i.e. straight line) method of interpolation will be used.

Example

On 22 April, 2005 OEFC provided OPG with an Advance for $75 million at 5.575% for a term of 10 years. OPG gives notice to prepay the Advance Outstanding of $75 million on February 4, 2010.

Prepayment Date:	Feb 4, 2010
Repayment Date of original Advance:	April 22, 2015
Coupon Rate:	5.575%
OPG Interpolated Yield:	2.875%

Ontario issues used for Interpolation (linear)

ONT 4.5% 08 MAR 2015 ($3.0B Float):	*2.839%*
ONT 4.4% 08 MAR 2016 ($3.0B Float):	*3.135%*

OPG Market Price: 112.99

Make-Whole Amount: $75 million x ((112.99 – 100)/100) = $9.7 million

CERTIFICATE OF INCUMBENCY

I, Catriona King, Vice President, Corporate Secretary and Executive Operations of Ontario Power Generation Inc. ("OPG"), certify, for and on behalf of OPG and not in my personal capacity and without personal liability, that:

1. the following person is a duly appointed officer of OPG holding the office set forth below their name, and the signature appearing opposite their name is a genuine signature of such person or a true specimen thereof:

Name	Signature
Ken Hartwick Senior Vice President Finance, Strategy, Risk & Chief Financial Officer	

Dated this 17 day of June, 2016

Catriona King
Vice President, Corporate Secretary and
Executive Operations
Ontario Power Generation Inc.

AMENDING AGREEMENT NO. 1

This Amending Agreement made as of the 7th day of September, 2016.

BETWEEN: **ONTARIO POWER GENERATION INC. ("OPG")**
As Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**
As Lender

WHEREAS OPG and OEFC entered into a Credit Facility Agreement dated June 17, 2016 (the "**Agreement**") providing for OPG to borrow from OEFC an amount of up to seven hundred million Canadian dollars;

AND WHEREAS the parties wish to clarify that the facility is for OPG's general corporate requirements for a one-year period from January 1, 2017 to December 31, 2017;

AND WHEREAS the parties wish to clarify that advances under the Agreement only occur during the period starting on January 1, 2017 and ending on December 31, 2017.

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that:

1. The first paragraph of the opening RECITAL of the Agreement is deleted and replaced with the following paragraph:

   "OPG has requested to borrow from OEFC an amount of up to Seven Hundred Million Dollars for the purpose of financing OPG's general corporate requirements for the period from January 1, 2017 to December 31, 2017, including costs related to the Darlington Refurbishment Project and OEFC has agreed to lend such amount to OPG on the terms and conditions set out herein."

2. The definition of the term **"Darlington Requirements"** in Section 1.1 of the Agreement is deleted and replaced with the following new definition:

   "Darlington Requirements" means OPG's general corporate requirements for the Period from January 1, 2017 to December 31, 2017, for the Darlington Refurbishment Project.

3. The definition of the term **"General Corporate Requirements"** in Section 1.1 of the Agreement is deleted and replaced with the following new definition:

"General Corporate Requirements" means OPG's general corporate requirements for the period from January 1, 2017 to December 31, 2017, comprised of the Darlington Requirements and the Other General Corporate Requirements.

4. The definition of the term **"Other General Corporate Requirements"** in Section 1.1 of the Agreement is deleted and replaced with the following new definition:

"Other General Corporate Requirements" means OPG's general corporate requirements for the period from January 1, 2017 to December 31, 2017, other than the Darlington Requirements.

5. Section 3.1 "**Advances"** of the Agreement is deleted and replaced with the following:

3.1 Advances.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to OPG under the Credit Facility from time to time on any Business Day after January 1, 2017 and prior to January 1, 2018. OPG shall not request Advances more than four (4) times per calendar year without first obtaining the prior written consent of OEFC. OPG may request at the same time Advances for the Darlington Requirements and for the Other General Corporate Requirements. It is anticipated that OPG will request these Advances approximately quarterly throughout a calendar year.

The Repayment Dates of the Proposed Advances for any date shall be such that the Repayment Dates are a) no more than 30 years after the date of the Proposed Advances for no more than 50% of the total amount of such Proposed Advances, and b) no more than 10 years after the date of the Proposed Advances for the remaining amount of the Proposed Advances.

For greater certainty, no Advances shall be made under this Agreement after December 31, 2017.

6. All other terms and conditions of the Agreement shall remain the same and continue in full force and effect. The Agreement, as amended hereby, shall continue to be binding on and enure to the benefit of the parties hereto.

[REMAINDER OF THE PAGE INTENTIONALLY DELETED]

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By: _____

Name: Michael D. Manning
Title: Chief Operating Officer

ONTARIO POWER GENERATION INC.

By: _____

Name: John Lee
Title: Vice President Treasurer

By: _____

Name: Ken Hartwick
Title: Senior Vice President Finance, Strategy, Risk & Chief Financial Officer

AMENDING AGREEMENT NO. 2

This Amending Agreement made as of the 2nd day of February, 2017.

BETWEEN: **ONTARIO POWER GENERATION INC. ("OPG")**
As Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**
As Lender

WHEREAS OPG and OEFC entered into a General Corporate Requirements Credit Facility Agreement dated June 17, 2016, as amended by a first Amending Agreement dated September 7, 2016, (the "**Agreement**"), providing for OPG to borrow from OEFC a principal amount of up to seven hundred million Canadian dollars;

AND WHEREAS, pursuant to Section 3.1, the Agreement provides that the Repayment Dates of the Proposed Advances for any date shall be such that the Repayment Dates are: a) no more than thirty (30) years after the date of the Proposed Advances for no more than 50% of the total amount of such Proposed Advances; and b) no more than ten (10) years after the date of the Proposed Advances for the remaining amount of the Proposed Advances;

AND WHEREAS as of the date hereof, the total principal amount outstanding under the Agreement is $NIL;

AND WHEREAS OPG and OEFC now agree to amend the Agreement so that all Proposed Advances under the Agreement may be for a term of up to thirty (30) years.

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that:

1. Section 3.1 of the Agreement "**Advances**" is deleted and replaced with the following:

> "OEFC agrees, on the terms and conditions of this Agreement, to make Advances to OPG under the Credit Facility from time to time on any Business Day after January 1, 2017 and prior to January 1, 2018. OPG shall not request Advances more than twelve (12) times per calendar year without first obtaining the prior written consent of OEFC. OPG may request at the same time Advances for the Darlington Requirements and for the Other General Corporate Requirements. It is anticipated that OPG will request these Advances approximately monthly throughout a calendar year.

The Repayment Date of each Proposed Advance made during 2017 shall be no more than thirty (30) years after the date of the Proposed Advance."

2. Section 3.2 of the Agreement is deleted and replaced with the following:

"OPG shall provide OEFC with written notice requesting an Advance at least 10 Business Days prior to the date of the Advance, unless otherwise agreed to in writing. Each such notice (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1 and shall specify, with respect to each Proposed Advance: (a) the date of the Advance (the "**Advance Date**"); (b) the principal amount of the Advance; (c) the purpose of the Advance, being either for Darlington Requirements or Other General Corporate Requirements; (d) the Repayment Date of the Advance; and (e) the Interest Payment Dates. The interest rate that shall apply to such Advance shall be set in accordance with the procedure set forth in Section 3.4."

3. Schedule 1 of the Agreement ("**Form of Borrowing Notice**") is deleted and replaced with the Form of Borrowing Notice attached hereto as Schedule 1.

IN ALL OTHER RESPECTS, the said Agreement is confirmed by the parties as further amended by the terms of this Amending Agreement.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By: _____

Name: Michael D. Manning
Title: Chief Operating Officer

I have the authority to bind the corporation.

ONTARIO POWER GENERATION INC.

By: _____

Name: Ken Hartwick
Title: Senior Vice President, Finance, Strategy, Risk & Chief Financial Officer

By: _____

Name: John Lee
Title: Vice President, Treasurer

I have the authority to bind the corporation.

SCHEDULE 1

FORM OF BORROWING NOTICE

Date:

Ontario Electricity Financial Corporation **("OEFC")**
c/o Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A1Y7

Attention: Cash Management
Via e-mail*: CashP@ofina.on.ca

Dear Sirs:

The undersigned, Ontario Power Generation Inc. ("OPG"), refer to the General Corporate Requirements Credit Facility Agreement dated June 17, 2016 (as amended, supplemented or restated from time to time, the **"Agreement"**, the terms defined therein being used herein as therein defined) between OPG and OEFC, and gives you notice pursuant to Section 3.2 of the Agreement that OPG requests the following Advances under the Agreement (each a **"Proposed Advance"**), and, in that connection, sets forth below the information relating to such Proposed Advances as required by Section 3.2 of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is ●
(b) The principal amount of the Proposed Advance is $● **[]**
(c) The purpose of the Proposed Advance is **[Darlington Requirements or, Other General Corporate Requirements]**
(d) The Repayment Date of the Proposed Advance is **[insert repayment date i.e. a date not more than 30 years after the date of the Proposed Advance]**
(e) The Interest Payment Dates are **[insert semi-annual interest payment dates].**

OPG hereby certifies that:

The representations and warranties of OPG contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

OPG has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received previously as Advances under the Agreement have been expended or are being held solely for the purpose for which they were advanced; no part of said funds has been nor any part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

ONTARIO POWER GENERATION INC.

Per: _____
Authorized Signature

*To be confirmed by telephone call to OEFC Cash Management (416) 325-8108

AMENDING AGREEMENT NO. 3

This Amending Agreement made as of the 6th day of September, 2017.

BETWEEN: **ONTARIO POWER GENERATION INC. ("OPG")**
As Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**
As Lender

WHEREAS OPG and OEFC entered into a Credit Facility Agreement dated June 17, 2016, as amended by Amending Agreement No. 1 dated September 7, 2016, and Amending Agreement No. 2 dated February 2, 2017 (the "Agreement", the terms defined therein being used herein as therein defined), providing for OPG to borrow from OEFC a principal amount of up to Seven Hundred Million Dollars;

AND WHEREAS the Agreement provides that advances under the Agreement only occur during the period starting on January 1, 2017 and ending on December 31, 2017;

AND WHEREAS as of the date hereof, the total principal amount outstanding under the Agreement is $400,000,000.00;

AND WHEREAS OPG and OEFC have now agreed to increase the total commitment amount under the Agreement to an amount of up to Two Billion Three Hundred Fifty Million Dollars, with no more than One Billion Five Hundred Million Dollars to be advanced prior to January 1, 2018;

AND WHEREAS OPG and OEFC now agree to amend the Agreement so that advances under the Agreement may occur during the period starting on January 1, 2017 and ending on December 31, 2018.

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that:

1. The definition of the term "**Commitment**" in Section 1.1 of the Agreement is deleted and replaced with the following :

   "Commitment" means, at any time, an amount equal to the principal amount of Two Billion Three Hundred Fifty Million Dollars;

2. The definition of the term "**General Corporate Requirements**" in Section 1.1 of the Agreement is deleted and replaced with the following :

"General Corporate Requirements" means OPG's general corporate requirements for the period from January 1, 2017 to December 31, 2018, comprised of the Darlington Requirements and the Other General Corporate Requirements;

3. The definition of the term "**Other General Corporate Requirements**" in Section 1.1 of the Agreement is deleted and replaced with the following :

"Other General Corporate Requirements" means OPG's general corporate requirements for the period from January 1, 2017 to December 31, 2018, other than the Darlington Requirements;

4. On or after the date of this Amending Agreement, the definition of the term "**Base Rate**" in Section 1.1 of the Agreement is deleted and replaced with the following :

"**Base Rate**" means an annual rate of interest comprised of the applicable yield for the Benchmark Government of Canada bonds as published by Bloomberg RBCB as of the Business Day immediately preceding the Advance Date for the term specified in the applicable Notice of Borrowing, and includes all costs of borrowing, including applicable fees and commissions. In the event that there are no Benchmark Government of Canada bonds listed at the time of the Advance with the same term, the rate shall be established by interpolating the terms of two Benchmark Government of Canada bonds that are closest to the term of the Advance, one being for a longer term and the other being for a shorter term. Where the OEFC has hedged the Advance, the applicable yield for the Benchmark Government of Canada bonds will be determined as follows:

a) For the principal amount of bonds hedged by the OEFC the weighted average yield of the hedged bonds;

b) For the principal amount of the Advance less the principal amount of the bonds hedged in a), the yield as published by Bloomberg RBCB as of the Business Day immediately preceding the Advance Date for the term specified in the applicable Borrowing Notice.

For purposes of calculating the principal amount hedged in item a) above, OEFC will provide the percentage hedged.

5. Section 3.1 of the Agreement "**Advances**" is deleted and replaced with the following:

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to OPG under the Credit Facility from time to time on any Business Day after January 1, 2017 and prior to January 1, 2019. OPG shall not request Advances more than twelve (12) times per calendar year without first obtaining the prior written consent of OEFC. OPG may request at the same time Advances for the Darlington Requirements and for the Other General Corporate Requirements. It is anticipated that OPG will request these Advances approximately monthly throughout a calendar year. The total of all Advances made prior to January 1, 2018 shall not be more than One Billion Five Hundred Million Dollars.

The Repayment Date of each Proposed Advance to be made in 2017 shall be such that the Repayment Date is no more than 30 years after the date of the Proposed Advance for 2017.

The Repayment Date of each Proposed Advance to be made in 2018 shall be such that the Repayment Date is a) no more than 30 years after the date of the Proposed Advance for no more than 50% of the total amount of such Proposed Advances for 2018, and b) no more than 10 years after the date of the Proposed Advance for the remaining amount of the Proposed Advances for 2018. This requirement may only be modified with the written consent of OEFC.

For greater certainty, no Advances shall be made under this Agreement after December 31, 2018.

5. The definition of the term "**Subsidiary**" in Section 1.1 of the Agreement is deleted and replaced with the following:

"Subsidiary" means:

(a) a corporation with more than 50% of the voting power or the outstanding Voting Shares of which is owned, directly or indirectly, by OPG or by one or more other Subsidiaries or by OPG and one or more other Subsidiaries,

(b) any Person (other than a corporation) in which OPG, or one or more other Subsidiaries, directly or indirectly, has at least a major ownership and power to direct the policies, management and affairs thereof,

(c) notwithstanding sub-sections (a) and (b) above, any Person that is a "financing entity" as defined in the *Ontario Fair Hydro Plan Act, 2017* (Ontario) is deemed not to be a Subsidiary.

6. Section 3.2 of the Agreement is deleted and replaced with the following:

OPG shall provide OEFC with written notice requesting an Advance at least 10 Business Days prior to the date of the Advance. Each such notice (a **"Borrowing Notice"**) shall be substantially in the form of Schedule 1 and shall specify, with respect to each Proposed Advance: (a) the date of the Advance (the **"Advance Date"**); (b) the principal amount of the Advance; (c) the purpose of the Advance, that is, whether it is for Darlington Requirements or Other General Corporate Requirements; (d) the Repayment Date of the Advance; and (e) the Interest Payment Dates. The interest rate that shall apply to such Advance shall be set in accordance with the procedure set forth in Section 3.4.

7. Schedule 1 of the Agreement (Form of Borrowing Notice) is deleted and replaced with the Form of Borrowing Notice attached hereto as Schedule 1.

IN ALL OTHER RESPECTS, the said Agreement is confirmed by the parties as further amended by the terms of this Amending Agreement.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By: _____

Name: Michael D. Manning
Title: Chief Operating Officer

I have the authority to bind the corporation.

ONTARIO POWER GENERATION INC.

By: _____

Name: Ken Hartwick
Title: Chief Financial Officer & Senior Vice President - Finance

By: _____

Name: John Lee
Title: Vice President, Treasurer

I have the authority to bind the corporation.

SCHEDULE 1
FORM OF BORROWING NOTICE

Date:

Ontario Electricity Financial Corporation **("OEFC")**
c/o Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A1Y7

Attention: Cash Management
Via e-mail*: CashP@ofina.on.ca

Dear Sirs:

The undersigned, Ontario Power Generation Inc. ("OPG"), refer to the General Corporate Requirements Credit Facility Agreement dated June 17, 2016 (as amended, supplemented or restated from time to time, the **"Agreement"**, the terms defined therein being used herein as therein defined) between OPG and OEFC, and gives you notice pursuant to Section 3.2 of the Agreement that OPG requests the following Advances under the Agreement (each a **"Proposed Advance"**), and, in that connection, sets forth below the information relating to such Proposed Advances as required by Section 3.2 of the Agreement:

Proposed Advance – term up to 30 years:

(a) The date of the Proposed Advance, being a Business Day is •
(b) The principal amount of the Proposed Advance is $•
(c) The purpose of the Proposed Advance is **[Darlington Requirements or, Other General Corporate Requirements]**
(d) The Repayment Date of the Proposed Advance is **[insert repayment date i.e. a date not more than 30 years after the date of the Proposed Advance]**
(e) The Interest Payment Dates are **[insert semi-annual interest payment dates].**

Proposed Advance – term up to 10 years:

(a) The date of the Proposed Advance, being a Business Day is •
(b) The principal amount of the Proposed Advance is $•
(c) The purpose of the Proposed Advance is **[Darlington Requirements or, Other General Corporate Requirements]**

(d) The Repayment Date of the Proposed Advance **is [insert repayment date i.e. a date not more than 10 years after the date of the Proposed Advance]**

(e) The Interest Payment Dates are **[insert semi-annual interest payment dates].**

OPG hereby certifies that:

The representations and warranties of OPG contained in the Agreement are true and correct as at the date hereof.

[NTD: For use in 2018 only] [The Repayment Date of any of the Proposed Advance(s) for 2018 is (a) no more than 30 years after the date of such Proposed Advance for no more than 50% of the total of all Proposed Advances for 2018 and (b) no more than 10 years after the date of the Proposed Advance for the remaining amount of the Proposed Advances for 2018.]

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

OPG has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received previously as Advances under the Agreement have been expended or are being held solely for the purpose for which they were advanced; no part of said funds has been nor any part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

ONTARIO POWER GENERATION INC.

Per: _____
Authorized Signature

*To be confirmed by telephone call to OEFC Cash Management (416) 325-8108

The Repayment Date of each Proposed Advance to be made in 2018 shall be such that the Repayment Date is a) no more than 30 years after the date of the Proposed Advance for no more than 50% of the total amount of such Proposed Advances for 2018, and b) no more than 10 years after the date of the Proposed Advance for the remaining amount of the Proposed Advances for 2018. This requirement may only be modified with the written consent of OEFC.

BORROWING NOTICE

Date: January 8, 2018

Ontario Electricity Financial Corporation **("OEFC")**
c/o Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A1Y7

Attention: Cash Management
Via e-mail*: CashP@ofina.on.ca

Dear Sirs:

The undersigned, Ontario Power Generation Inc. ("**OPG**"), refers to the General Corporate Requirements Credit Facility Agreement dated June 17, 2016 (as amended, supplemented or restated from time to time, the **"Agreement"**, the terms defined therein being used herein as therein defined) between OPG and OEFC, and gives you notice pursuant to Section 3.2 of the Agreement that OPG requests the following Advance under the Agreement (the **"Proposed Advance"**), and, in that connection, sets forth below the information relating to such Proposed Advance as required by Section 3.2 of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is January 22, 2018;
(b) The principal amount of the Proposed Advance is $200,000,000;
(c) The purpose of the Proposed Advance is Other General Corporate Requirements;
(d) The Repayment Date of the Proposed Advance is January 22, 2048;
(e) The Interest Payment Dates are the 22nd day of each January and July beginning July 22, 2018.

OPG hereby certifies that:

The representations and warranties of OPG contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

OPG has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received previously as Advances under the Agreement have been expended or are being held solely for the purpose for which they were advanced; no part of said funds has been nor any part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

ONTARIO POWER GENERATION INC.

Per: _____
John Lee
Vice President Treasurer

Per: _____
Ken Hartwick
Chief Financial Officer &
Senior Vice President - Finance

*To be confirmed by telephone call to OEFC Cash Management (416) 325-8108

PROMISSORY NOTE
(GENERAL CORPORATE REQUIREMENTS CREDIT FACILITY)

Principal Amount: **$200,000,000 CAD** Date: January 22, 2018
Interest Rate: _____% per annum
Due: **January 22, 2048**

FOR VALUE RECEIVED, ONTARIO POWER GENERATION INC. ("OPG"), a corporation incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of $200,000,000 in the lawful money of Canada, with interest on such amount at the rate, calculated in the manner and payable at the times specified in this promissory note (the **"Note"**).

The outstanding principal amount of this Note together with all interest accrued thereon shall become due and payable on January 22, 2048.

OEFC shall and is unconditionally and absolutely authorized and directed by OPG to record the date and amount of each prepayment, made with OEFC's consent, on account of the principal paid to OEFC and the resulting outstanding principal amount of this Note (the "**Records**"). OPG agrees that, in the absence of manifest mathematical error, the Records shall be *prima facie* evidence of such payments, provided that the failure of OEFC to record or correctly record any amount or date shall not affect the obligation of OPG to pay the outstanding principal amount of the advances and interest, if applicable.

The principal amount of this Note remaining from time to time unpaid and outstanding shall bear interest from the date of this Note both before and after maturity and both before and after Default at the rate of per annum equal to _____%. Interest at such rate shall accrue daily and shall be payable in arrears, in equal semi-annual payments on January 22nd and July 22nd of each year commencing July 22, 2018 until repaid in full. Overdue interest shall bear interest at the same rate, calculated as aforesaid. Whenever it is necessary to compute interest in respect of this Note for a period of less than one full year, other than such equal semi-annual payments, such interest shall be calculated on the basis of the actual number of days elapsed in a year of 365 days.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the General Corporate Requirements Credit Facility Agreement dated June 17, 2016 between OPG and OEFC (as amended supplemented or replaced from time to time, the "**Agreement**"), which Agreement provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of OPG. OPG waives presentment for payment and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

*****

IN WITNESS WHEREOF OPG has executed this Note

ONTARIO POWER GENERATION INC.

Per: _____
John Lee
Vice President–Treasurer

Per: _____
Ken Hartwick
Chief Financial Officer &
Senior Vice President - Finance

ARTICLE 3

ADVANCES AND INTEREST

Section 3.1 Advances.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to OPG under the Credit Facility from time to time on any Business Day prior to January 1, 2018. OPG shall not request Advances more than four (4) times per calendar year without first obtaining the prior written consent of OEFC. OPG may request at the same time Advances for the Darlington Requirements and for the Other General Corporate Requirements. It is anticipated that OPG will request these Advances approximately quarterly throughout a calendar year.

The Repayment Dates of the Proposed Advances for any date shall be such that the Repayment Dates are a) no more than 30 years after the date of the Proposed Advances for no more than 50% of the total amount of such Proposed Advances, and b) no more than 10 years after the date of the Proposed Advances for the remaining amount of the Proposed Advances.

No Advances shall be made under this Agreement after December 31, 2017.

The Repayment Dates of the Proposed Advances for any date shall be such that the Repayment Dates are a) no more than 30 years after the date of the Proposed Advances for no more than 50% of the total amount of such Proposed Advances, and b) no more than 10 years after the date of the Proposed Advances for the remaining amount of the Proposed Advances.

The Repayment Date of each Proposed Advance made during 2017 shall be no more than thirty (30) years after the date of the Proposed Advance."

From: Ryan Blackbyrne
To: Lisa Stein; Sarah Harris
Subject: OEFC advances to OPG

From: Ryan Blackbyrne
To: Sarah Harris
Subject: OEFC borrowing notice - January 22, 2018
Date: Monday, January 08, 2018 3:54:51 PM
Attachments: $700 million OEFC-OPG Credit Facility (Executed Original).pdf
image002.png
2017 $700 Million Facility Amending Agreement 1 (Executed).pdf
Amendment No 2 (executed).pdf
Amendment No 3 (executed).pdf
image003.png
$200M OEFC Borrowing Notice - 01 08 18 signed.pdf

Hi Sarah,
As per Linda Smith's email below, OPG have made an Advance request of $200 million for 30 years. The current agreement (Amending Agreement No.3 attached) restricts 30 year borrowing to 50% of each loan. Mike Manning is fine with waiving this. As per section 5 of Amending Agreement No.3 and Section 8.3 of the Original Agreement, written agreement is required in order to make this change. I can prepare draft documentation is this regard. Is someone in OFA legal available to review?

From Amending Agreement No. 3, Section 5:

> The Repayment Date of each Proposed Advance to be made in 2018 shall be such that the Repayment Date is a) no more than 30 years after the date of the Proposed Advance for no more than 50% of the total amount of such Proposed Advances for 2018, and b) no more than 10 years after the date of the Proposed Advance for the remaining amount of the Proposed Advances for 2018. This requirement may only be modified with the written consent of OEFC.

From Original Agreement, Section 8.3:

> **Section 8.3 Amendments.**
>
> This Agreement may only be amended or otherwise modified by written agreement executed by each of OEFC and OPG.

Thank You,
Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M5G 1Z3
416-325-8143
ryan.blackbyrne@ofina.on.ca
-----Original Message-----
From: Linda Smith
Sent: Monday, January 08, 2018 3:05 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Subject: RE: OEFC borrowing notice - January 22, 2018
Ok thanks. OPG would like to borrow the $200 million for 30 years. The current agreement restricts 30 year borrowing to 50% of each loan. Mike is fine with waiving this. Can we do it by a letter?
-----Original Message-----
From: YAO Anthea -FUNDMGMT [mailto:anthea.yao@opg.com]
Sent: Thursday, January 04, 2018 2:04 PM
To: 'Kelly.Listoe@ofina.on.ca' <Kelly.Listoe@ofina.on.ca>
Cc: TETI Vicki -FIN & C CTRL <vicki.teti@opg.com>; RYFA Ken -TREASURY <ken.ryfa@opg.com>; Linda Smith <Linda.Smith@ofina.on.ca>; CASHP <CASHP@ofina.on.ca>; CASHO <CASHO@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>; Serena Ly <Serena.Ly@ofina.on.ca>; GO Matthew -TREASURY <matthew.go@opg.com>
Subject: OEFC borrowing notice - January 22, 2018
Kelly,
Attached is a scanned copy of the Borrowing Notice and Promissory Note for $200 million General Corporate Requirements under the Credit Facility Agreement. The advance has a value date of January 22, 2018 and is for a 30-year term.
I will courier the originals to your attention.
Thanks,
Anthea
Anthea Yao | Ontario Power Generation

700 University Avenue, Suite H18 C2, Toronto, Ontario, M5G 1X6 | T416.592.5542 | F 416.592.4189 | E anthea.yao@opg.com>

THIS MESSAGE IS ONLY INTENDED FOR THE USE OF THE INTENDED RECIPIENT(S) AND MAY CONTAIN INFORMATION THAT IS PRIVILEGED, PROPRIETARY AND/OR CONFIDENTIAL. If you are not the intended recipient, you are hereby notified that any review, retransmission, dissemination, distribution, copying, conversion to hard copy or other use of this communication is strictly prohibited. If you are not the intended recipient and have received this message in error, please notify me by return e-mail and delete this message from your system. Ontario Power Generation Inc.

ONTARIO POWER GENERATION INC.

as Borrower

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION

as Lender

GENERAL CORPORATE REQUIREMENTS CREDIT FACILITY AGREEMENT

Dated: June 17, 2016

THIS GENERAL CORPORATE REQUIREMENTS CREDIT FACILITY AGREEMENT is made on the 17th day of June, 2016

between:

ONTARIO POWER GENERATION INC. ("OPG")

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC").

RECITAL:

OPG has requested to borrow from OEFC an amount of up to Seven Hundred Million Dollars for the purpose of financing OPG's general corporate requirements for the period June 1, 2016 to December 31, 2017, including costs related to the Darlington Refurbishment Project and OEFC has agreed to lend such amount to OPG on the terms and conditions set out herein.

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the parties agree as follows:

ARTICLE 1
DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"Adjusted Repayment Date" has the meaning specified in Section 3.4.

"Advance Date" has the meaning set forth in Section 3.2.

"Advances" means advances made by OEFC to OPG under Article 3 and **"Advance"** means any one of such advances.

"Advances Outstanding" means, at any time, an amount equal to the aggregate principal amount of all Advances outstanding at such time and "Advance Outstanding" means the principal amount outstanding of any Advance.

"Agreement", "herein", "hereby", "hereof", "hereunder" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression **"Article"** or **"Section"** followed by a number means the specified Article or Section of this Agreement.

"Applicable Spread" means the additional interest in basis points over the Base Rate that will apply to an Advance, as determined by OEFC based on a survey of market rates.

"Base Rate" means an annual rate of interest comprised of the applicable yield for the Benchmark Government of Canada bonds as published by Bloomberg RBCB as of the Business Day immediately preceding the Advance Date for the term specified in the applicable Notice of Borrowing and includes all costs of borrowing, including applicable fees and commissions. In the event that there are no Benchmark Government of Canada bonds listed at the time of the Advance with the same term, the rate shall be established by interpolating the terms of the two Benchmark Government of Canada bonds that are closest to the term of the Advance, one being for a longer term and the other being for a shorter term.

"Borrowing Notice" has the meaning specified in Section 3.2.

"Business Day" means any day other than a Saturday, Sunday or a statutory or civic holiday in Toronto, Ontario.

"Commitment" means, at any time, an amount equal to the principal amount of Seven Hundred Million Dollars.

"Consolidated Net Worth" means, at any time, the aggregate amount of shareholders equity of OPG and the Subsidiaries, determined as of such time on a consolidated basis in accordance with generally accepted accounting principles.

"Credit Facility" means the credit facility to be made available to OPG by OEFC under this Agreement for the purposes specified in Section 2.3.

"Default" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"Darlington Refurbishment Project" means OPG's project to refurbish any or all of the existing units at the Darlington Nuclear Generating Station.

"Darlington Requirements" means OPG's general corporate requirements for the period June 1, 2016 to December 31, 2017, for the Darlington Refurbishment Project.

"Disposition" has the meaning specified in Section 6.1.

"Dollars" or "$" means lawful currency of Canada.

"Event of Default" has the meaning specified in Section 5.1.

"General Corporate Requirements" means OPG's general corporate requirements for the period June 1, 2016 to December 31, 2017, comprised of the Darlington Requirements and the Other General Corporate Requirements.

"Indebtedness" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) every obligation of such Person for borrowed money;

(b) every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments;

(c) every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) every capital lease obligation of such Person; and

(f) the Swap Termination Value of each Swap Contract of such Person; and

(g) every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"Interest Payment Dates" for any Advance shall be the semi-annual dates as specified in the Borrowing Notice.

"Lien" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"Make-Whole Amount" in respect of an Advance Outstanding means the amount determined by OEFC as described in Schedule 3.

"Material Subsidiary" means, at any time, a Subsidiary which has consolidated assets with a book value of more than $25 million determined as of such time in accordance with generally accepted accounting principles, and a Subsidiary not otherwise defined as a Material Subsidiary associated with a Specified Project as set out in Schedule "A" as such Schedule "A" may be amended from time to time.

"Note" means the notes of OPG issued under this Agreement.

"OPG" means Ontario Power Generation Inc., a corporation incorporated under the laws of the Province of Ontario, until a successor corporation shall have succeeded to all of the rights and obligations of Ontario Power Generation Inc. pursuant to Section 6.1 and thereafter **"OPG"** shall mean such successor corporation (or any successor thereto which shall have become such pursuant to Section 6.1).

"Other General Corporate Requirements" means OPG's general corporate requirements for the period June 1, 2016 to December 31, 2017, other than the Darlington Requirements.

"Permitted Liens" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) any obligations or duties, affecting the property of OPG or a Material Subsidiary, to any municipality or governmental, statutory or public authority, with respect to any franchise, grant, license or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by OPG or such Material Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by OPG or such Material Subsidiary;

(d) any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to

current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) the right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) any undetermined or inchoate Liens and charges incidental to the current operations of OPG or a Material Subsidiary that have not at the time been filed against OPG or such Material Subsidiary; provided, however, that if any such Lien or charge shall have been filed, OPG or such Material Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) any Lien the validity of which is being contested at the time by OPG or a Material Subsidiary in good faith and the enforcement of which has been stayed;

(h) any easements, rights-of-way and servitudes that in the opinion of OPG will not in the aggregate materially and adversely impair the use or value of the land for the purpose for which it is held or occupied by OPG or a Material Subsidiary;

(i) any Liens and privileges arising out of judgments or awards with respect to which OPG or a Material Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall have secured a stay of execution pending such appeal or proceedings for review; and

(j) pledges of cash or cash equivalents to secure OPG's or a Material Subsidiary's liabilities from time to time under Swap Contracts and pledges of cash or cash equivalents in an aggregate amount not exceeding $25 million at any time to secure OPG's or a Material Subsidiary's liabilities from time to time under commodity swap, commodity option and commodity future contracts entered into in the ordinary course of business for the purpose of directly mitigating risks associated with fluctuations in prices or availability of commodities purchased or to be purchased by OPG or a Material Subsidiary in the ordinary course of business, and not entered into for the purposes of speculation; and

(k) any other Liens of a nature similar to the foregoing which do not in the opinion of OPG, acting reasonably, materially impair the use of the property subject thereto or the operation of the business of OPG or any Material Subsidiary or the value of such property for the purpose of any such business.

"Person" means any individual, corporation, partnership joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"Prepayment Amount" means the amount determined in accordance with Section 2.5.

"Prepayment Calculation Date" means the date three Business Days prior to the Prepayment Date.

"Prepayment Date" means, in respect of the prepayment of Advances, the prepayment date set forth in the Prepayment Notice.

"Prepayment Notice" has the meaning specified in Section 2.5.

"Proposed Advance" has the meaning specified in Schedule 1.

"Purchase Money Mortgage" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or part of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"Repayment Date" means, in respect of the repayment of Advances, the repayment date set forth in the applicable Borrowing Notice and Note.

"Specified Project" means a project listed and generally described in Schedule "A" as such Schedule "A" may be amended from time to time.

"Stated Maturity" when used with respect to any Indebtedness or any installment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such installment of interest is due and payable.

"Subsidiary" means:

(a) a corporation with more than 50% of the voting power or the outstanding Voting Shares of which is owned, directly or indirectly, by OPG or by one or more other Subsidiaries or by OPG and one or more other Subsidiaries, or

(b) any Person (other than a corporation) in which OPG, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

"Swap Contract" means any agreement whether or not in writing, relating to any transaction or derivative transaction including a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction currency swap, cross-currency rate swap, swaption, currency option or other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.

"Swap Termination Value" means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap contracts:

(a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and

(b) for any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.

"Voting Shares" of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings and Table of Contents.

The division of this Agreement into Articles and Sections the insertion of headings and the provision of a Table of Contents are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and vice versa and words importing gender may include any gender. In this Agreement, (a) the words **"including"** and **"includes"** mean "including (or includes) without limitation", and (b) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" excluding".

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with generally accepted accounting principles. Generally accepted accounting principles refer to either (i) those accounting principles which are recognized as being generally accepted in Canada as set out in the Handbook published by the Canadian Institute of Chartered Accountants or any successor organization, applied on a consistent basis, or (ii) where and for as so long as is necessary to give effect to any applicable laws, those accounting principles that are recognized as being generally accepted in the United States of America and which are in effect from time to time, as promulgated by the Financial Accounting Standards Board, or successor organization, applied on a consistent basis.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the next following Business Day.

ARTICLE 2
NON-REVOLVING CREDIT FACILITY

Section 2.1 Availability.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to OPG up to the amount of the Commitment.

Section 2.2 Commitment and Facility Limits.

The Advances Outstanding to OPG under the Credit Facility shall not at any time exceed the Commitment. The Credit Facility shall not revolve.

Section 2.3 Use of Proceeds.

OPG shall use the proceeds of Advances for General Corporate Requirements.

Section 2.4 Mandatory Repayment.

Subject to Sections 3.6 and 5.2, OPG shall repay each Advance on the applicable Repayment Date or Adjusted Repayment Date, as the case may be.

Section 2.5 Prepayments.

(1) OPG shall have the right, at its option, to repay at any time, in whole or in part, any Advance Outstanding under this Agreement, provided that the minimum principal amount to be repaid at any time shall be $50,000,000 and the total principal amount which may be repaid in any one calendar year shall not exceed 50% of the total of all of

the Advances when such total Advances are more than $100,000,000, by payment to OEFC of the amount calculated in accordance with this section (the "Prepayment Amount").

(2) The Prepayment Amount shall be calculated as the sum of the following:

(a) the amount of the Advance Outstanding to be paid on the Prepayment Date;

(b) the accrued and unpaid interest on the amount of the Advance Outstanding to be paid on the Prepayment Date; and

(c) the Make-Whole Amount, if any, applicable to the amount of the Advance Outstanding to be paid on the Prepayment Date.

(3) OPG shall provide OEFC with written notice of its intention to prepay any Advance Outstanding, in whole or in part, not more than 90 calendar days and not less than 30 calendar days prior to the date OPG intends to make such payment (the "Prepayment Date"). The Prepayment Date shall be a Business Day. The notice ("Prepayment Notice") shall specify: (a) the principal amount to be repaid; (b) the Prepayment Date; and (c) OPG's covenant to pay the Prepayment Amount on the Prepayment Date. The Prepayment Notice is irrevocable and binding on both parties.

(4) On the Prepayment Calculation Date, OEFC shall provide OPG with written notice setting out the calculation of the Prepayment Amount, including a reasonably detailed calculation of the Make-Whole Amount and the assumptions used in making such calculations. An example of such calculation is set forth in Schedule 3 attached to this Agreement.

(5) OEFC shall give OPG one Business Day to review the calculations, after which the calculation of the Prepayment Amount shall be binding on OPG, absent manifest error.

Section 2.6 Advances and Payments under this Agreement.

(1) OEFC shall make Advances to OPG under this Agreement to or to the order of OPG by wire transfer of immediately available funds in accordance with wire transfer instructions given by OPG to OEFC from time to time, or in such other manner as OPG may specify to OEFC from time to time.

(2) OPG shall make any payment required hereunder to be made by it to OEFC, to or to the order of OEFC, by wire transfer of immediately available funds in accordance with wire transfer instruction given by OEFC to OPG from time to time, or in such other manner as OEFC may specify to OPG from time to time. OPG shall make each such payment in Canadian Dollars.

ARTICLE 3
ADVANCES AND INTEREST

Section 3.1 Advances.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to OPG under the Credit Facility from time to time on any Business Day prior to January 1, 2018. OPG shall not request Advances more than four (4) times per calendar year without first obtaining the prior written consent of OEFC. OPG may request at the same time Advances for the Darlington Requirements and for the Other General Corporate Requirements. It is anticipated that OPG will request these Advances approximately quarterly throughout a calendar year.

The Repayment Dates of the Proposed Advances for any date shall be such that the Repayment Dates are a) no more than 30 years after the date of the Proposed Advances for no more than 50% of the total amount of such Proposed Advances, and b) no more than 10 years after the date of the Proposed Advances for the remaining amount of the Proposed Advances.

No Advances shall be made under this Agreement after December 31, 2017.

Section 3.2 Procedure for Advances.

OPG shall provide OEFC with written notice requesting an Advance at least 10 Business Days prior to the date of the Advance; provided that if the total of the Proposed Advances for any date exceeds $200,000,000, such notice shall be provided at least 20 Business Days prior to the date of the Advance unless otherwise agreed. Each such notice (a **"Borrowing Notice"**) shall be substantially in the form of Schedule 1 and shall specify, with respect to each Proposed Advance: (a) the date of the Advance (the **"Advance Date"**); (b) the principal amount of the Advance; (c) the purpose of the Advance, that is, whether it is for Darlington Requirements or Other General Corporate Requirements; (d) the Repayment Date of the Advance; and (e) the Interest Payment Dates. The interest rate that shall apply to such Advance shall be set in accordance with the procedure set forth in Section 3.4.

Section 3.3 Issue of Notes.

(1) By no later than 5:00 p.m. on the date that OPG delivers the Borrowing Notice, OPG shall deliver in escrow to OEFC executed promissory note(s) in the principal amount of the Advance(s), substantially in the form of Schedules 2 and 2A. Each Note shall be

dated the date of the respective Advance and shall mature on the Repayment Date and bear interest at the rate per annum (after as well as before Default or judgment) agreed to pursuant to Section 3.4, with interest on the amounts in Default at the same rate. The Notes delivered in escrow shall not contain the interest rate, therefore OEFC shall complete the interest rate on the day of the Advance, and provide OPG with a certified true copy of same. The Notes shall automatically be released from escrow upon receipt by OPG of the amount of the Advance. In the event that funds are not received by OPG on the Advance Date, OPG and OEFC agree to take all steps necessary to amend the date of the Notes and the applicable Repayment Dates, without amending the interest rate that was agreed to with respect to such Advance, subject to Section 3.4(2) hereof. OPG shall provide OEFC with written notice (which may be made by electronic transmission) that it has received the Advance and that the Notes have therefore automatically been released from escrow.

(2) The Notes shall at all times rank *pari passu* with all other unsubordinated Indebtedness of OPG, subject to the existence of any Permitted Liens of OPG.

(3) Interest shall be payable on the Notes in accordance with Section 3.4.

(4) All amounts owing in respect of the Notes shall be paid without exercising any right or set off or counterclaim by OPG irrespective of whether or not, at the time any such amount is due and payable, amounts are due and payable by OPG to OEFC.

Section 3.4 Interest on Advances.

(1) The interest rate applicable to an Advance shall be the aggregate of the applicable Base Rate and the Applicable Spread. The Applicable Spread shall be determined by OEFC and shall be calculated as of the date that is at least 1 Business Day before the Advance Date and not greater than 5 days before the Advance Date.

(2) OEFC shall notify OPG of the Applicable Spread and Base Rate in writing by no later than 2:00 p.m. on the Business Day before the Advance Date, provided that OPG has up to 5 Business Days to advise OEFC of any errors or discrepancies.

(3) Interest shall accrue daily on the principal amount of each Note from and including the date of the Note to but excluding the Repayment Date of such Advance, at an annual rate equal to the aggregate of the Base Rate and the Applicable Spread (both before and after the date such principal amount or interest thereon becomes due and both before and after Default) and shall be payable in equal semi-annual installments on the Interest Payment Dates.

(4) Notwithstanding the foregoing, whenever it is necessary to compute interest in respect of the Notes for a period of less than one full year, other than such equal semi-annual installments, such interest shall be calculated on the basis of the actual number of days elapsed in a year of 365 days. If any Repayment Date is not a Business Day, such

Repayment Date will be adjusted to the following Business Day, (the "Adjusted Repayment Date"), and, notwithstanding Section 1.5 of this Agreement, additional interest shall accrue daily on the principal amount of each Note from and including the Repayment Date to but excluding the Adjusted Repayment Date of such Advance, at an annual rate equal to the aggregate of the Base Rate and the Applicable Spread (both before and after the date such principal amount or interest thereon becomes due and both before and after Default), and shall be payable together with the principal amount of the Advance on the Adjusted Repayment Date.

Section 3.5 Computations of Interest.

(1) All computations of interest shall be made by OEFC taking into account the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest is payable on the basis of a year of 365 days.

(2) For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Agreement for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

Section 3.6 Limit on Rate of Interest.

(1) Notwithstanding any provision contained in this Agreement, OPG shall not be obliged to make any payments of interest or other amounts payable to OEFC hereunder in excess of the amount or rate which would be prohibited by applicable law or would result in the receipt by OEFC of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada), as amended from time to time).

(2) In the event that any such payments are limited or prohibited as provided in Section 3.6(1), OEFC shall have no further obligation to make any Advances available hereunder and the Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, shall become immediately due and payable.

Section 3.7 Conditions Precedent.

The obligation of OEFC to make the Advances pursuant to Section 2.1 is subject to the following conditions being met to OEFC's satisfaction at the time of making each Advance:

(a) that the representations and warranties of OPG contained in this Agreement are true and correct as at the date of making the Advance;

(b) that no Event of Default has occurred and is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default;

(c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of OPG; and

(d) that OEFC has received such other documentation which it has reasonably requested to ensure that OPG is in compliance with the terms and conditions of this Agreement, including certified true copies of any necessary resolutions including resolutions authorizing the borrowing and authorized signatories.

ARTICLE 4
COVENANTS OF OPG

Section 4.1 Payment of Advances.

OPG will duly and punctually pay or cause to be paid all amounts owing under this Agreement in accordance with the terms and subject to the conditions of this Agreement.

Section 4.2 OPG will Maintain its Corporate Existence.

Subject to Section 6.1, OPG will at all times maintain its corporate existence.

Section 4.3 Maintenance of Properties.

OPG will cause all property owned by OPG or any Material Subsidiary to be maintained and kept in good condition, repair and working order, all as in the judgment of OPG or any Material Subsidiary may be necessary for the proper operation of such property, except as and to the extent that OPG or any Material Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 4.3 shall prevent OPG or any Material Subsidiary from discontinuing the maintenance of any such property or decommissioning any such property if such discontinuance or decommissioning is, in the judgment of OPG or any Material Subsidiary, desirable in the conduct of its business or the business of any such Material Subsidiary, or has been directly or indirectly requested or required by the Province of Ontario.

Section 4.4 Insurance.

OPG will cause all property owned by OPG or any Material Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for

mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the nature and to the extent that such property is usually insured by companies operating similar businesses.

Section 4.5 Conduct of Business.

Subject to Section 4.3, OPG will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in a proper, efficient and business-like manner and in accordance with good business practice.

Section 4.6 Negative Pledge.

OPG will not, and will not permit any Material Subsidiary to, create, incur or assume any Lien, charging the interest of OPG or any Material Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, all amounts owing under this Agreement are secured equally and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) the creation, incurrence or assumption of any Purchase Money Mortgage;

(b) the creation, incurrence or assumption of any Lien over assets that relate to a Specified Project, or to such other projects as may be agreed to from time to time;

(c) the grant of any Lien in the normal course of business to any banks or financial institutions for present or future indebtedness of OPG or any Material Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(d) Permitted Liens;

(e) any extension, renewal or replacement of any of the Liens referred to in Sections 4.6(a), (b), (c) or (d), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased; and

(f) any Lien charging the interest of OPG or any Material Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 4.6(a), (b), (c) or (d), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 4.6(f) which is outstanding at such time does not exceed 10% of Consolidated Net Worth at such time.

Section 4.7 Payment of OEFC Expenses.

OPG will, on demand, reimburse and indemnify OEFC for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OEFC in connection with the preservation of rights under or enforcement of this Agreement at any time during the continuance of a Default or Event of Default. All such costs, charges and expenses shall bear interest at the Prime Rate calculated and payable monthly in arrears from the 30th day after demand for reimbursement thereof is made by OEFC.

Section 4.8 Reporting Requirements.

OPG will provide to OEFC, or at its direction, to the Province of Ontario and the Ontario Financing Authority any available information respecting the Darlington Refurbishment Project and the Credit Facility which may be reasonably requested by OEFC, the Province of Ontario or the Ontario Financing Authority from time to time and which may include, without limitation, information on Darlington Refurbishment Project milestones and progress achieved and expected, financial progress and explanations and variances, if any between what expected and actual progress.

ARTICLE 5
EVENTS OF DEFAULT AND REMEDIES

Section 5.1 Event of Default.

Wherever used in this Agreement, the term **"Event of Default"** means any of the following:

(a) failure to pay any interest upon any Advance when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) failure to pay the principal amount of any Advance on the applicable Repayment Date;

(c) failure on the part of OPG to observe or perform its obligations set forth in Section 6.1;

(d) failure on the part of OPG to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 30 days after the date on which written notice of such failure shall have been given to OPG by OEFC;

(e) any representation or warranty made by OPG in this Agreement or in any certificate or other document at any time delivered hereunder to OEFC was incorrect or misleading in any material respect;

(f) one or more breaches by OPG of its covenants under one or more evidences of indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $25 million, which breaches:

(i) constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist, or

(ii) have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived or rescinded);

(g) OPG, or any Material Subsidiary:

(i) becomes generally not able to pay its debts as they become due;

(ii) admits in writing its inability to pay its debts generally or makes a general assignment for the benefit of its creditors or files a proposal or other scheme of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) institutes or has instituted against it any proceeding seeking:

(A) to adjudicate it a bankrupt or insolvent,

(B) liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy / insolvency / reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors, or

(C) the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets,
and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismisssed or unstayed for a period of 30 days, or any remedy sought in any such

proceeding (including the entry of order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

(iv) takes any corporate action to authorize any of the actions in Sections 5.1(g)(i) to (iii); or

(h) if there shall be rendered against OPG or any Material Subsidiary a final judgment or judgments for the payment of money in an aggregate amount in excess of $25 million by a court or courts of competent jurisdiction, and OPG or any Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 5.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case OEFC may declare all amounts owing hereunder to be due and payable immediately, by a notice in writing to OPG, and upon any such declaration all such amounts shall become immediately due and payable.

Section 5.3 Suits for Enforcement by OEFC.

If an Event of Default occurs and is continuing, OEFC may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in OEFC by this Agreement or by law.

Section 5.4 OEFC May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of OPG under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property of OPG, or if any other judicial proceedings relative to OPG, its creditors or its property are pending, OEFC shall be entitled and empowered, by intention in such proceeding or otherwise:

(a) to file and prove a claim for all amounts owing under this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of OEFC (including any claim for fees and disbursements of OEFC, its agents and counsel as contemplated under Section 4.7) allowed in such judicial proceeding; and

(b) to collect and receive any moneys or other property payable or deliverable on any such claim.

Section 5.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to OEFC is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.6 Delay or Omission not Waiver.

No delay or omission of OEFC to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right or remedy given by this Article 5 or by law to OEFC may be exercised from time to time, and as often as may be deemed expedient, by OEFC.

ARTICLE 6
CONSOLIDATION, AMALGAMATION, MERGER OF OPG

Section 6.1 Certain Requirements in Respect of Merger, etc.

OPG may not and may not cause any Material Subsidiary, in a single transaction or a series of related transactions, amalgamate or consolidate with or merge into any other Person, or permit any other Person to amalgamate or consolidate with or merge into OPG or the Material Subsidiary, or directly or indirectly transfer, sell, lease or otherwise dispose of all or substantially all of its property or assets (a "Disposition") to any Person without the written consent of its shareholder, the Province of Ontario.

Section 6.2 Successor Substituted.

Upon any consolidation, amalgamation, merger or Disposition described in, and complying with the provisions of, Section 6.1 in which OPG is not the continuing corporation,

the successor Person shall succeed to all of the rights and obligations of OPG under this Agreement, and from time to time may exercise every right and power of OPG under this Agreement.

ARTICLE 7

REPRESENTATIONS AND WARRANTIES OF OPG

Section 7.1 Representations and Warranties of OPG.

OPG represents and warrants to OEFC that:

(a) the borrowing of money (including principal and accrued interest) by OPG and the execution, delivery and performance of this Agreement are within the powers and capacities of OPG and have been duly authorized by all necessary legal action and proper proceedings;

(b) the execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the compliance with the terms and conditions of this Agreement will not conflict with or result in a breach of any of the terms or provisions of the constituting documents or by-laws of OPG, laws of Ontario, including laws of Canada applicable therein, applicable to OPG or any contractual or other obligation binding on OPG;

(c) this Agreement will, when executed and delivered, constitute the legal, valid and binding obligation of OPG enforceable against it in accordance with its terms; and

(d) the monies advanced under this Agreement shall be used only by OPG for the purposes set out in Section 2.3.

Section 7.2 Continuation of Representation and Warranties.

The representations and warranties set out in Section 7.1 herein shall survive the execution and delivery of this Agreement, the making of each advance by OEFC, notwithstanding any investigations or examinations which may be made by counsel for OEFC.

ARTICLE 8
GENERAL

Section 8.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy or other means of electronic communication addressed:

If to OPG, to it at:

Ontario Power Generation Inc.
700 University Avenue
Toronto, ON M5G 1X6

Attention: Treasurer
Telephone: 416-592-6392
Telecopier: 416-592-4189

If to OEFC, to it at:

Ontario Electricity Financial Corporation
c/o Ontario Financing Authority
1 Dundas Street West
Suite 1400
Toronto, ON M7A 1Y7

Attention: Executive Director - Capital Markets Division
Telephone: (416) 325-8930
Telecopier: (416) 325-8111

provided that any Borrowing Notice shall be addressed as indicated on Schedule 1.

Any communication hereunder shall be deemed to have been validly and effectively given if (a) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p. m (Toronto time), otherwise on the next Business Day, (b) transmitted by telecopier or other means of electronic communication, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice given in accordance with this Section 8.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 8.1.

Section 8.2 Successors and Assigns.

This Agreement shall be binding on and enure to the benefit of OEFC and OPG and their respective successors and permitted assigns, except that OPG shall not, without the prior written consent of OEFC assign, pledge or hypothecate any rights or obligations with respect to this Agreement.

Section 8.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of OEFC and OPG.

Section 8.4 Waiver.

(1) No waiver of any provisions of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) or this Agreement nor shall such waiver be binding unless executed in writing by the party to be bound by the waiver.

(2) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude another or further exercise of such right or the exercise of any other right.

Section 8.5 Further Assurances.

Each of OPG and OEFC shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement.

Section 8.6 Severability.

In case any provision in this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement shall not in any way be affected or impaired thereby.

Section 8.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 8.8 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF the parties have executed this Agreement as of the 17th day of June, 2016.

ONTARIO POWER GENERATION INC.

by: _____
Name: John Lee
Title: Vice President Treasurer

and: _____
Name: Ken Hartwick
Title: Senior Vice President Finance,
Strategy, Risk & Chief Financial Officer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

SCHEDULE "A"

SPECIFIED PROJECTS

1) Lower Mattagami Project

The Lower Mattagami Project, being the redevelopment and expansion of the Lower Mattagami river complex comprising of 4 hydroelectric generating stations, being Little Long, Smoky Falls, Harmon and Kipling hydroelectric generating stations (and the related operational, transmission and interconnection assets) located on the Mattagami River in north-eastern Ontario approximately 70 km northeast of Kapuskasing, in the District of Cochrane and more specifically involving (a) the addition of a third turbine/generator unit at each of Little Long, Harmon and Kipling hydroelectric generating stations; (b) the construction of a 3-unit station with installed turbine capacity of 268 MW and decommissioning of the existing Smoky Falls hydroelectric generation station; and (c) related transmission work in order to connect the new generation to the grid.

Lower Mattagami Project Subsidiaries

- LM Energy Inc.;
- Lower Mattagami Energy Limited Partnership;
- Lower Mattagami Limited Partnership; and
- LM Extension Inc.

2) Peter Sutherland Sr. GS Project (formerly the New Post Creek Project)

The Peter Sutherland Sr. GS Project is a greenfield development of a 28 MW, two unit, hydroelectric generating facility on the New Post Creek, which is located approximately 200 km north of Timmins and situated 10 km northeast of the Abitibi Canyon Generating Station and 20 km south of the Otter Rapids Generating Station, both existing OPG assets. The facility site lies within the traditional territory of the Taykwa Tagamou Nation. The generating facility will be located on the Abitibi River, with the intake at New Post Creek, approximately 6 km upstream of its confluence with the Abitibi River. Upon completion of construction, the facility is expected to generate an average of 129 GWh annually. The total installed capacity of the facility is anticipated to be 28 MW. The development of the facility is expected to be completed no later than December 2017.

Peter Sutherland Sr. GS Project Subsidiaries

- PSS Generating Station LP

SCHEDULE 1

FORM OF BORROWING NOTICE

Date:

Ontario Electricity Financial Corporation (**"OEFC"**)
c/o Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A1Y7

Attention: Cash Management
Via e-mail*: CashP@ofina.on.ca

Dear Sirs:

The undersigned, Ontario Power Generation Inc. ("OPG"), refer to the General Corporate Requirements Credit Facility Agreement dated June 17, 2016 (as amended, supplemented or restated from time to time, the **"Agreement"**, the terms defined therein being used herein as therein defined) between OPG and OEFC, and gives you notice pursuant to Section 3.2 of the Agreement that OPG requests the following Advances under the Agreement (each a **"Proposed Advance"**), and, in that connection, sets forth below the information relating to such Proposed Advances as required by Section 3.2 of the Agreement:

Proposed Advance – term up to 30 years:

(a) The date of the Proposed Advance, being a Business Day is •
(b) The principal amount of the Proposed Advance is $• **[may not be amount greater than Proposed Advance – term up to 10 years]**
(c) The purpose of the Proposed Advance is **[Darlington Requirements or, Other General Corporate Requirements]**
(d) The Repayment Date of the Proposed Advance is **[insert repayment date i.e. a date not more than 30 years after the date of the Proposed Advance]**
(e) The Interest Payment Dates are **[insert semi-annual interest payment dates].**

Proposed Advance – term up to 10 years:

(a) The date of the Proposed Advance, being a Business Day is •
(b) The principal amount of the Proposed Advance is $•
(c) The purpose of the Proposed Advance is **[Darlington Requirements or, Other General Corporate Requirements]**
(d) The Repayment Date of the Proposed Advance **is [insert repayment date i.e. a date not more than 10 years after the date of the Proposed Advance]**
(e) The Interest Payment Dates are **[insert semi-annual interest payment dates].**

OPG hereby certifies that:

The representations and warranties of OPG contained in the Agreement are true and correct as at the date hereof.

The Repayment Date of any of the Proposed Advance(s) is no more than 30 years after the date of such Proposed Advance for no more than 50% of the total of all Proposed Advances to be made on the date of the Proposed Advance.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

OPG has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received previously as Advances under the Agreement have been expended or are being held solely for the purpose for which they were advanced; no part of said funds has been nor any part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

ONTARIO POWER GENERATION INC.

Per: _____
Authorized Signature

*To be confirmed by telephone call to OEFC Cash Management (416) 325-8108

SCHEDULE 2

ONTARIO POWER GENERATION INC.

NOTE
(GENERAL CORPORATE REQUIREMENTS CREDIT FACILITY)

Principal Amount: $• Date: •
Interest Rate: •% per annum
Due: • **[no more than 10 years after the proposed date of the advance]**

FOR VALUE RECEIVED, ONTARIO POWER GENERATION INC. ("OPG"), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of $• in lawful money of Canada, with interest on such amount at the rate, calculated in the manner and payable at the times specified in this Note.

The outstanding principal amount of this Note together with all interest accrued thereon shall become due and payable on •.

OEFC shall and is unconditionally and absolutely authorized and directed by OPG to record the date and amount of each prepayment, made with OEFC's consent, on account of the principal paid to OEFC and the resulting outstanding principal amount of this Note (the "Records". OPG agrees that, in the absence of manifest mathematical error, the Records shall be p*rima facie* evidence of such payments, provided that the failure of OEFC to record or correctly record any amount or date shall not affect the obligation of OPG to pay the outstanding principal amount of the advances and interest, if applicable.

The principal amount of this Note remaining from time to time unpaid and outstanding shall bear interest from the date of this Note both before and after maturity and both before and after Default at the rate of per annum equal to •%. Interest at such rate shall accrue daily and shall be payable in arrears, in equal semi-annual payments on • and • of each year commencing • until repaid in full. Overdue interest shall bear interest at the same rate, calculated as aforesaid. Whenever it is necessary to compute interest in respect of this Note for a period of less than one full year, other than such equal semi-annual payments, such interest shall be calculated on the basis of the actual number of days elapsed in a year of 365 days.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the General Corporate Requirements Credit Facility Agreement dated June 17, 2016 between OPG and OEFC (the "**Agreement**"), which Agreement provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of OPG. OPG waives presentment for payment and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF OPG has executed this Note

ONTARIO POWER GENERATION INC.

By:

By:

SCHEDULE 2 A

ONTARIO POWER GENERATION INC.

NOTE
(GENERAL CORPORATE REQUIREMENTS CREDIT FACILITY)

Principal Amount: $• Date: •
Interest Rate: •% per annum
Due: • **[no more than 30 years after the proposed date of the advance]**

FOR VALUE RECEIVED, ONTARIO POWER GENERATION INC. ("OPG"), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of $• in lawful money of Canada, with interest on such amount at the rate, calculated in the manner and payable at the times specified in this Note.

The outstanding principal amount of this Note together with all interest accrued thereon shall become due and payable on •.

OEFC shall and is unconditionally and absolutely authorized and directed by OPG to record the date and amount of each prepayment, made with OEFC's consent, on account of the principal paid to OEFC and the resulting outstanding principal amount of this Note (the "Records". OPG agrees that, in the absence of manifest mathematical error, the Records shall be p*rima facie* evidence of such payments, provided that the failure of OEFC to record or correctly record any amount or date shall not affect the obligation of OPG to pay the outstanding principal amount of the advances and interest, if applicable.

The principal amount of this Note remaining from time to time unpaid and outstanding shall bear interest from the date of this Note both before and after maturity and both before and after Default at the rate of per annum equal to •%. Interest at such rate shall accrue daily and shall be payable in arrears, in equal semi-annual payments on • and • of each year commencing • until repaid in full. Overdue interest shall bear interest at the same rate, calculated as aforesaid. Whenever it is necessary to compute interest in respect of this Note for a period of less than one full year, other than such equal semi-annual payments, such interest shall be calculated on the basis of the actual number of days elapsed in a year of 365 days.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the General Corporate Requirements Credit Facility Agreement dated June 17, 2016 between OPG and OEFC (the "**Agreement**"), which Agreement provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of OPG. OPG waives presentment for payment and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF OPG has executed this Note

ONTARIO POWER GENERATION INC.

By:

By:

SCHEDULE 3

CALCULATION OF MAKE-WHOLE AMOUNT AND EXAMPLE CALCULATION

For the purposes of this Schedule 3, the following terms shall have the meanings assigned to them below:

"OPG Market Price" means the price that is calculated using the OPG Interpolated Yield for the remaining term to maturity of the Advance Outstanding as of the Prepayment Calculation Date.

"OPG Interpolated Yield" means the interpolated yield calculated by using a Province of Ontario Yield Curve.

"Province of Ontario Yield Curve" means the yield curve that is constructed of only issues with an active, whole-bond float of at least CAD $2 Billion in size.

OEFC will calculate the Make-Whole Amount as the OPG Market Price multiplied by the amount of the Advance Outstanding that is to be repaid.

If the shape of the Province of Ontario Yield Curve for the remaining term to maturity is convex, then a cubic-spline method for interpolation will be used (i.e. the interpolation will follow the curvature of that portion of the yield curve). If the constructed yield curve is concave at this term, a linear (i.e. straight line) method of interpolation will be used.

Example

On 22 April, 2005 OEFC provided OPG with an Advance for $75 million at 5.575% for a term of 10 years. OPG gives notice to prepay the Advance Outstanding of $75 million on February 4, 2010.

Prepayment Date:	Feb 4, 2010
Repayment Date of original Advance:	April 22, 2015
Coupon Rate:	5.575%
OPG Interpolated Yield:	2.875%

Ontario issues used for Interpolation (linear)

ONT 4.5% 08 MAR 2015 ($3.0B Float):	*2.839%*
ONT 4.4% 08 MAR 2016 ($3.0B Float):	*3.135%*

OPG Market Price: 112.99

Make-Whole Amount: $75 million x ((112.99 – 100)/100) = $9.7 million

CERTIFICATE OF INCUMBENCY

I, Catriona King, Vice President, Corporate Secretary and Executive Operations of Ontario Power Generation Inc. ("OPG"), certify, for and on behalf of OPG and not in my personal capacity and without personal liability, that:

1. the following person is a duly appointed officer of OPG holding the office set forth below their name, and the signature appearing opposite their name is a genuine signature of such person or a true specimen thereof:

Name	Signature
Ken Hartwick Senior Vice President Finance, Strategy, Risk & Chief Financial Officer	

Dated this 17 day of June, 2016

Catriona King
Vice President, Corporate Secretary and
Executive Operations
Ontario Power Generation Inc.

Section 8.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of OEFC and OPG.

AMENDING AGREEMENT NO. 1

This Amending Agreement made as of the 7th day of September, 2016.

BETWEEN: **ONTARIO POWER GENERATION INC. ("OPG")**
As Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**
As Lender

WHEREAS OPG and OEFC entered into a Credit Facility Agreement dated June 17, 2016 (the "**Agreement**") providing for OPG to borrow from OEFC an amount of up to seven hundred million Canadian dollars;

AND WHEREAS the parties wish to clarify that the facility is for OPG's general corporate requirements for a one-year period from January 1, 2017 to December 31, 2017;

AND WHEREAS the parties wish to clarify that advances under the Agreement only occur during the period starting on January 1, 2017 and ending on December 31, 2017.

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that:

1. The first paragraph of the opening RECITAL of the Agreement is deleted and replaced with the following paragraph:

   "OPG has requested to borrow from OEFC an amount of up to Seven Hundred Million Dollars for the purpose of financing OPG's general corporate requirements for the period from January 1, 2017 to December 31, 2017, including costs related to the Darlington Refurbishment Project and OEFC has agreed to lend such amount to OPG on the terms and conditions set out herein."

2. The definition of the term **"Darlington Requirements"** in Section 1.1 of the Agreement is deleted and replaced with the following new definition:

   "Darlington Requirements" means OPG's general corporate requirements for the Period from January 1, 2017 to December 31, 2017, for the Darlington Refurbishment Project.

3. The definition of the term **"General Corporate Requirements"** in Section 1.1 of the Agreement is deleted and replaced with the following new definition:

"General Corporate Requirements" means OPG's general corporate requirements for the period from January 1, 2017 to December 31, 2017, comprised of the Darlington Requirements and the Other General Corporate Requirements.

4. The definition of the term **"Other General Corporate Requirements"** in Section 1.1 of the Agreement is deleted and replaced with the following new definition:

"Other General Corporate Requirements" means OPG's general corporate requirements for the period from January 1, 2017 to December 31, 2017, other than the Darlington Requirements.

5. Section 3.1 "**Advances"** of the Agreement is deleted and replaced with the following:

3.1 Advances.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to OPG under the Credit Facility from time to time on any Business Day after January 1, 2017 and prior to January 1, 2018. OPG shall not request Advances more than four (4) times per calendar year without first obtaining the prior written consent of OEFC. OPG may request at the same time Advances for the Darlington Requirements and for the Other General Corporate Requirements. It is anticipated that OPG will request these Advances approximately quarterly throughout a calendar year.

The Repayment Dates of the Proposed Advances for any date shall be such that the Repayment Dates are a) no more than 30 years after the date of the Proposed Advances for no more than 50% of the total amount of such Proposed Advances, and b) no more than 10 years after the date of the Proposed Advances for the remaining amount of the Proposed Advances.

For greater certainty, no Advances shall be made under this Agreement after December 31, 2017.

6. All other terms and conditions of the Agreement shall remain the same and continue in full force and effect. The Agreement, as amended hereby, shall continue to be binding on and enure to the benefit of the parties hereto.

[REMAINDER OF THE PAGE INTENTIONALLY DELETED]

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By: _____

Name: Michael D. Manning
Title: Chief Operating Officer

ONTARIO POWER GENERATION INC.

By: _____

Name: John Lee
Title: Vice President Treasurer

By: _____

Name: Ken Hartwick
Title: Senior Vice President Finance, Strategy, Risk & Chief Financial Officer

AMENDING AGREEMENT NO. 2

This Amending Agreement made as of the 2nd day of February, 2017.

BETWEEN: **ONTARIO POWER GENERATION INC. ("OPG")**
As Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**
As Lender

WHEREAS OPG and OEFC entered into a General Corporate Requirements Credit Facility Agreement dated June 17, 2016, as amended by a first Amending Agreement dated September 7, 2016, (the "**Agreement**"), providing for OPG to borrow from OEFC a principal amount of up to seven hundred million Canadian dollars;

AND WHEREAS, pursuant to Section 3.1, the Agreement provides that the Repayment Dates of the Proposed Advances for any date shall be such that the Repayment Dates are: a) no more than thirty (30) years after the date of the Proposed Advances for no more than 50% of the total amount of such Proposed Advances; and b) no more than ten (10) years after the date of the Proposed Advances for the remaining amount of the Proposed Advances;

AND WHEREAS as of the date hereof, the total principal amount outstanding under the Agreement is $NIL;

AND WHEREAS OPG and OEFC now agree to amend the Agreement so that all Proposed Advances under the Agreement may be for a term of up to thirty (30) years.

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that:

1. Section 3.1 of the Agreement "**Advances**" is deleted and replaced with the following:

> "OEFC agrees, on the terms and conditions of this Agreement, to make Advances to OPG under the Credit Facility from time to time on any Business Day after January 1, 2017 and prior to January 1, 2018. OPG shall not request Advances more than twelve (12) times per calendar year without first obtaining the prior written consent of OEFC. OPG may request at the same time Advances for the Darlington Requirements and for the Other General Corporate Requirements. It is anticipated that OPG will request these Advances approximately monthly throughout a calendar year.

The Repayment Date of each Proposed Advance made during 2017 shall be no more than thirty (30) years after the date of the Proposed Advance."

2. Section 3.2 of the Agreement is deleted and replaced with the following:

"OPG shall provide OEFC with written notice requesting an Advance at least 10 Business Days prior to the date of the Advance, unless otherwise agreed to in writing. Each such notice (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1 and shall specify, with respect to each Proposed Advance: (a) the date of the Advance (the "**Advance Date**"); (b) the principal amount of the Advance; (c) the purpose of the Advance, being either for Darlington Requirements or Other General Corporate Requirements; (d) the Repayment Date of the Advance; and (e) the Interest Payment Dates. The interest rate that shall apply to such Advance shall be set in accordance with the procedure set forth in Section 3.4."

3. Schedule 1 of the Agreement ("**Form of Borrowing Notice**") is deleted and replaced with the Form of Borrowing Notice attached hereto as Schedule 1.

IN ALL OTHER RESPECTS, the said Agreement is confirmed by the parties as further amended by the terms of this Amending Agreement.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By: _____

Name: Michael D. Manning
Title: Chief Operating Officer

I have the authority to bind the corporation.

ONTARIO POWER GENERATION INC.

By: _____

Name: Ken Hartwick
Title: Senior Vice President, Finance, Strategy, Risk & Chief Financial Officer

By: _____

Name: John Lee
Title: Vice President, Treasurer

I have the authority to bind the corporation.

SCHEDULE 1

FORM OF BORROWING NOTICE

Date:

Ontario Electricity Financial Corporation **("OEFC")**
c/o Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A1Y7

Attention: Cash Management
Via e-mail*: CashP@ofina.on.ca

Dear Sirs:

The undersigned, Ontario Power Generation Inc. ("OPG"), refer to the General Corporate Requirements Credit Facility Agreement dated June 17, 2016 (as amended, supplemented or restated from time to time, the **"Agreement"**, the terms defined therein being used herein as therein defined) between OPG and OEFC, and gives you notice pursuant to Section 3.2 of the Agreement that OPG requests the following Advances under the Agreement (each a **"Proposed Advance"**), and, in that connection, sets forth below the information relating to such Proposed Advances as required by Section 3.2 of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is ●
(b) The principal amount of the Proposed Advance is $● **[]**
(c) The purpose of the Proposed Advance is **[Darlington Requirements or, Other General Corporate Requirements]**
(d) The Repayment Date of the Proposed Advance is **[insert repayment date i.e. a date not more than 30 years after the date of the Proposed Advance]**
(e) The Interest Payment Dates are **[insert semi-annual interest payment dates].**

OPG hereby certifies that:

The representations and warranties of OPG contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

OPG has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received previously as Advances under the Agreement have been expended or are being held solely for the purpose for which they were advanced; no part of said funds has been nor any part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

ONTARIO POWER GENERATION INC.

Per: _____
Authorized Signature

*To be confirmed by telephone call to OEFC Cash Management (416) 325-8108

AMENDING AGREEMENT NO. 3

This Amending Agreement made as of the 6th day of September, 2017.

BETWEEN: **ONTARIO POWER GENERATION INC. ("OPG")**
As Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**
As Lender

WHEREAS OPG and OEFC entered into a Credit Facility Agreement dated June 17, 2016, as amended by Amending Agreement No. 1 dated September 7, 2016, and Amending Agreement No. 2 dated February 2, 2017 (the "Agreement", the terms defined therein being used herein as therein defined), providing for OPG to borrow from OEFC a principal amount of up to Seven Hundred Million Dollars;

AND WHEREAS the Agreement provides that advances under the Agreement only occur during the period starting on January 1, 2017 and ending on December 31, 2017;

AND WHEREAS as of the date hereof, the total principal amount outstanding under the Agreement is $400,000,000.00;

AND WHEREAS OPG and OEFC have now agreed to increase the total commitment amount under the Agreement to an amount of up to Two Billion Three Hundred Fifty Million Dollars, with no more than One Billion Five Hundred Million Dollars to be advanced prior to January 1, 2018;

AND WHEREAS OPG and OEFC now agree to amend the Agreement so that advances under the Agreement may occur during the period starting on January 1, 2017 and ending on December 31, 2018.

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that:

1. The definition of the term "**Commitment**" in Section 1.1 of the Agreement is deleted and replaced with the following :

   "Commitment" means, at any time, an amount equal to the principal amount of Two Billion Three Hundred Fifty Million Dollars;

2. The definition of the term "**General Corporate Requirements**" in Section 1.1 of the Agreement is deleted and replaced with the following :

"General Corporate Requirements" means OPG's general corporate requirements for the period from January 1, 2017 to December 31, 2018, comprised of the Darlington Requirements and the Other General Corporate Requirements;

3. The definition of the term "**Other General Corporate Requirements**" in Section 1.1 of the Agreement is deleted and replaced with the following :

"Other General Corporate Requirements" means OPG's general corporate requirements for the period from January 1, 2017 to December 31, 2018, other than the Darlington Requirements;

4. On or after the date of this Amending Agreement, the definition of the term "**Base Rate**" in Section 1.1 of the Agreement is deleted and replaced with the following :

"**Base Rate**" means an annual rate of interest comprised of the applicable yield for the Benchmark Government of Canada bonds as published by Bloomberg RBCB as of the Business Day immediately preceding the Advance Date for the term specified in the applicable Notice of Borrowing, and includes all costs of borrowing, including applicable fees and commissions. In the event that there are no Benchmark Government of Canada bonds listed at the time of the Advance with the same term, the rate shall be established by interpolating the terms of two Benchmark Government of Canada bonds that are closest to the term of the Advance, one being for a longer term and the other being for a shorter term. Where the OEFC has hedged the Advance, the applicable yield for the Benchmark Government of Canada bonds will be determined as follows:

a) For the principal amount of bonds hedged by the OEFC the weighted average yield of the hedged bonds;

b) For the principal amount of the Advance less the principal amount of the bonds hedged in a), the yield as published by Bloomberg RBCB as of the Business Day immediately preceding the Advance Date for the term specified in the applicable Borrowing Notice.

For purposes of calculating the principal amount hedged in item a) above, OEFC will provide the percentage hedged.

5. Section 3.1 of the Agreement "**Advances**" is deleted and replaced with the following:

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to OPG under the Credit Facility from time to time on any Business Day after January 1, 2017 and prior to January 1, 2019. OPG shall not request Advances more than twelve (12) times per calendar year without first obtaining the prior written consent of OEFC. OPG may request at the same time Advances for the Darlington Requirements and for the Other General Corporate Requirements. It is anticipated that OPG will request these Advances approximately monthly throughout a calendar year. The total of all Advances made prior to January 1, 2018 shall not be more than One Billion Five Hundred Million Dollars.

The Repayment Date of each Proposed Advance to be made in 2017 shall be such that the Repayment Date is no more than 30 years after the date of the Proposed Advance for 2017.

The Repayment Date of each Proposed Advance to be made in 2018 shall be such that the Repayment Date is a) no more than 30 years after the date of the Proposed Advance for no more than 50% of the total amount of such Proposed Advances for 2018, and b) no more than 10 years after the date of the Proposed Advance for the remaining amount of the Proposed Advances for 2018. This requirement may only be modified with the written consent of OEFC.

For greater certainty, no Advances shall be made under this Agreement after December 31, 2018.

5. The definition of the term "**Subsidiary**" in Section 1.1 of the Agreement is deleted and replaced with the following:

"Subsidiary" means:

(a) a corporation with more than 50% of the voting power or the outstanding Voting Shares of which is owned, directly or indirectly, by OPG or by one or more other Subsidiaries or by OPG and one or more other Subsidiaries,

(b) any Person (other than a corporation) in which OPG, or one or more other Subsidiaries, directly or indirectly, has at least a major ownership and power to direct the policies, management and affairs thereof,

(c) notwithstanding sub-sections (a) and (b) above, any Person that is a "financing entity" as defined in the *Ontario Fair Hydro Plan Act, 2017* (Ontario) is deemed not to be a Subsidiary.

6. Section 3.2 of the Agreement is deleted and replaced with the following:

OPG shall provide OEFC with written notice requesting an Advance at least 10 Business Days prior to the date of the Advance. Each such notice (a **"Borrowing Notice"**) shall be substantially in the form of Schedule 1 and shall specify, with respect to each Proposed Advance: (a) the date of the Advance (the **"Advance Date"**); (b) the principal amount of the Advance; (c) the purpose of the Advance, that is, whether it is for Darlington Requirements or Other General Corporate Requirements; (d) the Repayment Date of the Advance; and (e) the Interest Payment Dates. The interest rate that shall apply to such Advance shall be set in accordance with the procedure set forth in Section 3.4.

7. Schedule 1 of the Agreement (Form of Borrowing Notice) is deleted and replaced with the Form of Borrowing Notice attached hereto as Schedule 1.

IN ALL OTHER RESPECTS, the said Agreement is confirmed by the parties as further amended by the terms of this Amending Agreement.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By: _____

Name: Michael D. Manning
Title: Chief Operating Officer

I have the authority to bind the corporation.

ONTARIO POWER GENERATION INC.

By: _____

Name: Ken Hartwick
Title: Chief Financial Officer & Senior Vice President - Finance

By: _____

Name: John Lee
Title: Vice President, Treasurer

I have the authority to bind the corporation.

SCHEDULE 1
FORM OF BORROWING NOTICE

Date:

Ontario Electricity Financial Corporation **("OEFC")**
c/o Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A1Y7

Attention: Cash Management
Via e-mail*: CashP@ofina.on.ca

Dear Sirs:

The undersigned, Ontario Power Generation Inc. ("OPG"), refer to the General Corporate Requirements Credit Facility Agreement dated June 17, 2016 (as amended, supplemented or restated from time to time, the **"Agreement"**, the terms defined therein being used herein as therein defined) between OPG and OEFC, and gives you notice pursuant to Section 3.2 of the Agreement that OPG requests the following Advances under the Agreement (each a **"Proposed Advance"**), and, in that connection, sets forth below the information relating to such Proposed Advances as required by Section 3.2 of the Agreement:

Proposed Advance – term up to 30 years:

(a) The date of the Proposed Advance, being a Business Day is •
(b) The principal amount of the Proposed Advance is $•
(c) The purpose of the Proposed Advance is **[Darlington Requirements or, Other General Corporate Requirements]**
(d) The Repayment Date of the Proposed Advance is **[insert repayment date i.e. a date not more than 30 years after the date of the Proposed Advance]**
(e) The Interest Payment Dates are **[insert semi-annual interest payment dates].**

Proposed Advance – term up to 10 years:

(a) The date of the Proposed Advance, being a Business Day is •
(b) The principal amount of the Proposed Advance is $•
(c) The purpose of the Proposed Advance is **[Darlington Requirements or, Other General Corporate Requirements]**

(d) The Repayment Date of the Proposed Advance **is [insert repayment date i.e. a date not more than 10 years after the date of the Proposed Advance]**

(e) The Interest Payment Dates are **[insert semi-annual interest payment dates].**

OPG hereby certifies that:

The representations and warranties of OPG contained in the Agreement are true and correct as at the date hereof.

[NTD: For use in 2018 only] [The Repayment Date of any of the Proposed Advance(s) for 2018 is (a) no more than 30 years after the date of such Proposed Advance for no more than 50% of the total of all Proposed Advances for 2018 and (b) no more than 10 years after the date of the Proposed Advance for the remaining amount of the Proposed Advances for 2018.]

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

OPG has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received previously as Advances under the Agreement have been expended or are being held solely for the purpose for which they were advanced; no part of said funds has been nor any part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

ONTARIO POWER GENERATION INC.

Per: _____
Authorized Signature

*To be confirmed by telephone call to OEFC Cash Management (416) 325-8108

The Repayment Date of each Proposed Advance to be made in 2018 shall be such that the Repayment Date is a) no more than 30 years after the date of the Proposed Advance for no more than 50% of the total amount of such Proposed Advances for 2018, and b) no more than 10 years after the date of the Proposed Advance for the remaining amount of the Proposed Advances for 2018. This requirement may only be modified with the written consent of OEFC.

BORROWING NOTICE

Date: January 8, 2018

Ontario Electricity Financial Corporation **("OEFC")**
c/o Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A1Y7

Attention: Cash Management
Via e-mail*: CashP@ofina.on.ca

Dear Sirs:

The undersigned, Ontario Power Generation Inc. ("**OPG**"), refers to the General Corporate Requirements Credit Facility Agreement dated June 17, 2016 (as amended, supplemented or restated from time to time, the **"Agreement"**, the terms defined therein being used herein as therein defined) between OPG and OEFC, and gives you notice pursuant to Section 3.2 of the Agreement that OPG requests the following Advance under the Agreement (the **"Proposed Advance"**), and, in that connection, sets forth below the information relating to such Proposed Advance as required by Section 3.2 of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is January 22, 2018;
(b) The principal amount of the Proposed Advance is $200,000,000;
(c) The purpose of the Proposed Advance is Other General Corporate Requirements;
(d) The Repayment Date of the Proposed Advance is January 22, 2048;
(e) The Interest Payment Dates are the 22nd day of each January and July beginning July 22, 2018.

OPG hereby certifies that:

The representations and warranties of OPG contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

OPG has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received previously as Advances under the Agreement have been expended or are being held solely for the purpose for which they were advanced; no part of said funds has been nor any part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

ONTARIO POWER GENERATION INC.

Per: _____
John Lee
Vice President Treasurer

Per: _____
Ken Hartwick
Chief Financial Officer &
Senior Vice President - Finance

*To be confirmed by telephone call to OEFC Cash Management (416) 325-8108

PROMISSORY NOTE
(GENERAL CORPORATE REQUIREMENTS CREDIT FACILITY)

Principal Amount: **$200,000,000 CAD** Date: January 22, 2018
Interest Rate: _____% per annum
Due: **January 22, 2048**

FOR VALUE RECEIVED, ONTARIO POWER GENERATION INC. ("OPG"), a corporation incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of $200,000,000 in the lawful money of Canada, with interest on such amount at the rate, calculated in the manner and payable at the times specified in this promissory note (the **"Note"**).

The outstanding principal amount of this Note together with all interest accrued thereon shall become due and payable on January 22, 2048.

OEFC shall and is unconditionally and absolutely authorized and directed by OPG to record the date and amount of each prepayment, made with OEFC's consent, on account of the principal paid to OEFC and the resulting outstanding principal amount of this Note (the "**Records**"). OPG agrees that, in the absence of manifest mathematical error, the Records shall be *prima facie* evidence of such payments, provided that the failure of OEFC to record or correctly record any amount or date shall not affect the obligation of OPG to pay the outstanding principal amount of the advances and interest, if applicable.

The principal amount of this Note remaining from time to time unpaid and outstanding shall bear interest from the date of this Note both before and after maturity and both before and after Default at the rate of per annum equal to _____%. Interest at such rate shall accrue daily and shall be payable in arrears, in equal semi-annual payments on January 22nd and July 22nd of each year commencing July 22, 2018 until repaid in full. Overdue interest shall bear interest at the same rate, calculated as aforesaid. Whenever it is necessary to compute interest in respect of this Note for a period of less than one full year, other than such equal semi-annual payments, such interest shall be calculated on the basis of the actual number of days elapsed in a year of 365 days.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the General Corporate Requirements Credit Facility Agreement dated June 17, 2016 between OPG and OEFC (as amended supplemented or replaced from time to time, the "**Agreement**"), which Agreement provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of OPG. OPG waives presentment for payment and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

*****

IN WITNESS WHEREOF OPG has executed this Note

ONTARIO POWER GENERATION INC.

Per: _____
John Lee
Vice President–Treasurer

Per: _____
Ken Hartwick
Chief Financial Officer &
Senior Vice President - Finance

From: Sarah Harris
To: Anna Strathy
Cc: Ken Kandeepan
Subject: OFA-IESO $2B Credit Facility
Date: Monday, March 26, 2018 4:16:55 PM

Hi Anna,

Per Ken's request, I am sending you an e-mail to confirm that the OFA-IESO $2B Credit Facility was executed on November 6, 2017.

Thanks,

Sarah

From:	Andrea Dalgarno
To:	Ken Kandeepan
Cc:	Sarah Harris; San Rajaratnam; Siva Nathan
Subject:	OIC Total Amount for OFA Loans as of Dec 31, 2017
Date:	Tuesday, February 13, 2018 9:12:42 AM
Attachments:	Total OIC Amount (Decemeber 31 2017).xlsx OIC-1279-2017.pdf OIC Total Amount for OFA Loans as of Dec 31 2017.msg image001.png

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Hi Ken,

We are trying to finalize the attached worksheet for Accounting. I believe it is used in the statements to populate the highlighted sentence:

5. TRANSACTIONS WITH PUBLIC BODIES

The OFA provides financing to various public bodies on direction from the Province. As the OFA is directed by the Province to make these loans in furtherance of stated Provincial initiatives, and these loans are included in the Province's consolidated financial statements, these transactions are not reflected in these financial statements.

Funds for these loans are advanced to the OFA by the Province under credit facilities aggregating $16.9 billion expiring from 2036 to 2044. Principal repayments received from public bodies by the OFA are forwarded to the Province. The interest rates charged to public bodies is generally slightly higher than the rate charged by the Province on the advances to fund the loans ("the spread").

We have tentatively added the IESO-OFA FHP OIC to the worksheet but want to ensure this is both expected and acceptable.

We approached Corporate Finance/Corporate Electricity Finance to see if they had any concerns but have yet to hear back.

We are hoping that you may be able to confirm the appropriateness of its inclusion in light of the fact that it will cause a $2 billion jump in the amount reported and push the far date out to 2047.

Regards,

Andrea Dalgarno
Documentation & Analysis Specialist
Ontario Financing Authority
Tel 416-212-7451

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OIC Summary

As At: **Septemebr 30, 2017**

Regular Loans	**Total OIC Amount**
Under OIC 675/97 -	
Authorized:	$2,160,000,000
Repayment date:	June 1, 2041
Under OIC 767/99 -	
Authorized:	$656,000,000
Repayment date:	June 1, 2041
IESO FHP Credit Facility	
Under OIC 1279/2017 -	
Authorized:	$2,000,000,000
Repayment date:	December 31, 2047
School Board Loans	**Total OIC Amount**
Under OIC 1883/2006	
Authorized:	$800,000,000
Repayment date:	June 1, 2041
Under OIC 2144/2007	
Authorized:	$2,000,000,000
Repayment date:	June 1, 2041
Under OIC 300/2010	
Authorized:	$1,800,000,000
Repayment date:	May 15, 2036
Under OIC 163/2012	
Authorized:	$1,700,000,000
Repayment date:	Year 2040
Under OIC 354/2014	
Authorized:	$700,000,000
Repayment date:	March 5, 2044
Auto Loans	**Total OIC Amount**
Under OIC 2154/2008	$1,700,000,000
Under OIC 678/2009	$1,100,000,000
Under OIC 975/2009	$4,300,000,000
Total Amount	**$18,916,000,000**

Amount Issued		Remaining Authority	
$	1,700,000,000.00	$	-
$	480,818,602.74	$	619,181,397.26
$	1,983,345,267.75	$	2,316,654,732.25

Executive Council of Ontario/Conseil exécutif de l'Ontario **[Bilingual]**

Ontario

Order in Council
Décret

On the recommendation of the undersigned, the Lieutenant Governor of Ontario, by and with the advice and concurrence of the Executive Council of Ontario, orders that:

Sur la recommandation de la personne soussignée, la lieutenante-gouverneure de l'Ontario, sur l'avis et avec le consentement du Conseil exécutif de l'Ontario, décrète ce qui suit :

WHEREAS pursuant to subsection 22(1) of the *Capital Investment Plan Act, 1993* (the "Act"), the Minister of Finance may purchase securities of or make loans to corporations established under subsection 2(1) of the Act in such amounts, at such times and on such terms and conditions as the Lieutenant Governor in Council considers expedient;

AND WHEREAS the Ontario Financing Authority (the "OFA") is a corporation established under subsection 2(1) of the Act;

AND WHEREAS pursuant to subsection 6(3) of the Act, the power of a corporation established under subsection 2(1) of the Act to borrow and issue securities, among other things, may only be exercised under the authority of a by-law that has been approved by the Minister of Finance;

AND WHEREAS the OFA wishes to borrow up to Two Billion Dollars in lawful money of Canada from the Minister of Finance and has been authorized to do so by a borrowing by-law approved in accordance with the Act;

THEREFORE:

Pursuant to subsection 22 (1) of the Act, the Minister of Finance is authorized to lend a maximum of Two Billion Dollars in lawful money of Canada to the OFA on the following terms and conditions:

(a) the loan may be advanced in such amounts and at such time or times as required by the OFA;

(b) repayment of advances made under the loan plus accrued interest may be made in whole or in part at any time provided that the loan plus any accrued interest shall be fully repaid by December 31, 2047;

(c) each advance (an "Advance") made under the loan hereby authorized shall bear interest at a rate which is determined as follows:

(i) from the date of the Advance to (but excluding) the date of repayment the Advance shall bear interest at a per annum rate equivalent to the yield earned on

ninety day Province of Ontario treasury bills on the date before the Advance Date as determined by the Province, provided that if an Advance is outstanding for longer than ninety days, the interest rate shall be reset on the last day of each ninety day period (the "Reset Date") to the yield earned on ninety day Province of Ontario treasury bills immediately preceding the Reset Date for such ninety day period as determined by the Province;

(ii) in the event that moneys included in an Advance are used by the OFA for the purpose of funding loans to third parties (a "Third Party Loan"), the rate of interest payable by the OFA to the Province on the portion of the Advance so used shall be adjusted effective as of the date that the portion of the Advance is used to fund the Third Party Loan so that the per annum rate of interest payable by the OFA on such moneys is equivalent to the per annum rate of interest payable to the OFA under the Third Party Loan less an amount as may be determined by the Minister of Finance in respect of such Third Party Loan or a class of such Third Party Loans, until but excluding the date on which the Third Party Loan is repaid, at which time the interest rate set out in subparagraph (i) shall again be applicable to that portion of the Advance; and

(iii) in the event that moneys described in subparagraph (ii), once repaid, are subsequently used to fund loans to third parties, subparagraph (ii) shall again be applicable in determining the interest rate payable to the Province on that portion of the Advance used to fund such loan, and so on, until the Advance shall be repaid to the Province in full;

(iv) despite subparagraphs (ii) and (iii), in the event that no interest is payable to the OFA under a Third Party Loan, no interest shall be payable by the OFA on the portion of the Advance so used and to the extent that the terms of a Third Party Loan provide for the deferral of the payment of accrued interest for a period, the interest payment terms of an Advance or portion thereof shall also be deferred for a similar period.

(d) interest for any period of less than one year shall be payable for the actual number of days included in such period, computed on the basis of a 365-day year;

(e) despite paragraph (b) of this Order, interest on any portion of an Advance made to the OFA under the loan that is used by the OFA to fund a Third Party Loan shall accrue on the basis stated above but shall become payable only to the extent the OFA receives payment of interest under the relevant Third Party Loan;

(f) despite paragraph (b) of this Order, any portion of the principal of an Advance made to the OFA under the loan that is used by the OFA to fund a Third Party Loan shall become payable only to the extent the OFA receives repayment of principal under the relevant Third Party Loan; and

(g) the loan hereby authorized shall be evidenced by a promissory note.

ATTENDU QUE le ministre des Finances peut, en vertu du paragraphe 22 (1) de la *Loi de 1993 sur le plan d'investissement* (la « Loi »), acheter des valeurs mobilières des personnes morales

créées en vertu du paragraphe 2 (1) de la Loi ou leur consentir des prêts selon les montants, aux moments et aux conditions que le lieutenant-gouverneur en conseil estime opportuns;

ATTENDU QUE l'Office ontarien de financement (l'« OOF ») est une personne morale créée en vertu du paragraphe 2 (1) de la Loi;

ATTENDU QUE, conformément au paragraphe 6 (3) de la Loi, le pouvoir qu'ont les personnes morales créées en vertu du paragraphe 2 (1) de la Loi de contracter des emprunts et d'émettre des valeurs mobilières, entre autres, ne peut être exercé qu'aux termes d'un règlement administratif approuvé par le ministre des Finances;

ATTENDU QUE l'OOF souhaite emprunter jusqu'à concurrence de deux milliards de dollars en monnaie légale du Canada du ministre des Finances et qu'il a été autorisé à le faire par un règlement administratif d'emprunt approuvé conformément à la Loi;

PAR CONSÉQUENT :

en vertu du paragraphe 22 (1) de la Loi, le ministre des Finances est autorisé à prêter un montant maximal de deux milliards de dollars en monnaie légale du Canada à l'OOF, aux conditions suivantes :

a) le prêt peut être consenti selon les montants et aux moments qui conviennent à l'OOF;

b) le remboursement des avances consenties au titre du prêt, plus les intérêts courus, peut à tout moment être effectué en totalité ou en partie, pourvu que le prêt et les intérêts courus soient entièrement remboursés au plus tard le 31 décembre 2047;

c) chaque avance (« avance ») faite au titre du prêt autorisé par les présentes portera intérêt au taux est fixé comme suit :

(i) de la date où elle a été faite jusqu'à la date (non comprise) de son remboursement, l'avance portera intérêt à un taux annuel équivalant au rendement gagné sur des bons du Trésor de la province de l'Ontario de quatre-vingt-dix jours à la date précédant la date de l'avance fixée par la province, pourvu que ce taux d'intérêt soit rajusté le dernier jour de chaque période de quatre-vingt-dix jours (« date de rajustement ») selon le rendement gagné sur de tels bons du Trésor immédiatement avant la date de rajustement pour une période de quatre-vingt-dix jours décidée par la province, si l'avance est impayée pendant plus de quatre-vingt-dix jours;

(ii) dans l'éventualité où l'OOF se servirait de sommes comprises dans une avance pour financer des prêts à des tiers, le taux d'intérêt à payer par l'OOF à la province sur la partie de l'avance ainsi utilisée sera rajusté à la date à laquelle la partie de l'avance sera utilisée pour le financement du prêt à un tiers de façon que le taux d'intérêt annuel à payer par l'OOF sur de telles sommes soit équivalent à ce dernier taux moins un montant que pourra fixer le ministre des Finances à l'égard d'un tel prêt ou d'une telle catégorie de prêt, jusqu'à la date (non comprise) à laquelle le prêt à un tiers sera remboursé, date à laquelle le taux d'intérêt établi au sous-alinéa (i) s'appliquera de nouveau à cette partie de l'avance;

(iii) dans l'éventualité où les sommes décrites au sous-alinéa (ii), une fois remboursées, seraient ultérieurement utilisées pour le financement de prêts à des tiers, le sous-alinéa (ii) s'appliquera de nouveau dans l'établissement du taux d'intérêt à payer à la province sur la partie de l'avance utilisée à cette fin, et ainsi de suite, jusqu'à ce que l'avance ait été remboursée intégralement à la province;

(iv) malgré les sous-alinéas (ii) et (iii), dans l'éventualité où aucun intérêt ne serait payable à l'OOF au titre d'un prêt à un tiers, aucun intérêt ne sera à payer par l'OOF sur la partie de l'avance ainsi utilisée et dans la mesure où les conditions du prêt à un tiers prévoient le report du paiement d'intérêts courus pour une période, le paiement d'intérêts au titre d'une avance ou d'une partie d'une avance sera également reporté pour une période d'égale durée;

d) l'intérêt payable relativement à toute période de moins d'un an sera calculé en fonction du nombre de jours réellement compris dans cette période, par rapport à une année comptant 365 jours;

e) par dérogation à l'alinéa a) ci-dessus, l'intérêt sur toute partie d'une avance consentie à l'OOF dans le cadre du prêt que cette dernière utilise pour financer un prêt à un tiers est calculé comme il est indiqué ci-dessus, mais cet intérêt devient payable uniquement dans la mesure où l'OOF reçoit un paiement d'intérêts au titre du prêt à un tiers;

f) par dérogation à l'alinéa b) ci-dessus, toute partie du capital d'une avance consentie à l'OOF dans le cadre du prêt que cette dernière utilise pour financer un prêt à un tiers devient payable uniquement dans la mesure où l'OOF reçoit un remboursement du capital au titre du prêt à un tiers

g) le prêt autorisé en vertu des présentes sera attesté par un billet à ordre.

Recommended: Minister of Finance
Recommandé par : Le ministre des Finances

Deb Matthews

Concurred: Chair of Cabinet
Appuyé par : Le président/la présidente du Conseil des ministres

Approved and Ordered:
Approuvé et décrété le : JUN 28 2017

Lieutenant Governor
La lieutenante-gouverneure

From: San Rajaratnam []
To: Andrea Dalgarno [Andrea.Dalgarno@ofina.on.ca]
CC: Siva Nathan [Siva.Nathan@ofina.on.ca]; Sarah Harris [Sarah.Harris@ofina.on.ca]
Subject: OIC Total Amount for OFA Loans as of Dec 31, 2017
Date: Friday, February 02, 2018 11:45:45
Attachment 1: Total OIC Amount (June 30 2017).xlsx

Hi Andrea,

For reporting in OFA's Dec 31, 2017 financial statements, We would like to check with you of any changes to OIC amounts as of Dec 31, 2017.

Thanks,
San

From: San Rajaratnam
Sent: Friday, October 20, 2017 9:17 AM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of Sep 30, 2017

Hi Andrea,

For reporting in OFA's Sep 30, 2017 financial statements We would like to check with you of any changes to OIC amounts as of Sep 30, 2017.

Thanks,
San

From: Andrea Dalgarno
Sent: Wednesday, July 19, 2017 10:10 AM
To: San Rajaratnam <San.Rajaratnam@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: RE: OIC Total Amount for OFA Loans as of June 30, 2017

Hi,

We confirm the authorized amounts for the OICs in the attached table are unchanged totalling $16,916,000,000 as at June 30 ,2017.

Regards,

Andrea

From: San Rajaratnam
Sent: Wednesday, July 19, 2017 9:56 AM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of June 30, 2017

Hi Andrea,

For reporting in OFA's June 30, 2017 financial statements We would like to check with you of any changes to OIC amounts as of June 30, 2017.

Thanks,
San

From: Andrea Dalgarno
Sent: Wednesday, April 19, 2017 9:57 AM
To: San Rajaratnam <San.Rajaratnam@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: RE: OIC Total Amount for OFA Loans as of Mar 31, 2017

Hi San,

Sarah asked me to address this request

The only changes are as follows:

OIC 1883/06 - $800,000,000 - the amended maturity date is June 1, 2041 (previously November 1, 2032).
OIC 2144/07 - $2,000,000,000 - the amended maturity date is June 1, 2041 (previously December 1, 2037).

and the changes have been made to the OFA Summary attached.

These updates take into account the amendment to the maturity dates incorporated in OIC 844/2008 (attached for your reference).

Other than that:

I can confirm that the total OIC amounts remains unchanged as of March 31, 2017. I can also confirm that there have been no additional OICs. I cannot however, comment on any loans or transactions undertaken under the OICs. Documentation does not keep track of this. If needed, I believe that Corporate Finance keeps track of this information. As such the supporting documentation provided is comprised of copies of the OIC's in question.

Regards,

Andrea

From: San Rajaratnam
Sent: Tuesday, April 18, 2017 2:51 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of Mar 31, 2017

Hi William,

We would like to check with you of any changes to OIC amounts as of Mar 31, 2017? We require this info for reporting in OFA's Mar 31, 2017 Financial Statements.

Thanks,
San

From: William Tan
Sent: Friday, January 20, 2017 2:56 PM
To: San Rajaratnam <San.Rajaratnam@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: OIC Total Amount for OFA Loans as of Dec 31,2016

Hello San,

We confirm the authorized amounts for the OICs in the attached table are unchanged totalling $16,916,000,000 as at Dec 31, 2016.
Please note the amended maturity dates for the following two OICs:

OIC 675/97 - $2,160,000,000 - the amended maturity date is June 1, 2041 (previously August 31, 2027).
OIC 767/99 - $656,000,000 - the amended maturity date is June 1, 2041 (previously August 31, 2029).

Thanks,

Will

From: Sarah Harris
Sent: Tuesday, January 17, 2017 4:14 PM
To: William Tan <William.Tan@ofina.on.ca>
Subject: FW: OIC Total Amount for OFA Loans as of Dec 31,2016

From: San Rajaratnam
Sent: Tuesday, January 17, 2017 3:39 PM

To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of Dec 31,2016

Hi Sarah,

We would like to check whether any changes to OIC amounts as of Dec 31, 2016? We require this info for reporting in OFA's Dec 31,2016 FS.

Lenin provided us the attached file (as of Sep 30,2016).

Thanks,
San

OIC Summary

Regular Loans	
Under OIC 675/97 -	
Authorized:	$2,160,000,000
Repayment date:	June 1, 2041
Under OIC 767/99 -	
Authorized:	$656,000,000
Repayment date:	June 1, 2041
Under OIC 1883/2006 - SB Loans	
Authorized:	$800,000,000
Repayment date:	June 1, 2041
Under OIC 2144/2007	
Authorized:	$2,000,000,000
Repayment date:	June 1, 2041
Under OIC 300/2010	
Authorized:	$1,800,000,000
Repayment date:	May 15, 2036
Under OIC 163/2012	
Authorized:	$1,700,000,000
Repayment date:	Year 2040
Under OIC 354/2014	
Authorized:	$700,000,000
Repayment date:	March 5, 2044
Auto Loans	**Total OIC Amount**
OIC 2154/2008	$1,700,000,000
OIC 678/2009	$1,100,000,000
OIC 975/2009	$4,300,000,000
Total Amount	$16,916,000,000

School Board Loans

School Board Loans

School Board Loans

	Amount Issued		Remaining Authority
$	1,700,000,000.00	$	-
$	480,818,602.74	$	619,181,397.26
$	1,983,345,267.75	$	2,316,654,732.25

5. TRANSACTIONS WITH PUBLIC BODIES

The OFA provides financing to various public bodies on direction from the Province. As the OFA is directed by the Province to make these loans in furtherance of stated Provincial initiatives, and these loans are included in the Province's consolidated financial statements, these transactions are not reflected in these financial statements.

Funds for these loans are advanced to the OFA by the Province under credit facilities aggregating $16.9 billion expiring from 2036 to 2044. Principal repayments received from public bodies by the OFA are forwarded to the Province. The interest rates charged to public bodies is generally slightly higher than the rate charged by the Province on the advances to fund the loans ("the spread").

From:	Andrea Dalgarno
To:	Ken Kandeepan
Cc:	Sarah Harris; San Rajaratnam; Siva Nathan
Subject:	OIC Total Amount for OFA Loans as of Dec 31, 2017
Date:	Tuesday, February 13, 2018 9:12:42 AM
Attachments:	Total OIC Amount (Decemeber 31 2017).xlsx OIC-1279-2017.pdf OIC Total Amount for OFA Loans as of Dec 31 2017.msg image001.png

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Hi Ken,

We are trying to finalize the attached worksheet for Accounting. I believe it is used in the statements to populate the highlighted sentence:

5. TRANSACTIONS WITH PUBLIC BODIES

The OFA provides financing to various public bodies on direction from the Province. As the OFA is directed by the Province to make these loans in furtherance of stated Provincial initiatives, and these loans are included in the Province's consolidated financial statements, these transactions are not reflected in these financial statements.

Funds for these loans are advanced to the OFA by the Province under credit facilities aggregating $16.9 billion expiring from 2036 to 2044. Principal repayments received from public bodies by the OFA are forwarded to the Province. The interest rates charged to public bodies is generally slightly higher than the rate charged by the Province on the advances to fund the loans ("the spread").

We have tentatively added the IESO-OFA FHP OIC to the worksheet but want to ensure this is both expected and acceptable.

We approached Corporate Finance/Corporate Electricity Finance to see if they had any concerns but have yet to hear back.

We are hoping that you may be able to confirm the appropriateness of its inclusion in light of the fact that it will cause a $2 billion jump in the amount reported and push the far date out to 2047.

Regards,

Andrea Dalgarno
Documentation & Analysis Specialist
Ontario Financing Authority
Tel 416-212-7451

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OIC Summary

As At: **Septemebr 30, 2017**

Regular Loans	**Total OIC Amount**
Under OIC 675/97 -	
Authorized:	$2,160,000,000
Repayment date:	June 1, 2041
Under OIC 767/99 -	
Authorized:	$656,000,000
Repayment date:	June 1, 2041
IESO FHP Credit Facility	
Under OIC 1279/2017 -	
Authorized:	$2,000,000,000
Repayment date:	December 31, 2047
School Board Loans	**Total OIC Amount**
Under OIC 1883/2006	
Authorized:	$800,000,000
Repayment date:	June 1, 2041
Under OIC 2144/2007	
Authorized:	$2,000,000,000
Repayment date:	June 1, 2041
Under OIC 300/2010	
Authorized:	$1,800,000,000
Repayment date:	May 15, 2036
Under OIC 163/2012	
Authorized:	$1,700,000,000
Repayment date:	Year 2040
Under OIC 354/2014	
Authorized:	$700,000,000
Repayment date:	March 5, 2044
Auto Loans	**Total OIC Amount**
Under OIC 2154/2008	$1,700,000,000
Under OIC 678/2009	$1,100,000,000
Under OIC 975/2009	$4,300,000,000
Total Amount	**$18,916,000,000**

Amount Issued		Remaining Authority	
$	1,700,000,000.00	$	-
$	480,818,602.74	$	619,181,397.26
$	1,983,345,267.75	$	2,316,654,732.25

Executive Council of Ontario/Conseil exécutif de l'Ontario **[Bilingual]**

Ontario

Order in Council
Décret

On the recommendation of the undersigned, the Lieutenant Governor of Ontario, by and with the advice and concurrence of the Executive Council of Ontario, orders that:

Sur la recommandation de la personne soussignée, la lieutenante-gouverneure de l'Ontario, sur l'avis et avec le consentement du Conseil exécutif de l'Ontario, décrète ce qui suit :

WHEREAS pursuant to subsection 22(1) of the *Capital Investment Plan Act, 1993* (the "Act"), the Minister of Finance may purchase securities of or make loans to corporations established under subsection 2(1) of the Act in such amounts, at such times and on such terms and conditions as the Lieutenant Governor in Council considers expedient;

AND WHEREAS the Ontario Financing Authority (the "OFA") is a corporation established under subsection 2(1) of the Act;

AND WHEREAS pursuant to subsection 6(3) of the Act, the power of a corporation established under subsection 2(1) of the Act to borrow and issue securities, among other things, may only be exercised under the authority of a by-law that has been approved by the Minister of Finance;

AND WHEREAS the OFA wishes to borrow up to Two Billion Dollars in lawful money of Canada from the Minister of Finance and has been authorized to do so by a borrowing by-law approved in accordance with the Act;

THEREFORE:

Pursuant to subsection 22 (1) of the Act, the Minister of Finance is authorized to lend a maximum of Two Billion Dollars in lawful money of Canada to the OFA on the following terms and conditions:

(a) the loan may be advanced in such amounts and at such time or times as required by the OFA;

(b) repayment of advances made under the loan plus accrued interest may be made in whole or in part at any time provided that the loan plus any accrued interest shall be fully repaid by December 31, 2047;

(c) each advance (an "Advance") made under the loan hereby authorized shall bear interest at a rate which is determined as follows:

(i) from the date of the Advance to (but excluding) the date of repayment the Advance shall bear interest at a per annum rate equivalent to the yield earned on

ninety day Province of Ontario treasury bills on the date before the Advance Date as determined by the Province, provided that if an Advance is outstanding for longer than ninety days, the interest rate shall be reset on the last day of each ninety day period (the "Reset Date") to the yield earned on ninety day Province of Ontario treasury bills immediately preceding the Reset Date for such ninety day period as determined by the Province;

(ii) in the event that moneys included in an Advance are used by the OFA for the purpose of funding loans to third parties (a "Third Party Loan"), the rate of interest payable by the OFA to the Province on the portion of the Advance so used shall be adjusted effective as of the date that the portion of the Advance is used to fund the Third Party Loan so that the per annum rate of interest payable by the OFA on such moneys is equivalent to the per annum rate of interest payable to the OFA under the Third Party Loan less an amount as may be determined by the Minister of Finance in respect of such Third Party Loan or a class of such Third Party Loans, until but excluding the date on which the Third Party Loan is repaid, at which time the interest rate set out in subparagraph (i) shall again be applicable to that portion of the Advance; and

(iii) in the event that moneys described in subparagraph (ii), once repaid, are subsequently used to fund loans to third parties, subparagraph (ii) shall again be applicable in determining the interest rate payable to the Province on that portion of the Advance used to fund such loan, and so on, until the Advance shall be repaid to the Province in full;

(iv) despite subparagraphs (ii) and (iii), in the event that no interest is payable to the OFA under a Third Party Loan, no interest shall be payable by the OFA on the portion of the Advance so used and to the extent that the terms of a Third Party Loan provide for the deferral of the payment of accrued interest for a period, the interest payment terms of an Advance or portion thereof shall also be deferred for a similar period.

(d) interest for any period of less than one year shall be payable for the actual number of days included in such period, computed on the basis of a 365-day year;

(e) despite paragraph (b) of this Order, interest on any portion of an Advance made to the OFA under the loan that is used by the OFA to fund a Third Party Loan shall accrue on the basis stated above but shall become payable only to the extent the OFA receives payment of interest under the relevant Third Party Loan;

(f) despite paragraph (b) of this Order, any portion of the principal of an Advance made to the OFA under the loan that is used by the OFA to fund a Third Party Loan shall become payable only to the extent the OFA receives repayment of principal under the relevant Third Party Loan; and

(g) the loan hereby authorized shall be evidenced by a promissory note.

ATTENDU QUE le ministre des Finances peut, en vertu du paragraphe 22 (1) de la *Loi de 1993 sur le plan d'investissement* (la « Loi »), acheter des valeurs mobilières des personnes morales

créées en vertu du paragraphe 2 (1) de la Loi ou leur consentir des prêts selon les montants, aux moments et aux conditions que le lieutenant-gouverneur en conseil estime opportuns;

ATTENDU QUE l'Office ontarien de financement (l'« OOF ») est une personne morale créée en vertu du paragraphe 2 (1) de la Loi;

ATTENDU QUE, conformément au paragraphe 6 (3) de la Loi, le pouvoir qu'ont les personnes morales créées en vertu du paragraphe 2 (1) de la Loi de contracter des emprunts et d'émettre des valeurs mobilières, entre autres, ne peut être exercé qu'aux termes d'un règlement administratif approuvé par le ministre des Finances;

ATTENDU QUE l'OOF souhaite emprunter jusqu'à concurrence de deux milliards de dollars en monnaie légale du Canada du ministre des Finances et qu'il a été autorisé à le faire par un règlement administratif d'emprunt approuvé conformément à la Loi;

PAR CONSÉQUENT :

en vertu du paragraphe 22 (1) de la Loi, le ministre des Finances est autorisé à prêter un montant maximal de deux milliards de dollars en monnaie légale du Canada à l'OOF, aux conditions suivantes :

a) le prêt peut être consenti selon les montants et aux moments qui conviennent à l'OOF;

b) le remboursement des avances consenties au titre du prêt, plus les intérêts courus, peut à tout moment être effectué en totalité ou en partie, pourvu que le prêt et les intérêts courus soient entièrement remboursés au plus tard le 31 décembre 2047;

c) chaque avance (« avance ») faite au titre du prêt autorisé par les présentes portera intérêt au taux est fixé comme suit :

(i) de la date où elle a été faite jusqu'à la date (non comprise) de son remboursement, l'avance portera intérêt à un taux annuel équivalant au rendement gagné sur des bons du Trésor de la province de l'Ontario de quatre-vingt-dix jours à la date précédant la date de l'avance fixée par la province, pourvu que ce taux d'intérêt soit rajusté le dernier jour de chaque période de quatre-vingt-dix jours (« date de rajustement ») selon le rendement gagné sur de tels bons du Trésor immédiatement avant la date de rajustement pour une période de quatre-vingt-dix jours décidée par la province, si l'avance est impayée pendant plus de quatre-vingt-dix jours;

(ii) dans l'éventualité où l'OOF se servirait de sommes comprises dans une avance pour financer des prêts à des tiers, le taux d'intérêt à payer par l'OOF à la province sur la partie de l'avance ainsi utilisée sera rajusté à la date à laquelle la partie de l'avance sera utilisée pour le financement du prêt à un tiers de façon que le taux d'intérêt annuel à payer par l'OOF sur de telles sommes soit équivalent à ce dernier taux moins un montant que pourra fixer le ministre des Finances à l'égard d'un tel prêt ou d'une telle catégorie de prêt, jusqu'à la date (non comprise) à laquelle le prêt à un tiers sera remboursé, date à laquelle le taux d'intérêt établi au sous-alinéa (i) s'appliquera de nouveau à cette partie de l'avance;

(iii) dans l'éventualité où les sommes décrites au sous-alinéa (ii), une fois remboursées, seraient ultérieurement utilisées pour le financement de prêts à des tiers, le sous-alinéa (ii) s'appliquera de nouveau dans l'établissement du taux d'intérêt à payer à la province sur la partie de l'avance utilisée à cette fin, et ainsi de suite, jusqu'à ce que l'avance ait été remboursée intégralement à la province;

(iv) malgré les sous-alinéas (ii) et (iii), dans l'éventualité où aucun intérêt ne serait payable à l'OOF au titre d'un prêt à un tiers, aucun intérêt ne sera à payer par l'OOF sur la partie de l'avance ainsi utilisée et dans la mesure où les conditions du prêt à un tiers prévoient le report du paiement d'intérêts courus pour une période, le paiement d'intérêts au titre d'une avance ou d'une partie d'une avance sera également reporté pour une période d'égale durée;

d) l'intérêt payable relativement à toute période de moins d'un an sera calculé en fonction du nombre de jours réellement compris dans cette période, par rapport à une année comptant 365 jours;

e) par dérogation à l'alinéa a) ci-dessus, l'intérêt sur toute partie d'une avance consentie à l'OOF dans le cadre du prêt que cette dernière utilise pour financer un prêt à un tiers est calculé comme il est indiqué ci-dessus, mais cet intérêt devient payable uniquement dans la mesure où l'OOF reçoit un paiement d'intérêts au titre du prêt à un tiers;

f) par dérogation à l'alinéa b) ci-dessus, toute partie du capital d'une avance consentie à l'OOF dans le cadre du prêt que cette dernière utilise pour financer un prêt à un tiers devient payable uniquement dans la mesure où l'OOF reçoit un remboursement du capital au titre du prêt à un tiers

g) le prêt autorisé en vertu des présentes sera attesté par un billet à ordre.

Recommended: Minister of Finance
Recommandé par : Le ministre des Finances

Deb Matthews

Concurred: Chair of Cabinet
Appuyé par : Le président/la présidente du Conseil des ministres

Approved and Ordered:
Approuvé et décrété le : JUN 28 2017

Lieutenant Governor
La lieutenante-gouverneure

From: San Rajaratnam []
To: Andrea Dalgarno [Andrea.Dalgarno@ofina.on.ca]
CC: Siva Nathan [Siva.Nathan@ofina.on.ca]; Sarah Harris [Sarah.Harris@ofina.on.ca]
Subject: OIC Total Amount for OFA Loans as of Dec 31, 2017
Date: Friday, February 02, 2018 11:45:45
Attachment 1: Total OIC Amount (June 30 2017).xlsx

Hi Andrea,

For reporting in OFA's Dec 31, 2017 financial statements, We would like to check with you of any changes to OIC amounts as of Dec 31, 2017.

Thanks,
San

From: San Rajaratnam
Sent: Friday, October 20, 2017 9:17 AM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of Sep 30, 2017

Hi Andrea,

For reporting in OFA's Sep 30, 2017 financial statements We would like to check with you of any changes to OIC amounts as of Sep 30, 2017.

Thanks,
San

From: Andrea Dalgarno
Sent: Wednesday, July 19, 2017 10:10 AM
To: San Rajaratnam <San.Rajaratnam@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: RE: OIC Total Amount for OFA Loans as of June 30, 2017

Hi,

We confirm the authorized amounts for the OICs in the attached table are unchanged totalling $16,916,000,000 as at June 30 ,2017.

Regards,

Andrea

From: San Rajaratnam
Sent: Wednesday, July 19, 2017 9:56 AM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of June 30, 2017

Hi Andrea,

For reporting in OFA's June 30, 2017 financial statements We would like to check with you of any changes to OIC amounts as of June 30, 2017.

Thanks,
San

From: Andrea Dalgarno
Sent: Wednesday, April 19, 2017 9:57 AM
To: San Rajaratnam <San.Rajaratnam@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: RE: OIC Total Amount for OFA Loans as of Mar 31, 2017

Hi San,

Sarah asked me to address this request

The only changes are as follows:

OIC 1883/06 - $800,000,000 - the amended maturity date is June 1, 2041 (previously November 1, 2032).
OIC 2144/07 - $2,000,000,000 - the amended maturity date is June 1, 2041 (previously December 1, 2037).

and the changes have been made to the OFA Summary attached.

These updates take into account the amendment to the maturity dates incorporated in OIC 844/2008 (attached for your reference).

Other than that:

I can confirm that the total OIC amounts remains unchanged as of March 31, 2017. I can also confirm that there have been no additional OICs. I cannot however, comment on any loans or transactions undertaken under the OICs. Documentation does not keep track of this. If needed, I believe that Corporate Finance keeps track of this information. As such the supporting documentation provided is comprised of copies of the OIC's in question.

Regards,

Andrea

From: San Rajaratnam
Sent: Tuesday, April 18, 2017 2:51 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of Mar 31, 2017

Hi William,

We would like to check with you of any changes to OIC amounts as of Mar 31, 2017? We require this info for reporting in OFA's Mar 31, 2017 Financial Statements.

Thanks,
San

From: William Tan
Sent: Friday, January 20, 2017 2:56 PM
To: San Rajaratnam <San.Rajaratnam@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: OIC Total Amount for OFA Loans as of Dec 31,2016

Hello San,

We confirm the authorized amounts for the OICs in the attached table are unchanged totalling $16,916,000,000 as at Dec 31, 2016.
Please note the amended maturity dates for the following two OICs:

OIC 675/97 - $2,160,000,000 - the amended maturity date is June 1, 2041 (previously August 31, 2027).
OIC 767/99 - $656,000,000 - the amended maturity date is June 1, 2041 (previously August 31, 2029).

Thanks,

Will

From: Sarah Harris
Sent: Tuesday, January 17, 2017 4:14 PM
To: William Tan <William.Tan@ofina.on.ca>
Subject: FW: OIC Total Amount for OFA Loans as of Dec 31,2016

From: San Rajaratnam
Sent: Tuesday, January 17, 2017 3:39 PM

To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of Dec 31,2016

Hi Sarah,

We would like to check whether any changes to OIC amounts as of Dec 31, 2016? We require this info for reporting in OFA's Dec 31,2016 FS.

Lenin provided us the attached file (as of Sep 30,2016).

Thanks,
San

OIC Summary

Regular Loans	
Under OIC 675/97 -	
Authorized:	$2,160,000,000
Repayment date:	June 1, 2041
Under OIC 767/99 -	
Authorized:	$656,000,000
Repayment date:	June 1, 2041
Under OIC 1883/2006 - SB Loans	
Authorized:	$800,000,000
Repayment date:	June 1, 2041
Under OIC 2144/2007	
Authorized:	$2,000,000,000
Repayment date:	June 1, 2041
Under OIC 300/2010	
Authorized:	$1,800,000,000
Repayment date:	May 15, 2036
Under OIC 163/2012	
Authorized:	$1,700,000,000
Repayment date:	Year 2040
Under OIC 354/2014	
Authorized:	$700,000,000
Repayment date:	March 5, 2044
Auto Loans	**Total OIC Amount**
OIC 2154/2008	$1,700,000,000
OIC 678/2009	$1,100,000,000
OIC 975/2009	$4,300,000,000
Total Amount	$16,916,000,000

School Board Loans

School Board Loans

School Board Loans

	Amount Issued		Remaining Authority
$	1,700,000,000.00	$	-
$	480,818,602.74	$	619,181,397.26
$	1,983,345,267.75	$	2,316,654,732.25

5. TRANSACTIONS WITH PUBLIC BODIES

The OFA provides financing to various public bodies on direction from the Province. As the OFA is directed by the Province to make these loans in furtherance of stated Provincial initiatives, and these loans are included in the Province's consolidated financial statements, these transactions are not reflected in these financial statements.

Funds for these loans are advanced to the OFA by the Province under credit facilities aggregating $16.9 billion expiring from 2036 to 2044. Principal repayments received from public bodies by the OFA are forwarded to the Province. The interest rates charged to public bodies is generally slightly higher than the rate charged by the Province on the advances to fund the loans ("the spread").

From: San Rajaratnam
To: Andrea Dalgarno
Cc: Sarah Harris; Siva Nathan
Subject: OIC Total Amount for OFA Loans as of June 30, 2018
Date: Wednesday, July 11, 2018 4:20:27 PM
Attachments: Total OIC Amount (March 31, 2018).xlsx

Hi Andrea,

For reporting in OFA's June 30, 2018 FS, we would like to check with you of any changes to OIC amounts as of June 30, 2018.

Thanks,
San

From: Andrea Dalgarno
Sent: Wednesday, April 18, 2018 7:06 AM
To: San Rajaratnam <San.Rajaratnam@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: RE: OIC Total Amount for OFA Loans as of Mar 31, 2018

Hi San,

Attached is the file as at March 31, 2018. There were no additional OICs to add as at March 31, 2018

Please note that the amounts reported represent the authority provided by the referenced OIC

For completeness purposes ,I have added three amending OICs at the end (OIC 1277-2017, OIC 928-2012 and OIC 168-2016) – all were to address title changes of Divisions or Positions referenced only. Amounts and dates were not impacted by these.

If needed, specific information regarding loans or transactions are available from Corporate Finance.

Regards,

Andrea

OIC Summary

As At: **31-Mar-18**

Regular Loans	**Total OIC Amount**
Under OIC 675/97 -	
Authorized:	$2,160,000,000
Repayment date:	June 1, 2041
Under OIC 767/99 -	
Authorized:	$656,000,000
Repayment date:	June 1, 2041
IESO FHP Credit Facility	
Under OIC 1279/2017 -	
Authorized:	$2,000,000,000
Repayment date:	December 31, 2047
School Board Loans	**Total OIC Amount**
Under OIC 1883/2006	
Authorized:	$800,000,000
Repayment date:	June 1, 2041
Under OIC 2144/2007	
Authorized:	$2,000,000,000
Repayment date:	June 1, 2041
Under OIC 300/2010	
Authorized:	$1,800,000,000
Repayment date:	May 15, 2036
Under OIC 163/2012	
Authorized:	$1,700,000,000
Repayment date:	Year 2040
Under OIC 354/2014	
Authorized:	$700,000,000
Repayment date:	March 5, 2044
Auto Loans	**Total OIC Amount**
Under OIC 2154/2008	$1,700,000,000
Under OIC 678/2009	$1,100,000,000
Under OIC 975/2009	$4,300,000,000
Total Amount	**$18,916,000,000**

Amount Issued		Remaining Authority	
$	1,700,000,000.00	$	-
$	480,818,602.74	$	619,181,397.26
$	1,983,345,267.75	$	2,316,654,732.25

From:	San Rajaratnam
To:	Andrea Dalgarno
Cc:	Sarah Harris; Siva Nathan
Subject:	OIC Total Amount for OFA Loans as of June 30, 2018
Date:	Wednesday, July 11, 2018 4:20:27 PM
Attachments:	Total OIC Amount (March 31, 2018).xlsx

Hi Andrea,

For reporting in OFA's June 30, 2018 FS, we would like to check with you of any changes to OIC amounts as of June 30, 2018.

Thanks,

San

From: Andrea Dalgarno
Sent: Wednesday, April 18, 2018 7:06 AM
To: San Rajaratnam
Cc: Sarah Harris ; Siva Nathan
Subject: RE: OIC Total Amount for OFA Loans as of Mar 31, 2018

Hi San,

Attached is the file as at March 31, 2018. There were no additional OICs to add as at March 31, 2018

Please note that the amounts reported represent the authority provided by the referenced OIC

For completeness purposes ,I have added three amending OICs at the end (OIC 1277-2017, OIC 928-2012 and OIC 168-2016) – all were to address title changes of Divisions or Positions referenced only. Amounts and dates were not impacted by these.

If needed, specific information regarding loans or transactions are available from Corporate Finance.

Regards,

Andrea

OIC Summary

As At: **31-Mar-18**

Regular Loans	**Total OIC Amount**
Under OIC 675/97 -	
Authorized:	$2,160,000,000
Repayment date:	June 1, 2041
Under OIC 767/99 -	
Authorized:	$656,000,000
Repayment date:	June 1, 2041
IESO FHP Credit Facility	
Under OIC 1279/2017 -	
Authorized:	$2,000,000,000
Repayment date:	December 31, 2047
School Board Loans	**Total OIC Amount**
Under OIC 1883/2006	
Authorized:	$800,000,000
Repayment date:	June 1, 2041
Under OIC 2144/2007	
Authorized:	$2,000,000,000
Repayment date:	June 1, 2041
Under OIC 300/2010	
Authorized:	$1,800,000,000
Repayment date:	May 15, 2036
Under OIC 163/2012	
Authorized:	$1,700,000,000
Repayment date:	Year 2040
Under OIC 354/2014	
Authorized:	$700,000,000
Repayment date:	March 5, 2044
Auto Loans	**Total OIC Amount**
Under OIC 2154/2008	$1,700,000,000
Under OIC 678/2009	$1,100,000,000
Under OIC 975/2009	$4,300,000,000
Total Amount	**$18,916,000,000**

Amount Issued		Remaining Authority	
$	1,700,000,000.00	$	-
$	480,818,602.74	$	619,181,397.26
$	1,983,345,267.75	$	2,316,654,732.25

From:	San Rajaratnam
To:	Andrea Dalgarno
Cc:	Sarah Harris; Siva Nathan
Subject:	OIC Total Amount for OFA Loans as of Mar 31, 2018
Date:	Tuesday, April 17, 2018 4:15:24 PM
Attachments:	Total OIC Amount (Decemeber 31 2017).xlsx OIC-1279-2017.pdf image001.png

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Hi Andrea,

For reporting in OFA's Mar 31, 2018 FS, we would like to check with you of any changes to OIC amounts as of Mar 31, 2018.

Thanks,

San

From: Andrea Dalgarno
Sent: Tuesday, February 13, 2018 9:13 AM
To: Ken Kandeepan
Cc: Sarah Harris ; San Rajaratnam ; Siva Nathan
Subject: OIC Total Amount for OFA Loans as of Dec 31, 2017

Hi Ken,

We are trying to finalize the attached worksheet for Accounting. I believe it is used in the statements to populate the highlighted sentence:

5. TRANSACTIONS WITH PUBLIC BODIES

The OFA provides financing to various public bodies on direction from the Province. As the OFA is directed by the Province to make these loans in furtherance of stated Provincial initiatives, and these loans are included in the Province's consolidated financial statements, these transactions are not reflected in these financial statements.

Funds for these loans are advanced to the OFA by the Province under credit facilities aggregating $16.9 billion expiring from 2036 to 2044. Principal repayments received from public bodies by the OFA are forwarded to the Province. The interest rates charged to public bodies is generally slightly higher than the rate charged by the Province on the advances to fund the loans ("the spread").

We have tentatively added the IESO-OFA FHP OIC to the worksheet but want to ensure this is both expected and acceptable.

We approached Corporate Finance/Corporate Electricity Finance to see if they had any concerns but have yet to hear back.

We are hoping that you may be able to confirm the appropriateness of its inclusion in light of the fact that it will cause a $2 billion jump in the amount reported and push the far date out to 2047.

Regards,

Andrea Dalgarno
Documentation & Analysis Specialist
Ontario Financing Authority
Tel 416-212-7451

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which it is addressed and may contain information that is privileged and confidential. Any other distribution, copying or disclosure is strictly prohibited. If you are not the intended recipient or have received this message in error, please notify us immediately by reply e-mail and permanently delete this message including any attachments, without reading it or making a copy. Thank you

OIC Summary

As At: **Septemebr 30, 2017**

Regular Loans	**Total OIC Amount**
Under OIC 675/97 -	
Authorized:	$2,160,000,000
Repayment date:	June 1, 2041
Under OIC 767/99 -	
Authorized:	$656,000,000
Repayment date:	June 1, 2041
IESO FHP Credit Facility	
Under OIC 1279/2017 -	
Authorized:	$2,000,000,000
Repayment date:	December 31, 2047
School Board Loans	**Total OIC Amount**
Under OIC 1883/2006	
Authorized:	$800,000,000
Repayment date:	June 1, 2041
Under OIC 2144/2007	
Authorized:	$2,000,000,000
Repayment date:	June 1, 2041
Under OIC 300/2010	
Authorized:	$1,800,000,000
Repayment date:	May 15, 2036
Under OIC 163/2012	
Authorized:	$1,700,000,000
Repayment date:	Year 2040
Under OIC 354/2014	
Authorized:	$700,000,000
Repayment date:	March 5, 2044
Auto Loans	**Total OIC Amount**
Under OIC 2154/2008	$1,700,000,000
Under OIC 678/2009	$1,100,000,000
Under OIC 975/2009	$4,300,000,000
Total Amount	**$18,916,000,000**

Amount Issued		Remaining Authority	
$	1,700,000,000.00	$	-
$	480,818,602.74	$	619,181,397.26
$	1,983,345,267.75	$	2,316,654,732.25

Executive Council of Ontario/Conseil exécutif de l'Ontario **[Bilingual]**

Ontario

Order in Council
Décret

On the recommendation of the undersigned, the Lieutenant Governor of Ontario, by and with the advice and concurrence of the Executive Council of Ontario, orders that:

Sur la recommandation de la personne soussignée, la lieutenante-gouverneure de l'Ontario, sur l'avis et avec le consentement du Conseil exécutif de l'Ontario, décrète ce qui suit :

WHEREAS pursuant to subsection 22(1) of the *Capital Investment Plan Act, 1993* (the "Act"), the Minister of Finance may purchase securities of or make loans to corporations established under subsection 2(1) of the Act in such amounts, at such times and on such terms and conditions as the Lieutenant Governor in Council considers expedient;

AND WHEREAS the Ontario Financing Authority (the "OFA") is a corporation established under subsection 2(1) of the Act;

AND WHEREAS pursuant to subsection 6(3) of the Act, the power of a corporation established under subsection 2(1) of the Act to borrow and issue securities, among other things, may only be exercised under the authority of a by-law that has been approved by the Minister of Finance;

AND WHEREAS the OFA wishes to borrow up to Two Billion Dollars in lawful money of Canada from the Minister of Finance and has been authorized to do so by a borrowing by-law approved in accordance with the Act;

THEREFORE:

Pursuant to subsection 22 (1) of the Act, the Minister of Finance is authorized to lend a maximum of Two Billion Dollars in lawful money of Canada to the OFA on the following terms and conditions:

(a) the loan may be advanced in such amounts and at such time or times as required by the OFA;

(b) repayment of advances made under the loan plus accrued interest may be made in whole or in part at any time provided that the loan plus any accrued interest shall be fully repaid by December 31, 2047;

(c) each advance (an "Advance") made under the loan hereby authorized shall bear interest at a rate which is determined as follows:

(i) from the date of the Advance to (but excluding) the date of repayment the Advance shall bear interest at a per annum rate equivalent to the yield earned on

ninety day Province of Ontario treasury bills on the date before the Advance Date as determined by the Province, provided that if an Advance is outstanding for longer than ninety days, the interest rate shall be reset on the last day of each ninety day period (the "Reset Date") to the yield earned on ninety day Province of Ontario treasury bills immediately preceding the Reset Date for such ninety day period as determined by the Province;

(ii) in the event that moneys included in an Advance are used by the OFA for the purpose of funding loans to third parties (a "Third Party Loan"), the rate of interest payable by the OFA to the Province on the portion of the Advance so used shall be adjusted effective as of the date that the portion of the Advance is used to fund the Third Party Loan so that the per annum rate of interest payable by the OFA on such moneys is equivalent to the per annum rate of interest payable to the OFA under the Third Party Loan less an amount as may be determined by the Minister of Finance in respect of such Third Party Loan or a class of such Third Party Loans, until but excluding the date on which the Third Party Loan is repaid, at which time the interest rate set out in subparagraph (i) shall again be applicable to that portion of the Advance; and

(iii) in the event that moneys described in subparagraph (ii), once repaid, are subsequently used to fund loans to third parties, subparagraph (ii) shall again be applicable in determining the interest rate payable to the Province on that portion of the Advance used to fund such loan, and so on, until the Advance shall be repaid to the Province in full;

(iv) despite subparagraphs (ii) and (iii), in the event that no interest is payable to the OFA under a Third Party Loan, no interest shall be payable by the OFA on the portion of the Advance so used and to the extent that the terms of a Third Party Loan provide for the deferral of the payment of accrued interest for a period, the interest payment terms of an Advance or portion thereof shall also be deferred for a similar period.

(d) interest for any period of less than one year shall be payable for the actual number of days included in such period, computed on the basis of a 365-day year;

(e) despite paragraph (b) of this Order, interest on any portion of an Advance made to the OFA under the loan that is used by the OFA to fund a Third Party Loan shall accrue on the basis stated above but shall become payable only to the extent the OFA receives payment of interest under the relevant Third Party Loan;

(f) despite paragraph (b) of this Order, any portion of the principal of an Advance made to the OFA under the loan that is used by the OFA to fund a Third Party Loan shall become payable only to the extent the OFA receives repayment of principal under the relevant Third Party Loan; and

(g) the loan hereby authorized shall be evidenced by a promissory note.

ATTENDU QUE le ministre des Finances peut, en vertu du paragraphe 22 (1) de la *Loi de 1993 sur le plan d'investissement* (la « Loi »), acheter des valeurs mobilières des personnes morales

créées en vertu du paragraphe 2 (1) de la Loi ou leur consentir des prêts selon les montants, aux moments et aux conditions que le lieutenant-gouverneur en conseil estime opportuns;

ATTENDU QUE l'Office ontarien de financement (l'« OOF ») est une personne morale créée en vertu du paragraphe 2 (1) de la Loi;

ATTENDU QUE, conformément au paragraphe 6 (3) de la Loi, le pouvoir qu'ont les personnes morales créées en vertu du paragraphe 2 (1) de la Loi de contracter des emprunts et d'émettre des valeurs mobilières, entre autres, ne peut être exercé qu'aux termes d'un règlement administratif approuvé par le ministre des Finances;

ATTENDU QUE l'OOF souhaite emprunter jusqu'à concurrence de deux milliards de dollars en monnaie légale du Canada du ministre des Finances et qu'il a été autorisé à le faire par un règlement administratif d'emprunt approuvé conformément à la Loi;

PAR CONSÉQUENT :

en vertu du paragraphe 22 (1) de la Loi, le ministre des Finances est autorisé à prêter un montant maximal de deux milliards de dollars en monnaie légale du Canada à l'OOF, aux conditions suivantes :

a) le prêt peut être consenti selon les montants et aux moments qui conviennent à l'OOF;

b) le remboursement des avances consenties au titre du prêt, plus les intérêts courus, peut à tout moment être effectué en totalité ou en partie, pourvu que le prêt et les intérêts courus soient entièrement remboursés au plus tard le 31 décembre 2047;

c) chaque avance (« avance ») faite au titre du prêt autorisé par les présentes portera intérêt au taux est fixé comme suit :

(i) de la date où elle a été faite jusqu'à la date (non comprise) de son remboursement, l'avance portera intérêt à un taux annuel équivalant au rendement gagné sur des bons du Trésor de la province de l'Ontario de quatre-vingt-dix jours à la date précédant la date de l'avance fixée par la province, pourvu que ce taux d'intérêt soit rajusté le dernier jour de chaque période de quatre-vingt-dix jours (« date de rajustement ») selon le rendement gagné sur de tels bons du Trésor immédiatement avant la date de rajustement pour une période de quatre-vingt-dix jours décidée par la province, si l'avance est impayée pendant plus de quatre-vingt-dix jours;

(ii) dans l'éventualité où l'OOF se servirait de sommes comprises dans une avance pour financer des prêts à des tiers, le taux d'intérêt à payer par l'OOF à la province sur la partie de l'avance ainsi utilisée sera rajusté à la date à laquelle la partie de l'avance sera utilisée pour le financement du prêt à un tiers de façon que le taux d'intérêt annuel à payer par l'OOF sur de telles sommes soit équivalent à ce dernier taux moins un montant que pourra fixer le ministre des Finances à l'égard d'un tel prêt ou d'une telle catégorie de prêt, jusqu'à la date (non comprise) à laquelle le prêt à un tiers sera remboursé, date à laquelle le taux d'intérêt établi au sous-alinéa (i) s'appliquera de nouveau à cette partie de l'avance;

(iii) dans l'éventualité où les sommes décrites au sous-alinéa (ii), une fois remboursées, seraient ultérieurement utilisées pour le financement de prêts à des tiers, le sous-alinéa (ii) s'appliquera de nouveau dans l'établissement du taux d'intérêt à payer à la province sur la partie de l'avance utilisée à cette fin, et ainsi de suite, jusqu'à ce que l'avance ait été remboursée intégralement à la province;

(iv) malgré les sous-alinéas (ii) et (iii), dans l'éventualité où aucun intérêt ne serait payable à l'OOF au titre d'un prêt à un tiers, aucun intérêt ne sera à payer par l'OOF sur la partie de l'avance ainsi utilisée et dans la mesure où les conditions du prêt à un tiers prévoient le report du paiement d'intérêts courus pour une période, le paiement d'intérêts au titre d'une avance ou d'une partie d'une avance sera également reporté pour une période d'égale durée;

d) l'intérêt payable relativement à toute période de moins d'un an sera calculé en fonction du nombre de jours réellement compris dans cette période, par rapport à une année comptant 365 jours;

e) par dérogation à l'alinéa a) ci-dessus, l'intérêt sur toute partie d'une avance consentie à l'OOF dans le cadre du prêt que cette dernière utilise pour financer un prêt à un tiers est calculé comme il est indiqué ci-dessus, mais cet intérêt devient payable uniquement dans la mesure où l'OOF reçoit un paiement d'intérêts au titre du prêt à un tiers;

f) par dérogation à l'alinéa b) ci-dessus, toute partie du capital d'une avance consentie à l'OOF dans le cadre du prêt que cette dernière utilise pour financer un prêt à un tiers devient payable uniquement dans la mesure où l'OOF reçoit un remboursement du capital au titre du prêt à un tiers

g) le prêt autorisé en vertu des présentes sera attesté par un billet à ordre.

Recommended: Minister of Finance
Recommandé par : Le ministre des Finances

Deb Matthews

Concurred: Chair of Cabinet
Appuyé par : Le président/la présidente du Conseil des ministres

Approved and Ordered:
Approuvé et décrété le : JUN 28 2017

Lieutenant Governor
La lieutenante-gouverneure

5. TRANSACTIONS WITH PUBLIC BODIES

The OFA provides financing to various public bodies on direction from the Province. As the OFA is directed by the Province to make these loans in furtherance of stated Provincial initiatives, and these loans are included in the Province's consolidated financial statements, these transactions are not reflected in these financial statements.

Funds for these loans are advanced to the OFA by the Province under credit facilities aggregating $16.9 billion expiring from 2036 to 2044. Principal repayments received from public bodies by the OFA are forwarded to the Province. The interest rates charged to public bodies is generally slightly higher than the rate charged by the Province on the advances to fund the loans ("the spread").

From:	San Rajaratnam
To:	Andrea Dalgarno
Cc:	Sarah Harris; Siva Nathan
Subject:	OIC Total Amount for OFA Loans as of Mar 31, 2018
Date:	Tuesday, April 17, 2018 4:15:24 PM
Attachments:	Total OIC Amount (Decemeber 31 2017).xlsx OIC-1279-2017.pdf image001.png

---

Hi Andrea,

For reporting in OFA's Mar 31, 2018 FS, we would like to check with you of any changes to OIC amounts as of Mar 31, 2018.

Thanks,

San

From: Andrea Dalgarno
Sent: Tuesday, February 13, 2018 9:13 AM
To: Ken Kandeepan
Cc: Sarah Harris ; San Rajaratnam ; Siva Nathan
Subject: OIC Total Amount for OFA Loans as of Dec 31, 2017

Hi Ken,

We are trying to finalize the attached worksheet for Accounting. I believe it is used in the statements to populate the highlighted sentence:

5. TRANSACTIONS WITH PUBLIC BODIES

The OFA provides financing to various public bodies on direction from the Province. As the OFA is directed by the Province to make these loans in furtherance of stated Provincial initiatives, and these loans are included in the Province's consolidated financial statements, these transactions are not reflected in these financial statements.

Funds for these loans are advanced to the OFA by the Province under credit facilities aggregating $16.9 billion expiring from 2036 to 2044. Principal repayments received from public bodies by the OFA are forwarded to the Province. The interest rates charged to public bodies is generally slightly higher than the rate charged by the Province on the advances to fund the loans ("the spread").

We have tentatively added the IESO-OFA FHP OIC to the worksheet but want to ensure this is both expected and acceptable.

We approached Corporate Finance/Corporate Electricity Finance to see if they had any concerns but have yet to hear back.

We are hoping that you may be able to confirm the appropriateness of its inclusion in light of the fact that it will cause a $2 billion jump in the amount reported and push the far date out to 2047.

Regards,

Andrea Dalgarno
Documentation & Analysis Specialist
Ontario Financing Authority
Tel 416-212-7451

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which it is addressed and may contain information that is privileged and confidential. Any other distribution, copying or disclosure is strictly prohibited. If you are not the intended recipient or have received this message in error, please notify us immediately by reply e-mail and permanently delete this message including any attachments, without reading it or making a copy. Thank you

OIC Summary

As At: **Septemebr 30, 2017**

Regular Loans	**Total OIC Amount**
Under OIC 675/97 -	
Authorized:	$2,160,000,000
Repayment date:	June 1, 2041
Under OIC 767/99 -	
Authorized:	$656,000,000
Repayment date:	June 1, 2041
IESO FHP Credit Facility	
Under OIC 1279/2017 -	
Authorized:	$2,000,000,000
Repayment date:	December 31, 2047
School Board Loans	**Total OIC Amount**
Under OIC 1883/2006	
Authorized:	$800,000,000
Repayment date:	June 1, 2041
Under OIC 2144/2007	
Authorized:	$2,000,000,000
Repayment date:	June 1, 2041
Under OIC 300/2010	
Authorized:	$1,800,000,000
Repayment date:	May 15, 2036
Under OIC 163/2012	
Authorized:	$1,700,000,000
Repayment date:	Year 2040
Under OIC 354/2014	
Authorized:	$700,000,000
Repayment date:	March 5, 2044
Auto Loans	**Total OIC Amount**
Under OIC 2154/2008	$1,700,000,000
Under OIC 678/2009	$1,100,000,000
Under OIC 975/2009	$4,300,000,000
Total Amount	**$18,916,000,000**

Amount Issued		Remaining Authority	
$	1,700,000,000.00	$	-
$	480,818,602.74	$	619,181,397.26
$	1,983,345,267.75	$	2,316,654,732.25

Executive Council of Ontario/Conseil exécutif de l'Ontario **[Bilingual]**

Ontario

Order in Council
Décret

On the recommendation of the undersigned, the Lieutenant Governor of Ontario, by and with the advice and concurrence of the Executive Council of Ontario, orders that:

Sur la recommandation de la personne soussignée, la lieutenante-gouverneure de l'Ontario, sur l'avis et avec le consentement du Conseil exécutif de l'Ontario, décrète ce qui suit :

WHEREAS pursuant to subsection 22(1) of the *Capital Investment Plan Act, 1993* (the "Act"), the Minister of Finance may purchase securities of or make loans to corporations established under subsection 2(1) of the Act in such amounts, at such times and on such terms and conditions as the Lieutenant Governor in Council considers expedient;

AND WHEREAS the Ontario Financing Authority (the "OFA") is a corporation established under subsection 2(1) of the Act;

AND WHEREAS pursuant to subsection 6(3) of the Act, the power of a corporation established under subsection 2(1) of the Act to borrow and issue securities, among other things, may only be exercised under the authority of a by-law that has been approved by the Minister of Finance;

AND WHEREAS the OFA wishes to borrow up to Two Billion Dollars in lawful money of Canada from the Minister of Finance and has been authorized to do so by a borrowing by-law approved in accordance with the Act;

THEREFORE:

Pursuant to subsection 22 (1) of the Act, the Minister of Finance is authorized to lend a maximum of Two Billion Dollars in lawful money of Canada to the OFA on the following terms and conditions:

(a) the loan may be advanced in such amounts and at such time or times as required by the OFA;

(b) repayment of advances made under the loan plus accrued interest may be made in whole or in part at any time provided that the loan plus any accrued interest shall be fully repaid by December 31, 2047;

(c) each advance (an "Advance") made under the loan hereby authorized shall bear interest at a rate which is determined as follows:

(i) from the date of the Advance to (but excluding) the date of repayment the Advance shall bear interest at a per annum rate equivalent to the yield earned on

ninety day Province of Ontario treasury bills on the date before the Advance Date as determined by the Province, provided that if an Advance is outstanding for longer than ninety days, the interest rate shall be reset on the last day of each ninety day period (the "Reset Date") to the yield earned on ninety day Province of Ontario treasury bills immediately preceding the Reset Date for such ninety day period as determined by the Province;

(ii) in the event that moneys included in an Advance are used by the OFA for the purpose of funding loans to third parties (a "Third Party Loan"), the rate of interest payable by the OFA to the Province on the portion of the Advance so used shall be adjusted effective as of the date that the portion of the Advance is used to fund the Third Party Loan so that the per annum rate of interest payable by the OFA on such moneys is equivalent to the per annum rate of interest payable to the OFA under the Third Party Loan less an amount as may be determined by the Minister of Finance in respect of such Third Party Loan or a class of such Third Party Loans, until but excluding the date on which the Third Party Loan is repaid, at which time the interest rate set out in subparagraph (i) shall again be applicable to that portion of the Advance; and

(iii) in the event that moneys described in subparagraph (ii), once repaid, are subsequently used to fund loans to third parties, subparagraph (ii) shall again be applicable in determining the interest rate payable to the Province on that portion of the Advance used to fund such loan, and so on, until the Advance shall be repaid to the Province in full;

(iv) despite subparagraphs (ii) and (iii), in the event that no interest is payable to the OFA under a Third Party Loan, no interest shall be payable by the OFA on the portion of the Advance so used and to the extent that the terms of a Third Party Loan provide for the deferral of the payment of accrued interest for a period, the interest payment terms of an Advance or portion thereof shall also be deferred for a similar period.

(d) interest for any period of less than one year shall be payable for the actual number of days included in such period, computed on the basis of a 365-day year;

(e) despite paragraph (b) of this Order, interest on any portion of an Advance made to the OFA under the loan that is used by the OFA to fund a Third Party Loan shall accrue on the basis stated above but shall become payable only to the extent the OFA receives payment of interest under the relevant Third Party Loan;

(f) despite paragraph (b) of this Order, any portion of the principal of an Advance made to the OFA under the loan that is used by the OFA to fund a Third Party Loan shall become payable only to the extent the OFA receives repayment of principal under the relevant Third Party Loan; and

(g) the loan hereby authorized shall be evidenced by a promissory note.

ATTENDU QUE le ministre des Finances peut, en vertu du paragraphe 22 (1) de la *Loi de 1993 sur le plan d'investissement* (la « Loi »), acheter des valeurs mobilières des personnes morales

créées en vertu du paragraphe 2 (1) de la Loi ou leur consentir des prêts selon les montants, aux moments et aux conditions que le lieutenant-gouverneur en conseil estime opportuns;

ATTENDU QUE l'Office ontarien de financement (l'« OOF ») est une personne morale créée en vertu du paragraphe 2 (1) de la Loi;

ATTENDU QUE, conformément au paragraphe 6 (3) de la Loi, le pouvoir qu'ont les personnes morales créées en vertu du paragraphe 2 (1) de la Loi de contracter des emprunts et d'émettre des valeurs mobilières, entre autres, ne peut être exercé qu'aux termes d'un règlement administratif approuvé par le ministre des Finances;

ATTENDU QUE l'OOF souhaite emprunter jusqu'à concurrence de deux milliards de dollars en monnaie légale du Canada du ministre des Finances et qu'il a été autorisé à le faire par un règlement administratif d'emprunt approuvé conformément à la Loi;

PAR CONSÉQUENT :

en vertu du paragraphe 22 (1) de la Loi, le ministre des Finances est autorisé à prêter un montant maximal de deux milliards de dollars en monnaie légale du Canada à l'OOF, aux conditions suivantes :

a) le prêt peut être consenti selon les montants et aux moments qui conviennent à l'OOF;

b) le remboursement des avances consenties au titre du prêt, plus les intérêts courus, peut à tout moment être effectué en totalité ou en partie, pourvu que le prêt et les intérêts courus soient entièrement remboursés au plus tard le 31 décembre 2047;

c) chaque avance (« avance ») faite au titre du prêt autorisé par les présentes portera intérêt au taux est fixé comme suit :

(i) de la date où elle a été faite jusqu'à la date (non comprise) de son remboursement, l'avance portera intérêt à un taux annuel équivalant au rendement gagné sur des bons du Trésor de la province de l'Ontario de quatre-vingt-dix jours à la date précédant la date de l'avance fixée par la province, pourvu que ce taux d'intérêt soit rajusté le dernier jour de chaque période de quatre-vingt-dix jours (« date de rajustement ») selon le rendement gagné sur de tels bons du Trésor immédiatement avant la date de rajustement pour une période de quatre-vingt-dix jours décidée par la province, si l'avance est impayée pendant plus de quatre-vingt-dix jours;

(ii) dans l'éventualité où l'OOF se servirait de sommes comprises dans une avance pour financer des prêts à des tiers, le taux d'intérêt à payer par l'OOF à la province sur la partie de l'avance ainsi utilisée sera rajusté à la date à laquelle la partie de l'avance sera utilisée pour le financement du prêt à un tiers de façon que le taux d'intérêt annuel à payer par l'OOF sur de telles sommes soit équivalent à ce dernier taux moins un montant que pourra fixer le ministre des Finances à l'égard d'un tel prêt ou d'une telle catégorie de prêt, jusqu'à la date (non comprise) à laquelle le prêt à un tiers sera remboursé, date à laquelle le taux d'intérêt établi au sous-alinéa (i) s'appliquera de nouveau à cette partie de l'avance;

(iii) dans l'éventualité où les sommes décrites au sous-alinéa (ii), une fois remboursées, seraient ultérieurement utilisées pour le financement de prêts à des tiers, le sous-alinéa (ii) s'appliquera de nouveau dans l'établissement du taux d'intérêt à payer à la province sur la partie de l'avance utilisée à cette fin, et ainsi de suite, jusqu'à ce que l'avance ait été remboursée intégralement à la province;

(iv) malgré les sous-alinéas (ii) et (iii), dans l'éventualité où aucun intérêt ne serait payable à l'OOF au titre d'un prêt à un tiers, aucun intérêt ne sera à payer par l'OOF sur la partie de l'avance ainsi utilisée et dans la mesure où les conditions du prêt à un tiers prévoient le report du paiement d'intérêts courus pour une période, le paiement d'intérêts au titre d'une avance ou d'une partie d'une avance sera également reporté pour une période d'égale durée;

d) l'intérêt payable relativement à toute période de moins d'un an sera calculé en fonction du nombre de jours réellement compris dans cette période, par rapport à une année comptant 365 jours;

e) par dérogation à l'alinéa a) ci-dessus, l'intérêt sur toute partie d'une avance consentie à l'OOF dans le cadre du prêt que cette dernière utilise pour financer un prêt à un tiers est calculé comme il est indiqué ci-dessus, mais cet intérêt devient payable uniquement dans la mesure où l'OOF reçoit un paiement d'intérêts au titre du prêt à un tiers;

f) par dérogation à l'alinéa b) ci-dessus, toute partie du capital d'une avance consentie à l'OOF dans le cadre du prêt que cette dernière utilise pour financer un prêt à un tiers devient payable uniquement dans la mesure où l'OOF reçoit un remboursement du capital au titre du prêt à un tiers

g) le prêt autorisé en vertu des présentes sera attesté par un billet à ordre.

Recommended: Minister of Finance
Recommandé par : Le ministre des Finances

Deb Matthews

Concurred: Chair of Cabinet
Appuyé par : Le président/la présidente du Conseil des ministres

Approved and Ordered:
Approuvé et décrété le : JUN 28 2017

Lieutenant Governor
La lieutenante-gouverneure

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From:	Sarah Harris
To:	Ryan Blackbyrne
Subject:	OPG Agreement Summaries
Date:	Monday, April 16, 2018 11:46:15 AM
Attachments:	Summary.Amendments.docx TEST Copy of Agreement Due Date Tracker (12-Apr-2018).xlsx OPG - List of Credit Agreements.doc Inventory in vault as of 12 June 2015.xls OPG Balances Spreadsheet.xls

---

HI Ryan,

I'm trying to provide Opal with updated summaries on active IESO and OPG Agreements, and I'm trying to ensure that they are properly reflected in an agreement tracer that Karin has prepared. I'm going to ask you to handle the OPG agreement summaries.

More specifically, there have been detailed summaries that have been maintained for some OPG agreements (example of attached), and there is the tracker which Karin has prepared that contains the bare material amendments. Could you please provide updated more detailed summaries of any **outstanding OPG agreements** for which we are **actively** using to provide loans (that is, where we have the ability to advance new loans) and ensure that the key material changes are reflected in the cells in the tracker. The tracker contains the most recent 2.35M credit facility, so I think that is the only active one.

However, I also see there are a number of agreements have outstanding prom notes under them that we are not actively using (i.e. they can't take out new loans), but there are still unmatured loans under them. I don't want to do summaries for those loan agreements, but I would separately want to ensure that we update the attached OPG Balances Spreadsheet, and then we actively manage the maturing prom notes in the vault.

We can talk tomorrow about that, as well as the OEFC OIC.

Of course, EMTN is the priority, so primary attention is on that…

Thanks,
Sarah

OEFC-OPG Amending Agreements-Prom Notes

(1) March 14, 2002: $100 million repayment date deferred from March 16, 2002 to December 29, 2004;

(2) March 14, 2002: $100 million deferred from September 16, 2002 to December 29, 2004

(3) March 6, 2003: Amending Agreement No.3: the repayment dates for principal amounts totaling $700 million were extended, with the repayment of $200 million deferred from March 2003 to March 2005, $300 million deferred from March 2002 to March 2006 and $200 million deferred from December 2004 to December 2006.;

(4) August 30, 2004: Amending Agreement No. 4: the repayment and interest due dates for the outstanding principal amounts totaling $3.2 billion were extended from March 16 to March 22 in each year and from September 16 to September 22 in each year;

(5) January 25, 2005: Amending Agreement No. 5: $95 million of the $95,701,250 of interest that was due and payable on March 22, 2005 was deferred and converted into a new loan with the remaining $701,250 of interest due and payable on March 22, 2005. Also, the repayment dates for principal amounts totaling $250 million were extended from March 2005 to March 2010, and principal amounts totaling $250 million extended from Sept 2005 to Sept 2010.

(6) May 27, 2005 Amending Agreement No. 6
OPG may pay in full $98,370,750 due and payable on September 22, 2005 or defer by converting it into a new loan for $98 million maturing on September 22, 2010 and paying balance of interest 370,750.00 on September 22, 2005. OPG must advise OEFC no later than September 12, 2006

Sept 13, 2005- schedule 2.2(1) amended- OPG advised OEFC that it will pay interest in full on Sept 22, 2005 and not convert 98.0 million into a new note.

(7) Credit Agreement dated April 28, 2005- dated March 23, 2005-up to $600 million. $ 400 million advanced on ~~May~~Apr. 29, 2005 maturing Apr 30, 2012.

(8) Credit Agreement dated July 6, 2007-up to $950 million shall govern loan advances coincide with the maturity dates of the debt owing from OPG to OEFC which matures during the period from 2007 to 2009.
$200 million advanced on Sep. 24, 2007 maturing Sep. 22, 2017;
$200 million advanced on Mar. 24, 2008 maturing Mar. 22, 2018;and
$100 million advanced on Mar. 23, 2009 maturing Mar. 22, 2019.
$290,642,935.79 repayment made from OPG to OEFC, of which $200,000,000 for principle repayment and $90,642,935.79 for interest from Mar. 22, 2008 to Sep. 22, 2008.

(9) September 26, 2007 Amending Agreement No. 7

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Section 1.1 of the Agreement is amended by inserting ""Adjusted Repayment Date" has the meaning specified in Section 3.4";

Section 2.4 of the Agreement is amended by deleting the section and inserting in its place:

"Subject to Sections 3.6 and 5.2, OPG shall repay each Advance on the applicable Repayment Date or Adjusted Repayment Date, as the case may be."

Section 3.4 of the Agreement is amended by deleting the third paragraph and inserting in its place:

"Interest shall accrue daily on the principal amount of each Note from and including the date of the Note to but excluding the Repayment Date of such Advance, at an annual rate equal to the aggregate of the Base Rate and the Applicable Spread (both before and after the date such principal amount or interest thereon becomes due and both before and after default) and shall be payable in equal semi-annual installments on the Interest Payment Dates. Notwithstanding the foregoing, whenever it is necessary to compute interest in respect of the Notes for a period of less than one full year, other than such equal semi-annual installments, such interest shall be calculated on the basis of the actual number of days elapsed in a year of 365 days or 366 days, as the case may be. If any Repayment Date is not a Business Day, such Repayment Date will be adjusted to the following Business Day, (the "Adjusted Repayment Date"), and, notwithstanding Section 1.5 of this Agreement, additional interest shall accrue daily on the principal amount of each Note from and including the Repayment Date to but excluding the Adjusted Repayment Date of such Advance, at an annual rate equal to the aggregate of the Base Rate and the Applicable Spread (both before and after the date such principal amount or interest thereon becomes due and both before and after default), and shall be payable together with the principal amount of the Advance on the Adjusted Repayment Date."

(10) Credit Agreement dated March 7, 2011-up to $375 million of which $300 million are required to be refinanced. Prospective refinancing. Loan terms have been increased to up to 30 years from the previous 10 year term cap. $150 million will be advance---------

Annette D. Pivnick
Capital Markets Division
updated Sept 13/2005, 2005

Fan Bai
Capital Market Division
Updated Feb 24/2010

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	Category	Parties	Amount	File Folder	Agreement Expiry Date	Date to be notified before Agreement Expiry Date
	Credit Facilities Agreements					
1	**Credit Agreement (10)**	IESO (formerly OPA), OFA	$475,000,000	1. Credit Agmts	31-Dec-2019	(IT project lead to insert datepicker to send alert)
2	**Revolving Credit Facility Agreement (7)**	IESO, OEFC	$160,000,000	2. Revolving Cr Facility Agmt	30-Jun-2020	(IT project lead to insert datepicker to send alert)
3	**Agreement Providing for Issuance of a Note (7)**	IESO (formerly IEMO, Ontario Hydro), OEFC	$120,000,000	3. Agmt providg for Iss of Note	30-Jun-2020	(IT project lead to insert datepicker to send alert)
4	**General Corporate Requirements Credit Facility Agreement (4)**	OPG, OEFC	$2,350,000,000	4. Gen Corp req Cr Facility Agm	31-Dec-2018	(IT project lead to insert datepicker to send alert)
5	**Long Term Non-Revolving Credit Facility Agreement (1)**	OILC, Province	$2,500,000,000	5. L-T Non-Rev Cr Fac Agmt	14-Nov-2018	(IT project lead to insert datepicker to send alert)
6	**Short-Term Revolving Credit Facility Agreement (1)**	OILC, Province	$900,000,000	6. S-T Rev Cr Fac Agmt	26-May-2020	(IT project lead to insert datepicker to send alert)
7	**Revolving Credit Facility Agreement (Line of Credit) (2)**	OILC (formerly OIPC), OFA	$200,000,000	7. Rev Cr Fac Agmt (Line of Cr)	29-Jun-2019	(IT project lead to insert datepicker to send alert)
8	**Revolving Credit Facility Agreement (1)**	IESO, OFA	$2,000,000,000	8. Rev Cr Fac Agmt	30-Sep-2022	(IT project lead to insert datepicker to send alert)
	Service Agreements					
9	**Services (Level) Agreement (2)**	OILC, OFA	N/A	9. Services (Level) Agmt	31-Mar-2020	(IT project lead to insert datepicker to send alert)
10	**Treasury Bill Issuing & Paying Agency Agreement (7)**	TD, Province	$33,000,000,000 (Province - $27,000,000,000 OEFC - $6,000,000,000)	10.T-Bill Iss & Pay Agency Agmt	10-Jun-2019	(IT project lead to insert datepicker to send alert)
11	**Financial Services Agreement (4)**	OCGC, OFA	$165,000,000	11.Fin Services Agmt OCGC & OFA	As long as OCGC has an investment in any of the Funds, or on such other date as agreed to by the Parties.	(IT project lead to insert datepicker to send alert)
	Investment Management Agreements					
12	Investment Management Agreements (5)	OFA, DICO	N/A	12.Inv Mgt Agmt OFA & DICO	Termination: ▪ <30 days by writing; or ▪ mutual agreement	(IT project lead to insert datepicker to send alert)
13	Investment Management Agreements (3)	OFA, PBGF	N/A	13. Inv Mgt Agmt OFA & PBGF	Termination: ▪ <30 days by writing; or ▪ mutual agreement	(IT project lead to insert datepicker to send alert)
14	Investment Management Agreements (5)	OFA, OTF	N/A	14.Inv Mgt Agmt OFA & OTF	Termination: ▪ <30 days by writing; or ▪ mutual agreement	(IT project lead to insert datepicker to send alert)

Credit Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OPA, OFA	1-Jan-2005	$500,000,000	▪ Advances: 30-Nov-2006. ▪ Manadatory Repayment: 31-Dec-2006.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\OFA-OPA Original Credit Agreement.pdf
Amendment No. 1 (letter)		14-Feb-2005		▪ clause 4.7 substituting the word "Agreement" for the "Services".	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 1\Amendment No. 1.pdf
Amending Agreement No. 3	OPA, OFA	11-Oct-2005	$975,000,000	▪ Increased credit amount.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 3\(Signed) Aendment 3.Final.pdf
Amending Agreement No. 4	OPA, OFA	27-Sep-2006		▪ Mandatory Repayment: 31-Dec-2010.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 4\(Signed) Amendment 4.Final.pdf
Amending Agreement No. 5	OPA, OFA	13-Jul-2007		▪ Advances: 30-Nov-2010.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 5\(Signed) Amendment 5.Final.pdf
Amending Agreement No. 6	OPA, OFA	9-Nov-2010		▪ Mandatory Repayment: 31-Dec-2013. ▪ Advances: 30-Nov-2013.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 6\Amendmen #6 (Executed).pdf
Amending Agreement No. 7	OPA, OFA	20-Dec-2013		▪ Mandatory Repayment: 31-Dec-2016. ▪ Advances: 30-Nov-2016.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 7\(Executed) OPA Amending Agreement No 7.pdf
Amending Agreement No. 8	Amalgamation	19-Dec-2014		▪ OPA and Pre-Amalgamation IESO effective 1-Jan-2015.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 8 (Amalgamation with IESO)\OFA-OPA Amending Agreement No. 8 (Executed).PDF
Amending Agreement No. 9	IESO, OFA	30-Nov-2016		▪ 1-Jan-2015: OPA amalgamated with IESO and OPA became obligations of the IESO. ▪ Mandatory Repayment: 31-Dec-2019. ▪ Advances: 30-Nov-2019.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 9\OPA IESO Amendment No 9 (Executed).pdf
Amending Agreement No. 10	IESO, OFA	21-Nov-2017	$475,000,000.00	▪ Decrease credit amount. ▪ Add "Intercept" clause.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 10\OFA IESO Amending Agreement No. to Jan 1, 2005 Credit Facility Nov 6,2007 - OFA signed.pdf

Revolving Credit Facility Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	IESO, OEFC	23-Apr-2010	$60,000,000		S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010\Credit Facility Agreement. April 23. 2010. executed..pdf
Amending Agreement No. 1		21-Jul-2010		▪ Commitment and facility limits. ▪ Repayments conditions.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010\Amending Agreement No. 1\Amending Agreement #1 (Executed).pdf
Amending Agreement No. 2		14-Oct-2011	$110,000,000	▪ Interest Rate 30-day term: up to $60M (+ 0.25% p.a.); in excess of $60M (+0.5% p.a.) ▪ A new Grid Promissory Note of $110M.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010\Amending Agreement No. 2\(executed) Amending Agreement No. 2 14-Oct-11.pdf
Amending Agreement No. 3		30-Apr-2013		▪ Interest Rate 30-day term: +0.5% p.a. ▪ Mandatory Repayment: 30-Apr-2014.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010\Amending Agreement No. 3\IESO $110 M credit facility Amending Agreement No. 3 (executed copy).PDF
Amending Agreement No. 4		30-Apr-2014	$95,000,000	▪ Interest Rate 30-day term: +0.5% p.a. ▪ Mandatory Repayment: 30-Apr-2017.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010\Amending Agreement No. 4\IESO $95 M Credit Facility Amending Agreement No. 4 Executed Copy.PDF
Amending Agreement No. 5	Amalgamation	19-Dec-2014	N/A	▪ Amalgamation of IESO with OPA effective as of 1-Jan-2015. *Note* : No executed copy. The Amending Agreement date was obtained from the first paragraph in the Amending Agreement No. 6.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010\Amending Agreement No. 5 (Amalgamation)\IESO Amending Agreement No 5 (Amalgamation) (Draft).doc
Amending Agreement No. 6	IESO, OEFC	30-Apr-2017	$160,000,000	▪ Mandatory Repayment: 30-Jun-2020. ▪ Advances: up to a maximum of 12 times per year.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010\Amending Agreement No. 6\Amending Agrt no.6 - Revolving Credit Facility - OEFC_IESO_IESO Signed.pdf

Agreement Providing for Issuance of a Note	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	IEMO, OEFC	1-Apr-1999	$70,300,000	Transferring staff, assets, liabilities, rights and obligations of Ontario Hydroto IEMO. ▪ Term of loan maturity: 1-May-2009. ▪ Interest: 7.9% p.a.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Original Agreement.pdf
Amending Agreement No. 1		23-Mar-2000	$78,200,000	▪ Increased principal amount by $7.9M.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement NO 1.pdf
Amending Agreement No. 2	IESO (formerly IEMO) , OEFC	23-Apr-2009		▪ Term of the loan maturity: 1-May-2011.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement#2 (ExecutedCopy).pdf
Amending Agreement No. 3		1-May-2011		▪ Issuance of a 2nd Refinancing Note maturing 1-May-2013 and to delete the prepayment provisions.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement No. 3\[Executed] Amending Agreement No. 3.pdf
Amending Agreement No. 4		1-May-2013		▪ Issuance of a 3rd Refinancing Note maturing 30-Apr-2014.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement No. 4\IESO Amending Agreement No. 4 for $78.2M loan (executed copy).PDF
Amending Agreement No. 5		30-Apr-2014	$90,000,000	▪ Issuance of a 4th Refinancing Note maturing 30-Apr-2017. ▪ OEFC advanced loans to IESO: $11.8M.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement No. 5\IESO Amending Agreement No. 5 Executed Copy.PDF
Amending Agreement No. 6		30-Apr-2017	$120,000,000	▪ Issuance of a 5th Refinancing Note maturing 30-Jun-2020. ▪ OEFC advanced loans to IESO: $30M. ▪ Extend maturity date to 30-Jun-2020.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement No. 6\Amending Agrt no.6 re Issuance of Note - OEFC_IESO - IESO SignedCounterpart.pdf also in: S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement No. 6\IESOExecutedCopyAgreement.pdf S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement No. 6\OEFCExecutedPageCounterpart.pdf

General Corporate Requirements Credit Facility Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OPG, OEFC	17-Jun-2016	$700,000,000	▪ Financing for the period 1-Jun-2016 to 31-Dec-2017 re Darlington Refurbishment Project.	S:\Users\CMB\Documentation\OPG Loans from OEFC\Loans to OPG\2017 OPG $700 Million CF\$700 million OEFC-OPG Credit Facility (Executed Original).pdf also in: S:\Users\CMB\Documentation\OPG Loans from OEFC\Loans to OPG\2017 OPG $700 Million CF\$700 million OEFC-OPG Credit Facility (Executed).pdf
Amending Agreement No. 1		7-Sep-2016		▪ Financing for the period 1-Jan-2017 to 31-Dec-2017.	S:\Users\CMB\Documentation\OPG Loans from OEFC\Loans to OPG\2017 OPG $700 Million CF\Amending Agreement\2017 $700 Million Facility Amending Agreement 1 (Executed original).pdf also in: S:\Users\CMB\Documentation\OPG Loans from OEFC\Loans to OPG\2017 OPG $700 Million CF\Amending Agreement\2017 $700 Million Facility Amending Agreement 1 (Executed).pdf
Amending Agreement No. 2		2-Feb-2017		▪ Proposed advances may be for a term of up to 30 years.	S:\Users\CMB\Documentation\OPG Loans from OEFC\Loans to OPG\2017 OPG $700 Million CF\Amending Agreement\Amending No 2 (executed).pdf
Amending Agreement No. 3		6-Sep-2017	$2,350,000,000	▪ No more than $1.5B to be advanced prior to 1-Jan-2018. ▪ Advances occurred for the period 1-Jan-2017 to 31-Dec-2018.	S:\Users\CMB\Documentation\OPG Loans from OEFC\Loans to OPG\2017 OPG $700 Million CF\Amending Agreement\Amendment No 3 (executed).pdf

Long-Term Non-Revolving Credit Facility Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OILC, Province	14-Nov-2016	$2,500,000,000	▪ Pursuant to OILC By-law 3U. ▪ Borrowing authoity may be exercised is for 2 years from the date of approval of this By-law 3U. ▪ No funds is to remain outstanding after 42 years from the date of approval of this By-law or November 14, 2016, whichever is later.	S:\Users\CMB\Documentation\OILC (formerly OIPC)\OILC Credit facility Agreement 2016-2018\Current Version\OILC2016-18 Long-Term Credit Facility Agreement - Executed.pdf also in: S:\Users\CMB\Documentation\OILC (formerly OIPC)\OILC Credit facility Agreement 2016-2018\OILC2016-18 Long-Term Credit Facility Agreement - Executed.pdf S:\Users\CMB\Documentation\OILC (formerly OIPC)\By-laws\By-Law 3U

Short-Term Revolving Credit Facility Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OILC, Province	26-May-2014	$900,000,000	▪ 5-year period beginning on the effective date of By-Law 3Q. ▪ OIC 631/2014. ▪ Advances only to 26-May-2019 ▪ Mandatory Repayment: 26-May-2020.	S:\Users\CMB\Documentation\OILC (formerly OIPC)\2014 Short Term Revolving Credit Facility (OILC-PROV)\{Executed) Agreement-OILC Short Term Revolving Credit Facility-May 26, 2014.pdf

Revolving Credit Facility Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OILC (formerly OIPC), OFA	23-Jun-2006	$200,000,000	▪ Mandatory Repayment: 23-Jun-2016. ▪ May prepay any advances outstanding or interest accrued upon 5 business days' notice to OFA. ▪ Advances: 23-Jun-2011.	● Z:\Users\CMB\Documentation\OILC (formerly OIPC)\Credit Facility 2006\Revolving Credit Facility Agreement.pdf
Amending Agreement		5-Jul-2011		▪ OIPC, the Ontario Realty Corporation and the Stadium Corporation of Ontario Limited were amalgamated and continued as a coporation under the name OILC. ▪ Mandatory Repayment: 29-Jun-2019. ▪ Advances: 29-Jun-2016.	● S:\Users\CMB\Documentation\OILC (formerly OIPC)\Credit Facility 2006\Amending Agreement 2011 Expires June 2016\Signed Amending Agreemen July 5_2011.pdf

Revolving Credit Facility Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	IESO, OFA	6-Nov-2017	$2,000,000,000	▪ Advances: 23-Sep-2017. ▪ Mandatory Repayment: 30-Sep-2022.	S:\Users\CMB\Documentation\IESO-OPA Merger\OFHP IESO OFA Credit Facility\FHP Credit Agreement OFA IESO - Nov 6, 2017 - OFA Signed.pdf

Services (Level) Agreement	Parties	Agreement/ Amendment Date	Program and Authorized Amount	Notes	Link to Site
Services Level Agreement	OIPC, OFA	1-Apr-2007	N/A	Background: Ontario Infrastructure Projects Corporation Act, 2006 (the "OIPC Act"), which amalgamated Infrastructure Ontario and the Ontario Strategic Infrastructure Financing Authority ("OSIFA") to form the Ontario Infrastructure Projects Corporation was proclaimed into force on July 17, 2006. Expired: 31-March-2012.	● S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OILC Ontario Infrastructure and Lands Corporation\OIPC Service Level Agreement\OIPC.Final Executed SLA.pdf also in: ● S:\Users\CMB\Documentation\Service Level Agreement\OIPC Service Level Agreement with OFA.pdf
Services Agreement	OILC, OFA	1-Feb-2015	N/A	Background: The Ontario Infrastructure and Lands Corporation Act, 2011 (the "OILC Act"), which amalgamated OIPC, Ontario Realty Corporation and Stadium Corporation of Ontario Limited to form Infrastructure Ontario was proclaimed into force on June 6, 2011. Extended the above Service Level Agreement between OILC and OFA until 31-Jan-2015.	● S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OILC Ontario Infrastructure and Lands Corporation\Service Level Agreements\SLA February 2015\Services Agreement between OFA and OILC effective February 1, 2015.pdf also in: ● S:\Users\CMB\Documentation\OILC (formerly OIPC)\SLA February 2015\ervices Agreement between OFA and OILC effective February 1, 2015.pdf ● S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OILC Ontario Infrastructure and Lands Corporation\Service Level Agreements\SLA February 2015\SLA Feb 1, 2015.pdf

Issuing and Paying Agency Agreement	Parties	Agreement/ Amendment Date	Program and Authorized Amount	Notes	Link to Site
Original	BMO, Province	18-Dec-2001	various amounts under various OICs	So long as the Global Treasury Bill is outstanding, there shall at all times be an issuing agent, registrar and paying agent.	S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Issue and Paying Agency Agreement (2003)\Issuing and Paying Agency Agrt with BMO 2001.pdf
Original	TD, Province	10-Jun-2003	various amounts under various OICs	▪ Terminated BMO. ▪ New agreement with TD.	S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill (T-Bill) services\Termination letter to BMO\Treasury Bills Termination Letter to BMO 2003.wpd S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Issue and Paying Agency Agreement (2003)\(signed) Issuing & Paying Agency Agmt 2003.pdf
1st Extension (Letter)	TD, Province	8-Jun-2010		▪ 1 year term ended 10-Jun-2010. ▪ Extended 2 years term from 10-Jun-2010 to 10-Jun-2012.	S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Approval for Extension of 2003 Contract to 2012\Approval TD contract extension (exe Gadi).pdf S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Approval for Extension of 2003 Contract to 2012\A&R IPAA Extension letter exe 2010 - 10Jun2012.PDF
1st Amendment	TD, Province	10-Jun-2010	various amounts under various OICs	▪ Retained TD to provide certain services.	S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Amended and Restated IPA (2010)\Amended Restated Issuing Paying Agency Agrt and TD cert of incumbency.PDF
2nd Amendment	TD, Province	6-Jun-2011	$30,500,000,000	▪ Cancelled Global T-bill 21-July-2010. ▪ Issued new Global T-Bill 6-Jun-2011. ▪ Amended s. 20(7) of FAA. ▪ Deleted reference of 25-year borrowing period.	S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Amended and Restated IPA -to remove expiry dates (2011)\Execution Copies\AR-IPAA exe 6Jun11.PDF
2nd Extension (Approval Note)	TD, Province	8-Aug-2011		▪ Extended additional 2 years term from 10-Jun-2012 to 10-Jun-2014.	S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Approval for Extension of 2003 Contract to 2014\Approval (exe Gadi) and briefing note - TD contract extension to 2014.pdf S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Approval for Extension of 2003 Contract to 2014\Second Extension. Extension LEtte Executed Sept 2011 to extend to 2014. TD Letter of Incumbency.pdf
3rd Extension (Letter)	TD, Province	28-May-2014		▪ Extended additional 5 years term from 10-Jun-2014 to 10-Jun-2019.	S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Approval for Extension of 2003 Contract to 2019\TD Treasury Bill Services Extension Letter May 28, 2014 (Fully Executed).PDF

Financial Services Agreement	Parties	Agreement/ Amendment Date	Program and Authorized Amount	Notes	Link to Site
Original	OCGC, OFA	27-Feb-2009	$90,000,000	Background: OCGC's Ontario Venture Capital Fund Agreement in Ontario Venture Capital Fund LP. ▪ OFA to provide investment and cash mgt services for the admin of Ontario's Venture Capital Fund LP.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OCGC Financial Services Agreement\FSA, Financial Services Agreement\OCGC Financial Services Agreement October 1, 2014\OCGC.Financial Services Agrmt.pdf
		1-Oct-2014	$50,000,000	▪ Province committed $90M to OVCF LP; OCGC committed $50M to Northleaf Venture Catalyst Fund LP.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OCGC Financial Services Agreement\FSA, Financial Services Agreement\OCGC Financial Services Agreement October 1, 2014\OCGC Financial Sservices Agreement October 1, 2014 (Executed).PDF
Amending Agreement No. 1		20-Mar-2017	$25,000,000	▪ $25M provincial commitment to ScaleUP Venture Fund I, LP.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OCGC Financial Services Agreement\Amendments\Amending Agreement 1 (Scaleup Fund Addition)\OCGC FSA Amend 1 March 20, 2017.pdf also in: S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OCGC Financial Services Agreement\Amendments\OCGC FSA Amend 1 March 20, 2017.pdf
Amending Agreement No. 2		12-Feb-2018	$20,000,000	▪ $20M provincial commitment to Yaletown Innovation Growth Limited Partnership (th e"Yaletown Fund") and update account information, signing authorities, and notification requirements.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OCGC Financial Services Agreement\Amendments\Amending Agreement 2 (Yaletown Fund, Signing Auth)\OCGC FSA Amend 2 February 12, 2018 (executed).pdf

Investment Management Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OFA, DICO	28-Sep-2005	N/A	Background: DICO to maintain the Deposite Insurance Reserve Fund (DIRF), a fund which exists to provide for the funding of deposite insurance claims and other purposes as specified under the CUCPA.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\DICO\IMA\IMA_DICO OFA_2005Sep28.pdf
Amending Agreement No. 1		30-Mar-2012	N/A	▪ Revised Investment Management Mandate (IMM) and the Transaction and Custody Fees by replacing a few schedules.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\DICO\Amending Agreements\Amending Agreement No. 1 (laddered investments)\Amending Agreement No 1 April 12 2012 (Executed) .PDF also in: S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\DICO\Amending Agreements\Amending Agreement No. 1 (laddered investments)\DICO Amending Agrmt No 1 March 30 2012 (Execution Copy).PDF
Amending Agreement No. 2		29-Aug-2012	N/A	▪ Revised SIPP by replacing existing schedules.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\DICO\Amending Agreements\Amending Agreement No. 2 (updated SIPP)\Amending Agreement No. 2 August 29 2012 (Executed).pdf
Amending Agreement No. 3		22-Jul-2014	N/A	▪ Revised Investment Policy and changed existing schedules.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\DICO\Amending Agreements\Amending Agreement No. 3\DICO Amending Agreement #3 Executed Copy.pdf
Amending Agreement No. 4		4-Jul-2016	N/A	▪ Changes to DICO representatives.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\DICO\Amending Agreements\Amending Agreement No. 4\DICO Amending Agreement #4 Executed Copy.pdf
Amending Agreement No. 5		22-Jan-2018	N/A	▪ Schedules A, B and E deleted and replaced.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\DICO\Amending Agreements\Amending Agreement No. 5\DICO Amending Agmt No. 5[executed].pdf

Investment Management Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OFA, PBGF	1-Apr-2005	N/A	Background: ▪ FSCO as administrator of PBGF. ▪ FSCO appointed OFA as investment manager.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\PBGF\IMA\IMA_PBGF OFA_01April2005.doc
Amending Agreement No. 1		24-Mar-2014	N/A	▪ Revised Statement of Investment Policies and Guidelines to provide a different asset mix (Revised SIPG). ▪ New transaction and custody fees. ▪ Replaced appendices accordingly.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\PBGF\Amending Agreements\Amending Agreement No. 1 (laddered investments)\PBGF Amending Agreement No.1 March 2014 (Executed).PDF
Amending Agreement No. 2		25-Sep-2015	N/A	▪ Revised Appendix B (FSCO as administrator of the Pension Benefits Guarantee Fund) representatives and specimen signatures.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\PBGF\Amending Agreements\Amending Agreement No. 2 (Appendix B-current representatives)\PBGF Amending Armt No 2 (Final-Executed).pdf

Investment Management Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OFA, OTF	26-Apr-2007	N/A	Background: OTF provides grants to eligible charitable and not-for-profit organizations.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\IMA\Executed.OTF IMA 2007.pdf
Amending Agreement No. 1		22-Mar-2011	N/A	▪ Revised Statement of Investment Policies and Procedures to provide a different asset mix (Revised SIPP). ▪ New transaction and custody fees. ▪ Replaced schedules accordingly.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\Amending Agreements\Amending Agreement No. 1 (laddered investments)\Amending Agreement & Schedules March 22, 2011.PDF also in: S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\Amending Agreements\Amending Agreement No. 1 (laddered investments)\Amending Agreement No. 1.pdf
Amending Agreement No. 2		28-May-2012	N/A	▪ Change in name of Ministry under which OTF operates. ▪ Revised SIPP, replaced schedule accordingly.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\Amending Agreements\Amending Agreement No. 2 (Ministry Name Change and new SIPP)\Amending Agreement No. 2 (executed).pdf also in: S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\Amending Agreements\Amending Agreement No. 3 (Signature Change and new SIPP)\Amending Agreement No. 2 (executed).pdf
Amending Agreement No. 3		6-Oct-2015	N/A	▪ Revised Statement of Investment Policies and Procedures (Revised SIPP). ▪ New transaction and custody fees. ▪ Replaced schedules accordingly.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\Amending Agreements\Amending Agreement No. 3 (Signature Change and new SIPP)\Amending Agreement No. 3 (executed).pdf
Amending Agreement No. 4		21-Oct-2016	N/A	▪ Revised list of OTF representatives. ▪ Revised SIPP.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\Amending Agreements\Amending Agreement No. 4 (New signatory and new SIPP)\Amending Agreement No.4.pdf also in: S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\Amending Agreements\Amending Agreement No. 4 (New signatory and new SIPP)\Amending Agreement, Sch B & E, signature specimen and SIPP (final signed).pdf

3 months
6 months
9 months
1 year

OEFC - List of Loans form OEFC to Ontario Power Generation (OPG)

CREDIT AGREEMENT dated April 1, 1999

CREDIT AGREEMENT dated April 28, 2005

PORTLANDS ENERGY CENTRE PROJECT dated December 6, 2006

LAC SEUL GENERATING STATION PROJECT dated December 6, 2006

NIAGARA TUNNEL PROJECT dated December 21, 2005

GENERAL CORPORATE CREDIT FACILITY AGREEMENT dated • , 2007

REFINANCING REQUIREMENTS CREDIT FACILITY AGREEMENT dated July 6, 2007

NOVATION AGREEMENTS & PROM NOTES dated April 1, 1999

SENIOR NOTES

THUNDER BAY CONVERSION dated November 14, 2005-Terminated September 29, 2006

Inventory of Assets Held in Documentation Vault on 12th Floor

Item
IESO
Grid Promissory Note dated October 14, 2011 with principal amt of $110,000,000 with attached operator grids (up to 60m; and from $60m to $110m)
Grid Promissory Note dated April 30, 2013 with principal amt of $110,000,000 due Apr 30, 2014
Promissory Note dated April 30, 2017 with principal amt of $120,000,000 due June 30, 2020
Grid Promissory Note dated April 30, 2017 with principal amt of $160,000,000 due June 30, 2020
Amending Agreements (# 6) dated April 30, 2017 between IESO and OEFC (Refinancing maturing Prom Note)
Amending Agreement (# 5) dated April 30, 2014 between IESO and OEFC (Refinancing maturing Prom Note)

Amending Agreement (# 4) dated May 1, 2013 between IESO and OEFC (Refinancing maturing Prom Note)

Amending Agreement (# 4) dated Apr 30, 2014 between IESO and OEFC (Reduction of the facility amount to $95

Amending Agreement (# 3) dated Apr 30, 2013 between IESO and OEFC (Extension to repayment date)

OFA

School Board Financing

OFA Prom Note to Province re: School Board Financing dated Nov. 14/06
Up to $800,000,000 with attached grid schedule

OFA Prom Note to Province re: School Board Financing dated Mar. 3/08
Up to $2,000,000,000 with attached grid schedule

OFA Prom Note to Province re: School Board Financing dated Aug. 13/10
Up to $1,800,000,000 with attached grid schedule

OFA Loans

OFA Prom Note to Province re: School Board Financing dated Apr. 4/97
Up to $2,160,000,000 with attached grid schedule

CDs

A box of Gloal Bonds Series, USMTN program, and EMTN program update (see file "CD List.docx")

Green basketweave papers

Auto Loans

OFA Prom Note to Province: dated March 30, 2009: up to $1.7 billion-auto loans (CIPA s.22)

OFA-1 Prom Note to Province: dated May 1, 2009: $554,418,630.14 (CIPA s.21)

OFA-2 Prom Note to Province: dated May 7, 2009: $617,889,287.67 (CIPA s.21)

OFA-3 Prom Note to Province: dated June 16, 2009: $1,983,345,267.75 (CIPA s.21)

OFA-4 Prom Note to Province: dated June 30, 2009: $1,008,510,684.93 (CIPA s.21)

OPA

OPA GRID Note dated Dec 10, 2010
Up to $975,000,000 w/ attached grid schedule updated as required

OIPC

Ontario Infrastructure Projects Corporation GRID NOTE

Up to $200,000,000 dated June 2006 w/ attached grid schedule updated as required

OILC

OILC to OFA Prom Note $ 200,000,000 dated July 5, 2011 due June 29, 2019

OILC to Province Note for $ I billion until Jul 28, 2010, thereafter $799,680,827 dated Nov 15, 2011 due Mar 31,

OPG

copy of Refinancing Credit Facility Agmt dd March 8, 2010

Niagara Tunnel Project

OPG $160,000,000 Note dated Oct. 23, 2006 due Oct. 22, 2016

OPG $50,000,000 Note dated Jan. 22, 2007 due Jan.23, 2017

OPG $30,000,000 Note dated Apr. 23, 2007 due Apr.22, 2017

OPG $40,000,000 Note dated Jan 22, 2008 due Jan 22, 2018

OPG $30,000,000 Note dated Apr 22, 2008 due Apr 22, 2018

OPG $30,000,000 Note dated July 22, 2008 due July 22, 2018

OPG $30,000,000 Note dated Jan 22, 2009 due Jan 22, 2019

OPG $35,000,000 Note dated Apr 22, 2009 due Apr 22, 2019

OPG $35,000,000 Note dated July 22, 2009 due July 22, 2019

OPG $50,000,000 Note dated October 22, 2009 due October 22, 2019

OPG $50,000,000 Note dated January 22, 2010 due January 22, 2020

OPG $65,000,000 Note dated April 22, 2010 due April 22, 2020

OPG $35,000,000 Note dated July 22, 2010 due July 22, 2020

OPG $35,000,000 Note dated July 22, 2010 due July 22, 2020

OPG $50,000,000 Note dated October 22, 2010 due October 22, 2020

OPG $40,000,000 Note dated January 24, 2011 due January 22, 2021

OPG $35,000,000 Note dated April 26, 2011 due April 22, 2021

OPG $50,000,000 Note dated July 29, 2011 due July 22, 2021

OPG $60,000,000 Note dated October 24, 2011 due October 22, 2021

OPG $40,000,000 Note dated January 23, 2012 due January 22, 2022

OPG $ 20,000,000 Note dated Apr 22, 2013 due Apr 22 , 2023

OPG $ 20,000,000 Note dated Jan 22, 2013 due Jan 22 , 2023

OPG $ 30,000,000 Note dated Oct 22, 2012 due Oct 22 , 2022

OPG $ 35,000,000 Note dated Apr 23, 2012 due Apr 22 , 2022

Portlands Energy Center Project

OPG $90,000,000 Note dated Dec 29, 2006 due Dec 22, 2016

OPG $30,000,000 Note dated Apr 23, 2007 due Apr 22, 2017

OPG $40,000,000 Note dated Jul 23, 2007 due Jul 22, 2017

OPG $50,000,000 Note dated Oct 22, 2007 due Oct 22, 2017

OPG $35,000,000 Note dated Jan 22, 2008 due Jan 22, 2018

OPG $20,000,000 Note dated Apr 22, 2008 due Apr 22, 2018

OPG $20,000,000 Note dated Oct 22, 2008 due Oct 22, 2018

OPG $10,000,000 Note dated Jan 22, 2009 due Jan 22, 2019

OPG $10,000,000 Note dated Apr 22, 2009 due Apr 22, 2019

OPG $30,000,000 Note dated Jul 22, 2009 due Jul 22, 2019

OPG $35,000,000 Note dated Oct 22, 2009 due Oct 22, 2019

OPG $20,000,000 Note Dated July 22, 2008 due July 22, 2018

Lac Seul Generating Station Project

OPG $20,000,000 Note dated Dec 29, 2006 due Dec 22, 2016

OPG $30,000,000 Note dated Apr 22, 2009 due Apr 22, 2019

General Corporate Requirements Credit Facility Agreement

OPG $100,000,000 Note dated Jun 22, 2007 due Jun 22, 2017

OPG $400,000,000 Note dated Dec 21, 2007 due Sep 22, 2017

Refinancing Requirements Credit Facility Agreement

OPG $200,000,000 Note dated Sep 24, 2007 due Sep 22, 2017

OPG $200,000,000 Note dated Mar 24, 2008 due Mar 22, 2018

OPG $100,000,000 Note dated Mar 23, 2009 due Mar 22, 2019

Refinancing Requirements Credit Facility Agreement 2010

OPG $230,000,000 Note dated Mar 22, 2010 due Mar 22, 2020

OPG $230,000,000 Note dated Sep 22, 2010 due Sep 22, 2020

OPG $200,000,000 Note dated Sep 22, 2010 due Sep 22, 2015

Refinancing Requirements Credit Facility Agreement 2011
OPG $150,000,000 Note dated Mar 22, 2011 due Mar 22, 2041

OPG $150,000,000 Note dated Sep 22, 2011 due Sep 22, 2041

Refinancing Requirements Credit Facility Agreement 2012
OPG $200,000,000 Note dated Apr 30, 2012 due Mar 22, 2042

OSLT

OSLT Folder containing:
1) Demand Promissory GRID NOTE July 31, 2001 w/ attached grid schedule
2) Loan Agreement Prov and OSLT July 31, 2001

OMEIFA

OMEIFA Original Promissory Note 1050-08

between OMEIFA and Province (Amended to be between OILC and Province)
- A copy of cancelled Prom Note for $1,000,000,000 dated Feb16, 2013 due Mar 31, 2053
- Duplicate Prom Note marked "Cancelled " for $1,000,000,000 dated Apr 14, 2003 due Mar 31, 2053

OMEIFA File #1050-5
Promissory Note between OCWA and OSIFA
OSIFA Prom Note to OCWA for $20 million date Feb 21, 2005 due Mar 1, 2023

OEFC

OEFC & Kirkland Lake Power Corp Supplementary Agreement Record Book Nov 3, 2003

Amending Agreemen dated May 29, 2002 between Province and OEFC and Grid Promissory Note April 1, 2000 for $6 billion.

Promissory Note Between OEFC and the Province dated July 3, 2007: $3,272,194,000.00

Waiver and Acknowledgement Between OEFC and MoF re Prepayment (partial) of Note from Hydro share sale - .

OTHER

Bell Teleconferencing cards (Plastic cards) - 18 plastic "Participant" wallet cards

OFA Tele Conferencing Bridge Card Distribution List

OFA Enunciate conference cards - 10 cards

Seal of MOF

Seal of OEFC

1 hand stamp of Hon. Charles Sousa's signature

EDGARfilings Disaster Recovery Key (by Karin Sze Dec-11-2009)

Envelope marked as "OMEIFA" (Custodial Services Agreement between OMEIFA and Royal Trust Corp.)

5 Floppy disks containing digitized signature of the Minsiter

Flash Drive

CD

Borther printer catridge

Envelope marked as "Banking 2013"

A specimen signarues of Hon. Charles Sousa's and Gadi's on a OFA letter head

CERTEX computer interface check protector (2)

as of June 12, 2015

Comments	Status
Grid Promissory Note dated 23 April 2010 for up to $60m was cancelled in October 2011 and returned to IESO - replaced with: Grid Promissory Note dated October 14, 2011	In vault
	In vault
	In vault
	In vault
RCL and Note Facilities	In vault
	In vault

5m)	In vault In vault In vault
	In vault In vault In vault In vault (as at March 14, 2018, previous;y safekept by Settlements)

	In vault
	In vault
	In vault
	In vault
	In vault
	In vault
- grid schedule last updated October 31, 2011	In vault
To be held in safekeeping as requested by	In vault

Michael Smith on July 5, 2006 - grid schedule last updated October 11, 2011	
	In vault
2053	In vault
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As of Mar 5, 2012, attached grid was blank ($0)	In vault In vault

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Jan. 31, 2017	In vault
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	In vault
Belong to Mari Justo-Strategic Corporate Services)	In vault

Inventory of Assets Retreived from Documentation Vault on 12th Floor as of June 12, 2015

Item	Comments	Status
OPG $400,000,000 Note April 29, 2005		Matured and Cancelled. Not in Vault Maturity April 30, 2012. Removed from Vault May 1, 2012.
copy of OPG & OEFC Credit Agmt dd Apr 28, 2005		Removed and destroyed May 3, 2012
copy of Refinancing Credit Facility Agmt dd April 25, 2012.		Removed and destroyed May 3, 2012
OPG $300,000,000 Note dated Mar 22, 2010 due Mar 22, 2015	Returned the original copy to OPG on May 15, 2015	retrieved
Copy of Cancelled Global Treasury Bill dated January 7, 2002		8/??/2008
Envelope for bank token ID (Banking)		Not In vault
Documents for preparation of signature stamps (inter-office envelope)		In vault
Cert 231,118 Ace Aviation Holdings Ince Class A Voting Shares Aug 11/05 Min of Att Gen MoF Legal Services	Held in safekeeping Share Cert handed over to Office of Attorney General 21-Oct-05	Not in Vault
Superbuild Teranet documents: 1) Grid Promissory Note August %, 2003	Prom Note to be redeemed July 17, 2006 Prin + Accd Int	Cancelled - Not in vault - Fax rec'd 7/17/06 cancelled and returned to Teranet 7/17/06
2) Teramira Holding Inc. Share Cert 1 and 2 (each for 50 shs)	Share Certs 1 & 2 released to lawyer Davies Ward June 15/06 Receipt on file	Not in Vault
Note: 30MM 6,48% Bond due Sept 2009 held in Custody Account at RBC also to be redeemed on July 17, 2006) Documents for preparation of signature stamps (inter-office envelope)		Not in Vault

Inventory of Assets Held in Documentation Vault on 12th Floor as of June 12, 2015

Item	Comments	Status

Loans From Ontario Electricity Financial Corporation to Ontario Power Generation Inc.

Credit Agreement	**3,400,000,000**
(Credit Agreement for up to 600,000,000	
dated April 1, 1999) **- No further advnaces allowed**	
Amending Agreements form # 1 - 6	
ADVANCES	
Advances not listed here - details can be checked in the files for Amending Agreements #1 - #6	
Total of Advances	**-**
Total credit available	

Credit Agreement	**600,000,000**
(Credit Agreement for up to 600,000,000	
dated April 28, 2005) **- No further advances allowed**	
ADVANCES	
Apr 29/05 to Apr 30/12 at 5.715% per annum	400,000,000
Total of Advances	**400,000,000**
Total credit available	**200,000,000**

General Corporate Requirements Credit Facility Agreement	**500,000,000**
(Credit Facility Agreement for up to 500,000,000	
June 14, 2007) **- No further advances allowed**	
ADVANCES	
Jun 22/07 to Jun 22/17 at 5.435% per annum	100,000,000
Dec 21/07 to Sep 22/17 at 5.312% per annum	400,000,000
Total of Advances	**500,000,000**
Total credit available	**-**
ZERO	

Refinancing Requirements Credit Facility Agreement	**950,000,000**
(Credit Facility Agreement for up to 950,000,000	
July 6, 2007) **- No further advances allowed**	
ADVANCES	
Sep 24/07 to Sep 22/17 at 5.546% per annum	200,000,000
Mar 24/08 to Mar 22/18 at 5.09% per annum	200,000,000
Mar 23/09 to Mar 22/19 at 5.651% per annum	100,000,000
Total of Advances	**500,000,000**
Total credit available	**450,000,000**

Refinancing Requirements Credit Facility Agreement	**970,000,000**
(Credit Facility Agreement for up to 970,000,000	
March 8, 2010) - **Advances to be made until September 22, 2010**	
minimum $25 million and increments of $5 million	
ADVANCES	
Mar 22/10 to Mar 22/15 at 3.557% per annum	300,000,000
Mar 22/10 to Mar 22/20 at 4.679% per annum	230,000,000
Sept 22/10 to Sept 22/20 at 4.391% per annum	230,000,000
Total of Advances	**760,000,000**
Total credit available	**210,000,000**

Refinancing Requirements Credit Facility Agreement	**375,000,000**
(Credit Facility Agreement for up to 375,000,000	
March 7, 2011) - **Advances to be made until September 22, 2011**	
minimum $25 million and increments of $5 million	
ADVANCES	
Mar 22/11 to Mar 22/41 at 5.397% per annum	150,000,000
Sep 22/11 to Sep 22/41 at 4.74% per annum	150,000,000
Total of Advances	**300,000,000**
Total credit available	**75,000,000**

Refinancing Requirements Credit Facility Agreement	**400,000,000**
(Credit Facility Agreement for up to 400,000,000	
April 25, 2012) - **Advances to be made until April 30, 2012**	
minimum $25 million and increments of $5 million	
ADVANCES	
Apr30/12 to Mar22/42 at 4.356% per annum	200,000,000
Total of Advances	**200,000,000**
Total credit available	**200,000,000**

Loans From Ontario Electricity Financial Corporation to Ontario Power Generation Inc.

Portlands Energy Centre Project (Credit Facility Agreement for up to 400,000,000 December 6, 2006) **- No further advances allowed**	**400,000,000**
ADVANCES	
Dec 29/06 to Dec 22/16 at 4.808% per annum	90,000,000
Apr 23/07 to Apr 22/17 at 4.973% per annum	30,000,000
Jul 23/07 to Jul22/17 at 5.436% per annum	40,000,000
Oct 22/07 to Oct 22/17 at 5.47% per annum	50,000,000
Jan 22/08 to Jan 22/18 at 5.218% per annum	35,000,000
Apr 22/08 to Apr 22/18 at 5.424% per annum	20,000,000
Jul 22/08 to Jul 22/18 at 5.497% per annum	20,000,000
Oct 22/08 to Oct 22/18 at 6.325% per annum	20,000,000
Jan 22/09 to Jan 22/19 at 6.178% per annum	10,000,000
Apr 22/09 to Apr 22/19 at 5.635% per annum	10,000,000
Jul 22/09 to Jul 22/19 at 5.184% per annum	30,000,000
Oct 22/09 to Oct 22/19 at 4.857% per annum	35,000,000

Lac Seul Generating Station Project (Credit Facility Agreement for up to 50,000,000 December 6, 2006) **- No further advances allowed**	**50,000,000**
ADVANCES	
Dec 29/06 to Dec 22/16 at 4.808% per annum	20,000,000
Apr 22/09 to Apr 22/19 at 5.635% per annum	30,000,000

Total of Advances	**390,000,000**

Total of Advances	**50,000,000**
Total credit available	**-**
	ZERO

Niagara Tunnel Project — 1,600,000,000

(Credit Facility Agreement for up to 1,600,000,000 September 21, 2005) **- Advances to be made until December 31, 2014**

ADVANCES	
Oct 23/06 to Oct 22/16 at 4.986% per annum	160,000,000
Jan 22/07 to Jan 23/17 at 4.893% per annum	50,000,000
Apr 23/07 to Apr 22/17 at 4.973% per annum	30,000,000
Jan 22/08 to Jan 22/18 at 5.218% per annum	40,000,000
Apr 22/08 to Apr 22/18 at 5.424% per annum	30,000,000
Jul 22/08 to Jul 22/18 at 5.497% per annum	30,000,000
Jan 22/09 to Jan 22/19 at 6.178% per annum	30,000,000
Apr 22/09 to Apr 22/19 at 5.635% per annum	35,000,000
Jul 22/09 to Jul 22/19 at 5.184% per annum	35,000,000
Oct 22/09 to Oct 22/19 at 4.857% per annum	50,000,000
Jan 22/10 to Jan 22/20 at 4.618% per annum	50,000,000
Apr 22/10 to Apr 22/20 at 4.954% per annum	65,000,000

Lower Mattagami Credit Facility Agreement — 700,000,000

(Credit Facility Agreement for up to 700,000,000 March 7, 2011) - **Advances to be made until June 30, 2016**

ADVANCES

Jul 22/10 to Jul 22/20 at 4.658% per annum	35,000,000		
Oct 22/10 to Oct 22/20 at 4.094% per annum	50,000,000		
Jan 24/11 to Jan 22/21 at 4.573% per annum	40,000,000		
Apr 26/11 to Apr 22/21 at 4.633% per annum	35,000,000		
Jul 29/11 to Jul 22/21 at 4.152% per annum	50,000,000		
Oct 24/11 to Oct 22/21 at 3.985% per annum	60,000,000		
Jan 23/12 to Jan 22/22 at 3.583% per annum	40,000,000		
Apr 23/12 to Apr 22/22 at 3.521% per annum	35,000,000		
July 23/12 to July 22/22 at 2.981% per annum	45,000,000		
Oct 22/12 to Oct 22/22 at 3.163% per annum	30,000,000		
Jan 22/13 to Jan 22/23 at 3.270% per annum	20,000,000		
Apr 22/13 to Apr 22/23 at 2.961% per annum	20,000,000		
Total of Advances	**1,065,000,000**	**Total of Advances**	**-**
Total credit available	**535,000,000**	**Total credit available**	**700,000,000**

Loans From Ontario Electricity Financial Corporation to Ontario Power Generation Inc.

Credit Agreement — 3,400,000,000

(Credit Agreement for up to 600,000,000
dated April 1, 1999) **- No further advnaces allowed**
Amending Agreements form # 1 - 6

ADVANCES

Advances not listed here -
details can be checked in the files for
Amending Agreements #1 - #6

General Corporate Requirements AND DARLINGTON — 500,000,000

(Credit Agreement for up to 500,000,000
dated December 20, 2013) **- No further advances allowed**

ADVANCES

-

General Corporate Requirements AND DARLINGTON — 800,000,000

(Credit Facility Agreement for up to 800,000,000
December 22, 2014) **- No further advances after December 31, 2016**

ADVANCES

Nov. 22/ 16 to Nov 22/ 26 at 3.037%	50,000,000
Nov. 22/ 16 to Nov 22/ 46 at 4.028%	50,000,000

Total of Advances	-
Total credit available	

Total of Advances	-
Total credit available	**500,000,000**

Total of Advances	**100,000,000**
Total credit available	**700,000,000**

General Corporate Requirements

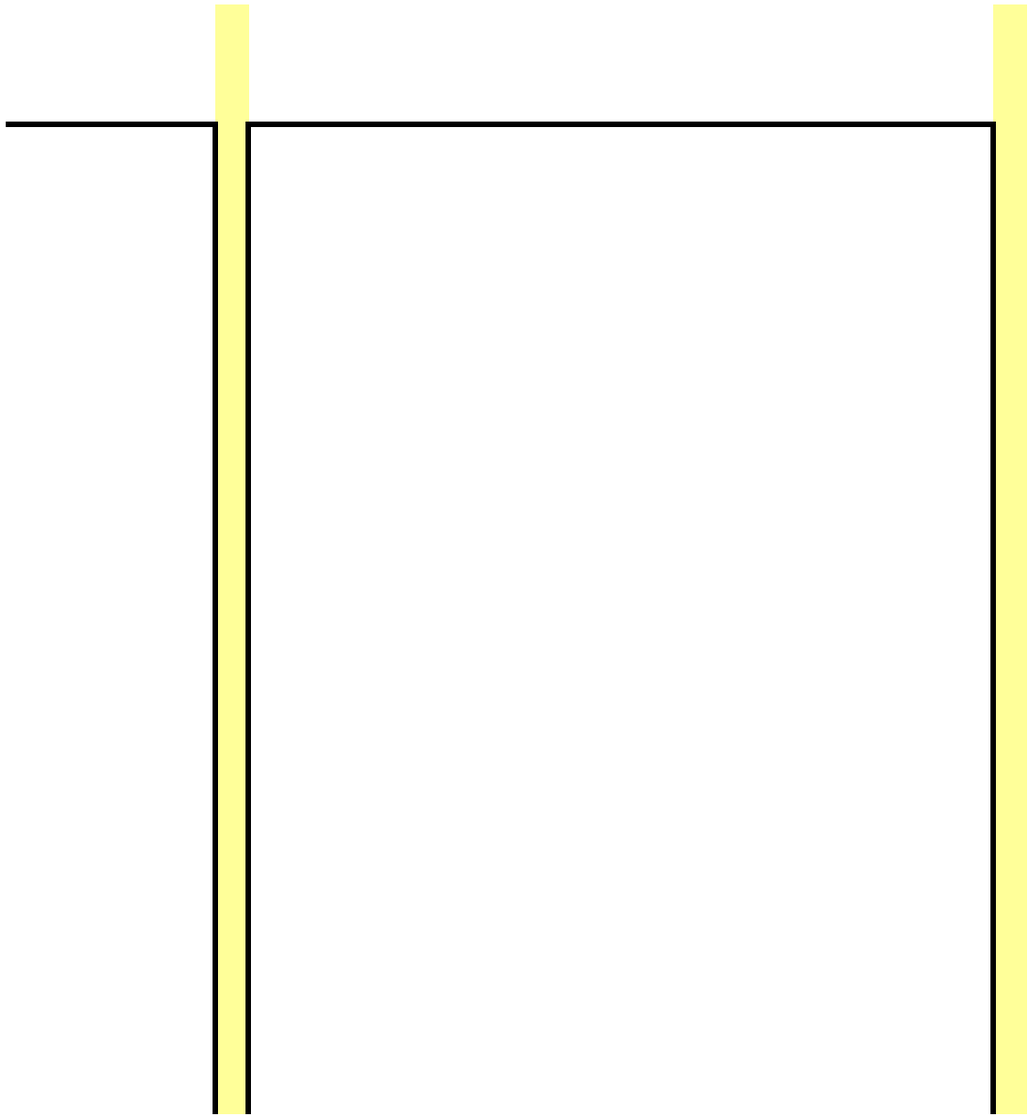
AND DARLINGTON **700,000,000**

(Credit Facility Agreement for up to 700,000,000
June 17, 2016) **- No further advances after December 31, 2017**

ADVANCES

Feb. 22, 2017 to Feb. 22, 2047 @ 4.1220%	200,000,000
June 22, 2017 to June 22, 2047 @ 3.648%	100,000,000
August 22, 2017 to Aug. 22, 2047 @ 3.858%	100,000,000
Sept. 22, 2017 to Sept. 22, 2047 @ 4.066%	400,000,000

Total of Advances	**800,000,000**		**Total of Advances**	**-**	**Total of Advances**
Total credit available	**(100,000,000)**		**Total credit available**	**-**	**Total credit available**



-	**Total of Advances**	-
-	**Total credit available**	-

From:	Lisa Stein
To:	Ryan Blackbyrne; Sarah Harris
Subject:	Proposed $400M OPG Advance due January 22 2048revised.docx
Date:	Friday, January 12, 2018 6:12:34 PM
Attachments:	Proposed $400M OPG Advance due January 22 2048revised.docx
Importance:	High

Hi Ryan and Sarah,

Please see my comments and suggestions on the attached draft letter. Once you have had a chance to review, please send me a meeting planner to discuss further (as additional modifications to the draft are still required). I'm working from home on Monday so a conference call would be best. Also, please note that the title of the letter incorrectly states the amount of the proposed advance.

Have a great weekend!

Lisa

Lisa N. Stein
Legal Counsel
Ontario Financing Authority
416-325-2320

****
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(416) 325-8000

Société financière de l'industrie de l'électricité de l'Ontario
1 rue Dundas ouest
Bureau 1400
Toronto ON M7A 1Y7

Ontario

January XX, 2018

Ken Hartwick
Ontario Power Generation Inc.
700 University Avenue, H18
Toronto, M5G 1X6

Re: **$200,000,000 Proposed Advance under Borrowing Notice Dated January 8, 2018~~under the General Corporate Requirements Credit Facility Agreement between Ontario Power Generation Inc. ("OPG") and Ontario Electricity Financial Corporation ("OEFC"), dated June 16, 2016, as amended.~~**

Dear Ken,

The Ontario Electricity Financial Corporation ("OEFC") is in receipt of the Borrowing Notice provided by Ontario Power Generation ("OPG") to the OFA dated January 8, 2018 for the Proposed Advance of $200,000,000 (the "January 8, 2018 Borrowing Notice") under the General Corporate Requirements Credit Facility Agreement between OPG and OEFC dated June 16, 2016, as amended (the "Credit Agreement"), the terms defined therein being used herein as therein defined.

~~Notwithstanding~~ For the sole purpose of the January 8, 2018 Borrowing Notice, OEFC hereby agrees to modify the requirement set out in section 3.1 of the Credit Agreement that no more than 50% of the Proposed Advances for 2018 shall have a Repayment Date of no more than 30 years. As such, notwithstanding the total amount of Proposed Advances under the Credit Agreement for 2018, OEFC ~~Section 3.1 of the General Corporate Requirements Credit Facility Agreement, dated June 16, 2016, as amended, the OEFC~~ consents to a R~~r~~epayment D~~d~~ate of 30 years from the date of the Proposed Advance under the January 8, 2018 ~~January 22, 2048 for the full principal amount of the Proposed Advance of $200,000,000~~Borrowing Notice, for the full principal amount of the Proposed Advance. ~~scheduled to be paid out to OPG on January 22, 2018.~~

~~Furthermore~~Accordingly, ~~we~~ OEFC ~~accept the "Borrowing Notice" provided by OPG dated January 8, 2018,~~ waives the requirement as set out in Section 3.2 and Schedule 1 of the Credit Agreement for OPG to provide ~~without~~ the following certification in the January 8, 2018 Borrowing Notice: ~~required under Section 3.2 and Schedule 1 of the Agreement, as amended:~~

Formatted: Font: Not Bold

Commented [LS1]: I don't think we need to include the date here as the details are set out in the Borrowing Notice.

"The Repayment Date of any of the Proposed Advance(s) for 2018 is (a) no more than 30 years after the date of such Proposed Advance for no more than 50% of the total of all Proposed Advances for 2018 and (b) no more than 10 years after the date of the Proposed Advance for the remaining amount of the Proposed Advances for 2018."

Subject to Section 3.1 of the Agreement, as amended, the OEFC reserves the right to restrict Proposed Advances with a Repayment date of 30 years for the remainder of 2018 on a case by case basis.

Commented [LS2]: Can we please discuss intention here? Do you want to amend this provision going forward? Perhaps include language such as:
Subject to the foregoing, section 3.1 of the Credit Agreement applies to all future Proposed Advances.

The above language would imply that OEFC still has the ability to modify the requirements in section 3.1, as set out in that section.

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael D. Manning
Title: Chief Operating Officer

From:	Andrea Dalgarno
To:	SETTLEMENT
Cc:	Sarah Harris
Subject:	Quest for Original Prom Notes OFA/Province
Date:	Thursday, March 08, 2018 11:39:22 AM
Attachments:	OFA Promissory Note $2.16 billion 1997.pdf

Hi,

We are looking for the original of the attached Prom Note and are wondering if Settlement's has it for safekeeping. Note the date may have be pushed out in (b) to June 1, 2041.

Also, we are looking for another similar Prom Note for 650 million likely dated in April or May 1999 with ultimate repayment date of either Aug 31, 2029 or likewise amended to June 1, 2041.

Can you please check and see if Settlements have either of these in safekeeping?

We are looking for them in association with the Ottawa Congress Centre loan as Corporate Finance is working on an issue with that loan which falls under one of the two Prom Notes.

Regards,

Andrea Dalgarno
Documentation & Analysis Specialist
Ontario Financing Authority
Tel 416-212-7451

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Promissory Note

For value received, the Ontario Financing Authority (the "Borrower") promises to pay to Her Majesty the Queen in right of Ontario as represented by the Minister of Finance, Province of Ontario (the "Lender") at the City of Toronto in lawful money of Canada, the lesser of:

(i) Two Billion One Hundred and Sixty Million Dollars; and
(ii) the aggregate unpaid principal balance of all advances made by the Lender as recorded on the reverse of this note or on any attachment described below;

at such time and on such other terms and conditions including the payment of interest as follows;

(a) the Borrower shall be entitled to advances of the loan (an "Advance") in such amounts and at such times as it requires;

(b) the Borrower shall be entitled to repay Advances either in whole or in part and at such time or times as it determines provided that all Advances shall be fully repaid by August 31, 2027;

(c) the Borrower shall be entitled to use the loan as a revolving credit facility allowing for successive advances of moneys repaid under the loan; provided that the maximum principal amount of the loan outstanding at any time shall not exceed Two Billion One Hundred and Fifty-Five Million Dollars;

(d) the Borrower shall pay to the Lender interest on each Advance at a rate which is determined as follows:

(i) from the date of advance to (but excluding) the date of repayment the Borrower shall pay to the Lender interest on the Advance at a per annum rate equivalent to that paid on ninety day Province of Ontario treasury bills (determined as at the auction date immediately preceding the date of the Advance), provided that if an Advance is outstanding for ninety days or longer, the interest rate shall be reset automatically on the last day of each ninety day period (the "Reset Date") to the rate paid on ninety day Province of Ontario treasury bills as at the auction date immediately preceding the Reset Date for such ninety day period;

(ii) in the event that moneys included in an Advance are subsequently loaned by the Borrower to third parties for the purposes contemplated in the Act, (a "Third Party Loan") the rate of interest payable by the Borrower to the Lender on the portion of the Advance "on-loaned" may be adjusted at the option of the Borrower effective as of the date of the Third Party Loan so that the per annum rate of interest payable by the Borrower on such moneys is equivalent to either

(A) the per annum rate of interest payable to the Borrower under the Third Party Loan, or

(B) the per annum rate of interest payable to the Borrower under the Third Party Loan less 25 basis points,

rather than the rate specified in subparagraph (i), until (but excluding) the date on which the Third Party Loan is repaid, at which time the interest rate set out in subparagraph (i) shall again be applicable to that portion of the Advance; and

(iii) in the event that moneys described in subparagraph (ii), once repaid, are subsequently loaned to third parties again, subparagraph (ii) shall again be applicable in determining the interest rate payable to the Lender on that portion of the Advance included in any subsequent loan, and so on, until the Advance shall be repaid to the Province in full;

The undersigned authorizes the Lender to record on the reverse of this note or on any attachment to this note all advances, repayments and prepayments of principal and interest and the unpaid balance of principal from time to time. The undersigned agrees that in the absence of manifest error the record kept by the Lender on this note or any attachment shall be conclusive evidence of the matters recorded, provided that the failure of the Lender to record or correctly record any amount or date shall not affect the obligation of the undersigned to pay the outstanding principal amount of the Advances and interest.

Dated this 4th day of April, 1997.

Ontario Financing Authority

per: _____
Executive Director

From:	Jean-Francois Beaupre
To:	Ryan Blackbyrne
Cc:	Sarah Harris
Subject:	RE: $120M Note - amending agreement no.7 (Lisa changes) rev1.docx
Date:	Wednesday, November 29, 2017 12:36:46 PM

Is it advisable to send it to IESO until we have received confirmation of internal approval for this business decision?

From: Ryan Blackbyrne
Sent: Wednesday, November 29, 2017 12:29 PM
To: Sarah Harris ; Jean-Francois Beaupre
Subject: RE: $120M Note - amending agreement no.7 (Lisa changes) rev1.docx

Hi Sarah and JF,

We are still waiting on the $160M amending agreements to be signed-off by Lisa but we now have her sign-off on the attached amending agreement for the $120 note. Did you both want to take a final look and let me know if you have any comments before I send it to Anthony at IESO?

Thank You,

Ryan

From: Lisa Stein
Sent: Wednesday, November 29, 2017 12:22 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Subject: $120M Note - amending agreement no.7 (Lisa changes) rev1.docx

Hi Ryan,

This draft looks good. I've made a couple of minor editorial tweaks. You may need to review formatting. I don't need to review this again unless we receive comments/amendments back from IESO.

Thank you,

Lisa

Lisa N. Stein
Legal Counsel
Ontario Financing Authority
416-325-2320

****
This message, including any attachments, is intended only for the use of the individual(s) to which it is addressed and contains information that is privileged/confidential. Any other distribution, copying or disclosure is strictly prohibited. If you are not the intended recipient or have received this message in error, please notify the sender immediately by reply e-mail and permanently delete this message, including any attachments, without reading it or making a copy. Thank you.
****

From:	Ryan Blackbyrne
To:	Lisa Stein
Cc:	Sarah Harris; Jean-Francois Beaupre
Subject:	RE: $120M Note - amending agreement no.7 (Lisa changes) rev1.docx
Date:	Wednesday, November 29, 2017 12:29:14 PM

Thanks Lisa

From: Lisa Stein
Sent: Wednesday, November 29, 2017 12:22 PM
To: Ryan Blackbyrne
Cc: Sarah Harris ; Jean-Francois Beaupre
Subject: $120M Note - amending agreement no.7 (Lisa changes) rev1.docx

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Lisa

Lisa N. Stein
Legal Counsel
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416-325-2320

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From: Ryan Blackbyrne
To: Sarah Harris; Jean-Francois Beaupre
Subject: RE: $120M Note - amending agreement no.7 (Lisa changes) rev1.docx
Date: Wednesday, November 29, 2017 12:28:59 PM
Attachments: $120M Note - amending agreement no.7 finalrev.docx

---

Hi Sarah and JF,

We are still waiting on the $160M amending agreements to be signed-off by Lisa but we now have her sign-off on the attached amending agreement for the $120 note. Did you both want to take a final look and let me know if you have any comments before I send it to Anthony at IESO?

Thank You,

Ryan

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Subject: $120M Note - amending agreement no.7 (Lisa changes) rev1.docx

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AMENDING AGREEMENT NO. 6

This Amending Agreement is made as of the [DATE], 2017 between:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")

WHEREAS IESO and OEFC have entered into an agreement providing for the Issuance of a Note dated April 1, 1999 (the "Original Agreement");

AND WHEREAS pursuant to amending agreements dated March 23, 2000, April 23, 2009, May 1, 2011, May 1, 2013, April 30, 2014 and April 30, 2017 the parties amended the Original Agreement (as so amended, the "Agreement");

AND WHEREAS at the request of the IESO the parties wish to now amend the Agreement to accommodate IESO's role and obligations under the *Ontario Fair Hydro Plan Act*, 2017.

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and sufficiency of which are hereby acknowledged by each party), the parties agree as follows:

1.
The following definitions are added to Section 1.1 (Definitions) of the Agreement:

"Clean Energy Adjustment" has the same meaning as that term is defined in the OFHP.

"OFHP" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

2. The definition of "Permitted Liens" in Section 1.1 (Definitions) of the Agreement is amended by deleting the word "and" at the end of subsection 1.1(j); replacing the "." at the end of subsection (1.1 (k) and replacing it with "and"; and adding the following subsection 1.1(l):

(l) Any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

.

IN ALL OTHER RESPECTS, the Agreement is confirmed by the parties.

IN WITNESS WHEREOF the parties have executed and delivered this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael D. Manning
Title: Executive Director and Chief Investment Officer

From: Ryan Blackbyrne
To: Sarah Harris; Jean-Francois Beaupre
Subject: RE: $120M Note - amending agreement no.7 (Lisa changes) rev1.docx
Date: Wednesday, November 29, 2017 12:28:59 PM
Attachments: $120M Note - amending agreement no.7 finalrev.docx

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Ryan

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Sent: Wednesday, November 29, 2017 12:22 PM
To: Ryan Blackbyrne
Cc: Sarah Harris ; Jean-Francois Beaupre
Subject: $120M Note - amending agreement no.7 (Lisa changes) rev1.docx

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Lisa

Lisa N. Stein
Legal Counsel
Ontario Financing Authority
416-325-2320

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INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael D. Manning
Title: Executive Director and Chief Investment Officer

From:	Sarah Harris
To:	Jean-Francois Beaupre; Ryan Blackbyrne
Subject:	RE: $120M Note - amending agreement no.7 (Lisa changes) rev1.docx
Date:	Wednesday, November 29, 2017 1:27:36 PM

We can send to IESO and say in the interest of time we are providing drafts, but should include the caveat we are still awaiting internal approval for the inclusion of permitted liens. Opal indicated that we should proceed on this basis, as John had also communicated the same thing to IESO.

From: Jean-Francois Beaupre
Sent: Wednesday, November 29, 2017 12:37 PM
To: Ryan Blackbyrne
Cc: Sarah Harris
Subject: RE: $120M Note - amending agreement no.7 (Lisa changes) rev1.docx

Is it advisable to send it to IESO until we have received confirmation of internal approval for this business decision?

From: Ryan Blackbyrne
Sent: Wednesday, November 29, 2017 12:29 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Subject: RE: $120M Note - amending agreement no.7 (Lisa changes) rev1.docx

Hi Sarah and JF,

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Thank You,

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Sent: Wednesday, November 29, 2017 12:22 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
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Thank you,

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Lisa N. Stein
Legal Counsel
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****

From:	Ryan Blackbyrne
To:	Lisa Stein
Cc:	Sarah Harris; Jean-Francois Beaupre
Subject:	RE: $120M Note - amending agreement no.7 (blackline to no.6) rev.docx
Date:	Wednesday, November 29, 2017 11:35:35 AM
Attachments:	$120M Note - amending agreement no.7 (Lisa changes) rev.docx $160M revolving credit - amending agreement no.7 (Lisa Changes blackline).docx $160M revolving credit - amending agreement no.7 (Lisa Changes clean).docx

---

Hi Lisa,

I agreed with your changes and completed the suggested amendments. Please find them attached and let me know your comments.

Thank you,

Ryan

From: Lisa Stein

Sent: Wednesday, November 29, 2017 10:49 AM

To: Ryan Blackbyrne

Cc: Sarah Harris ; Jean-Francois Beaupre

Subject: $120M Note - amending agreement no.7 (blackline to no.6) rev.docx

Hi Ryan,

Please see attached a black-lined version of AA no. 7 with my suggested amendments and comments. Please review and send me a revised version for review (black-lined from my version)

I have not yet reviewed the Amending Agreement for the $160M note – please use these amendments to update that amending agreement (where required) and then send me an updated version for review.

Please let me know if you would like to discuss.

Thank you,

Lisa

Lisa N. Stein
Legal Counsel
Ontario Financing Authority
416-325-2320

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AMENDING AGREEMENT NO. 6

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INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")

WHEREAS IESO and OEFC have entered into an agreement providing for the Issuance of a Note dated April 1, 1999 (the "Original Agreement");

AND WHEREAS pursuant to amending agreements dated March 23, 2000, April 23, 2009, May 1, 2011, May 1, 2013, April 30, 2014 and April 30, 2017 the parties amended the Original Agreement (as so amended, the "Agreement");

AND WHEREAS at the request of the IESO the parties wish to now amend the Agreement to accommodate IESO's role and obligations under the Ontario Fair Hydro Plan Act.

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and sufficiency of which are hereby acknowledged by each party), the parties agree as follows:

1.
The following definitions are added to Section 1.1 (Definitions) of the Agreement:

"Clean Energy Adjustment" has the same meaning as that term is defined in the Ontario Fair Hydro Plan Act, 2017.

"OFHP" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

2. The definition of "Permitted Liens" in Section 1.1 (Definitions) of the Agreement is amended by deleting the word "and" at the end of subsection 1.1(j); replacing the "." at the end of subsection (1.1 (k) and replacing it with "and"; and adding the following subsection 1.1(l):

(l) Any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

Commented [LS1]: Add

Commented [RB2R1]: Used same definition as the one used in IESO-OFA Revolving Credit Facility Agreement executed on Nov 6, 2017

Commented [LS3]: Add definition

Commented [RB4R3]: Added

.

IN ALL OTHER RESPECTS, the Agreement is confirmed by the parties.

IN WITNESS WHEREOF the parties have executed and delivered this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael D. Manning
Title: Executive Director and Chief Investment Officer

Commented [LS5]: Confirm title

Commented [RB6R5]: Confirmed

AMENDING AGREEMENT NO. ~~6~~7

This Amending Agreement is effective as of the •~~30~~ day of •~~April~~, 2017.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL ~~–~~CORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011, Amending Agreement No. 3 dated April 30, 2013, Amending Agreement No. 4 dated April 30, 2014, ~~and~~ Amending Agreement No. 5 dated December 19, 2014 and Amending Agreement No. 6 dated April 30, 2017 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $~~95~~ 160 million.

~~**AND WHEREAS** IESO and OEFC wish to amend the Agreement to increase the revolving line of credit from a principal amount of CDN $95 million to a principal amount of up to CDN $160 million to provide funding for IESO Corporate Requirements (as defined herein);~~

~~**AND WHEREAS** IESO and OEFC wish to amend the Agreement to provide for an extension of the mandatory repayment date established in the Agreement to June 30, 2020;~~

~~**AND WHEREAS** IESO and OEFC wish to amend the Agreement to provide for the ability for Advances to be made on any business day up to a maximum of 12 times per year;~~

AND WHEREAS at the request of the IESO the parties wish to now amend the Agreement to accommodate IESO's role and obligations under the Ontario Fair Hydro Plan Act.

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as ~~–~~follows:

1.
The following definitions are added to Section 1.1 (Definitions) of the Agreement:

"Clean Energy Adjustment" has the same meaning as that term is defined in the Ontario Fair Hydro Plan Act, 2017.

"OFHP" means the *Ontario Fair Hydro Plan Act*, *2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

2. The definition of "Permitted Liens" in Section 1.1 (Definitions) of the Agreement is amended by deleting the word "and" at the end of subsection 1.1(j); replacing the "." at the end of subsection (1.1 (k) and replacing it with "and"; and adding the following subsection 1.1(l):

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~~1. Section 1.1 Definitions of the Agreement is amended as follows:~~
~~i) The definition of "Amalgamation" is deleted.~~

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael D. Manning
Title: Executive Director and Chief ~~Operating~~ Investment Officer

SCHEDULE 1

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $160,000,000 Date: 30 April, 2017

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid ("Grid") attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement dated April 23,2010, as amended by Amending Agreement No. 1 dated July 21, 2010, by Amending Agreement No. 2 dated October 14, 2011, by Amending Agreement No. 3 dated April 30, 2013, by Amending Agreement No. 4 dated April 30, 2014, by Amending Agreement No. 5 dated December 19, 2014, ~~and~~ by Amending Agreement No. 6 dated April 30, 2017, and by Amending Agreement No. 7 dated •, •, 2017 (collectively the "Agreement").

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before June 30, 2020.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance or part of an Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be prima facie evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Agreement. All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO. IESO waives presentment for payment, demand, protest, notice of dishonour and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

(Revolving Credit Facility April 30, 2017)

DATE	PRINCIPAL ADVANCED	RATE	REPAYMENT DATE	INTEREST AMOUNT	AMOUNT OF PAYMENT		UNPAID BALANCE			NOTATION MADE BY
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	REFINANCED (AMOUNT & DATE)	

AMENDING AGREEMENT NO. 7

This Amending Agreement is effective as of the • day of •, 2017.

BETWEEN: INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")

as Borrower

AND: ONTARIO ELECTRICITY FINANCIALCORPORATION ("OEFC")

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011, Amending Agreement No. 3 dated April 30, 2013, Amending Agreement No. 4 dated April 30, 2014, Amending Agreement No. 5 dated December 19, 2014 and Amending Agreement No. 6 dated April 30, 2017 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $160 million.

AND WHEREAS at the request of the IESO the parties wish to now amend the Agreement to accommodate IESO's role and obligations under the Ontario Fair Hydro Plan Act.

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1.
The following definitions are added to Section 1.1 (Definitions) of the Agreement:

> "Clean Energy Adjustment" has the same meaning as that term is defined in the Ontario Fair Hydro Plan Act, 2017.
>
> "OFHP" means the *Ontario Fair Hydro Plan Act, 2017,* S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

2. The definition of "Permitted Liens" in Section 1.1 (Definitions) of the Agreement is amended by deleting the word "and" at the end of subsection 1.1(j); replacing the "." at the end of subsection (1.1 (k) and replacing it with "and"; and adding the following subsection 1.1(l):

   (l) Any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation,

amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael D. Manning
Title: Executive Director and Chief Investment Officer

SCHEDULE 1

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $160,000,000 Date: 30 April, 2017

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid ("Grid") attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement dated April 23,2010, as amended by Amending Agreement No. 1 dated July 21, 2010, by Amending Agreement No. 2 dated October 14, 2011, by Amending Agreement No. 3 dated April 30, 2013, by Amending Agreement No. 4 dated April 30, 2014, by Amending Agreement No. 5 dated December 19, 2014, by Amending Agreement No. 6 dated April 30, 2017, and by Amending Agreement No. 7 dated •, •, 2017 (collectively the "Agreement").

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before June 30, 2020.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance or part of an Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be prima facie evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Agreement. All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO. IESO waives presentment for payment, demand, protest, notice of dishonour and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

(Revolving Credit Facility April 30, 2017)

DATE	PRINCIPAL ADVANCED	RATE	REPAYMENT DATE	INTEREST AMOUNT	AMOUNT OF PAYMENT		UNPAID BALANCE			NOTATION MADE BY
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	REFINANCED (AMOUNT & DATE)	

From:	Ryan Blackbyrne
To:	Lisa Stein
Cc:	Sarah Harris; Jean-Francois Beaupre
Subject:	RE: $120M Note - amending agreement no.7 (blackline to no.6) rev.docx
Date:	Wednesday, November 29, 2017 11:35:35 AM
Attachments:	$120M Note - amending agreement no.7 (Lisa changes) rev.docx $160M revolving credit - amending agreement no.7 (Lisa Changes blackline).docx $160M revolving credit - amending agreement no.7 (Lisa Changes clean).docx

Hi Lisa,

I agreed with your changes and completed the suggested amendments. Please find them attached and let me know your comments.

Thank you,
Ryan

From: Lisa Stein
Sent: Wednesday, November 29, 2017 10:49 AM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Subject: $120M Note - amending agreement no.7 (blackline to no.6) rev.docx

Hi Ryan,

Please see attached a black-lined version of AA no. 7 with my suggested amendments and comments. Please review and send me a revised version for review (black-lined from my version)

I have not yet reviewed the Amending Agreement for the $160M note – please use these amendments to update that amending agreement (where required) and then send me an updated version for review.

Please let me know if you would like to discuss.

Thank you,

Lisa

Lisa N. Stein
Legal Counsel
Ontario Financing Authority
416-325-2320

****
This message, including any attachments, is intended only for the use of the individual(s) to which it is addressed and contains information that is privileged/confidential. Any other distribution, copying or disclosure is strictly prohibited. If you are not the intended recipient or have received this message in error, please notify the sender immediately by reply e-mail and permanently delete this message, including any attachments, without reading it or making a copy. Thank you.
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AMENDING AGREEMENT NO. 6

This Amending Agreement is made as of the [DATE], 2017 between:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")

WHEREAS IESO and OEFC have entered into an agreement providing for the Issuance of a Note dated April 1, 1999 (the "Original Agreement");

AND WHEREAS pursuant to amending agreements dated March 23, 2000, April 23, 2009, May 1, 2011, May 1, 2013, April 30, 2014 and April 30, 2017 the parties amended the Original Agreement (as so amended, the "Agreement");

AND WHEREAS at the request of the IESO the parties wish to now amend the Agreement to accommodate IESO's role and obligations under the Ontario Fair Hydro Plan Act.

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and sufficiency of which are hereby acknowledged by each party), the parties agree as follows:

1.
The following definitions are added to Section 1.1 (Definitions) of the Agreement:

"Clean Energy Adjustment" has the same meaning as that term is defined in the Ontario Fair Hydro Plan Act, 2017.

"OFHP" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

2. The definition of "Permitted Liens" in Section 1.1 (Definitions) of the Agreement is amended by deleting the word "and" at the end of subsection 1.1(j); replacing the "." at the end of subsection (1.1 (k) and replacing it with "and"; and adding the following subsection 1.1(l):

(l) Any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

Commented [LS1]: Add

Commented [RB2R1]: Used same definition as the one used in IESO-OFA Revolving Credit Facility Agreement executed on Nov 6, 2017

Commented [LS3]: Add definition

Commented [RB4R3]: Added

.

IN ALL OTHER RESPECTS, the Agreement is confirmed by the parties.

IN WITNESS WHEREOF the parties have executed and delivered this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael D. Manning
Title: Executive Director and Chief Investment Officer

Commented [LS5]: Confirm title

Commented [RB6R5]: Confirmed

AMENDING AGREEMENT NO. ~~6~~7

This Amending Agreement is effective as of the •~~30~~ day of •~~April~~, 2017.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL ~~–~~CORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011, Amending Agreement No. 3 dated April 30, 2013, Amending Agreement No. 4 dated April 30, 2014, ~~and~~ Amending Agreement No. 5 dated December 19, 2014 and Amending Agreement No. 6 dated April 30, 2017 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $~~95~~ 160 million.

~~**AND WHEREAS** IESO and OEFC wish to amend the Agreement to increase the revolving line of credit from a principal amount of CDN $95 million to a principal amount of up to CDN $160 million to provide funding for IESO Corporate Requirements (as defined herein);~~

~~**AND WHEREAS** IESO and OEFC wish to amend the Agreement to provide for an extension of the mandatory repayment date established in the Agreement to June 30, 2020;~~

~~**AND WHEREAS** IESO and OEFC wish to amend the Agreement to provide for the ability for Advances to be made on any business day up to a maximum of 12 times per year;~~

AND WHEREAS at the request of the IESO the parties wish to now amend the Agreement to accommodate IESO's role and obligations under the Ontario Fair Hydro Plan Act.

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as ~~–~~follows:

1.
The following definitions are added to Section 1.1 (Definitions) of the Agreement:

"Clean Energy Adjustment" has the same meaning as that term is defined in the Ontario Fair Hydro Plan Act, 2017.

"OFHP" means the *Ontario Fair Hydro Plan Act*, *2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

2. The definition of "Permitted Liens" in Section 1.1 (Definitions) of the Agreement is amended by deleting the word "and" at the end of subsection 1.1(j); replacing the "." at the end of subsection (1.1 (k) and replacing it with "and"; and adding the following subsection 1.1(l):

(l) Any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

~~1. Section 1.1 Definitions of the Agreement is amended as follows:~~
~~i) The definition of "Amalgamation" is deleted.~~

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael D. Manning
Title: Executive Director and Chief ~~Operating~~ Investment Officer

SCHEDULE 1

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $160,000,000 Date: 30 April, 2017

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid ("Grid") attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement dated April 23,2010, as amended by Amending Agreement No. 1 dated July 21, 2010, by Amending Agreement No. 2 dated October 14, 2011, by Amending Agreement No. 3 dated April 30, 2013, by Amending Agreement No. 4 dated April 30, 2014, by Amending Agreement No. 5 dated December 19, 2014, ~~and~~ by Amending Agreement No. 6 dated April 30, 2017, and by Amending Agreement No. 7 dated •, •, 2017 (collectively the "Agreement").

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before June 30, 2020.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance or part of an Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be prima facie evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Agreement. All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO. IESO waives presentment for payment, demand, protest, notice of dishonour and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

(Revolving Credit Facility April 30, 2017)

DATE	PRINCIPAL ADVANCED	RATE	REPAYMENT DATE	INTEREST AMOUNT	AMOUNT OF PAYMENT		UNPAID BALANCE			NOTATION MADE BY
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	REFINANCED (AMOUNT & DATE)	

AMENDING AGREEMENT NO. 7

This Amending Agreement is effective as of the • day of •, 2017.

BETWEEN: INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")

as Borrower

AND: ONTARIO ELECTRICITY FINANCIALCORPORATION ("OEFC")

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011, Amending Agreement No. 3 dated April 30, 2013, Amending Agreement No. 4 dated April 30, 2014, Amending Agreement No. 5 dated December 19, 2014 and Amending Agreement No. 6 dated April 30, 2017 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $160 million.

AND WHEREAS at the request of the IESO the parties wish to now amend the Agreement to accommodate IESO's role and obligations under the Ontario Fair Hydro Plan Act.

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1.
The following definitions are added to Section 1.1 (Definitions) of the Agreement:

> "Clean Energy Adjustment" has the same meaning as that term is defined in the Ontario Fair Hydro Plan Act, 2017.
>
> "OFHP" means the *Ontario Fair Hydro Plan Act, 2017,* S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

2. The definition of "Permitted Liens" in Section 1.1 (Definitions) of the Agreement is amended by deleting the word "and" at the end of subsection 1.1(j); replacing the "." at the end of subsection (1.1 (k) and replacing it with "and"; and adding the following subsection 1.1(l):

   (l) Any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation,

amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael D. Manning
Title: Executive Director and Chief Investment Officer

SCHEDULE 1

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $160,000,000 Date: 30 April, 2017

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid ("Grid") attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement dated April 23,2010, as amended by Amending Agreement No. 1 dated July 21, 2010, by Amending Agreement No. 2 dated October 14, 2011, by Amending Agreement No. 3 dated April 30, 2013, by Amending Agreement No. 4 dated April 30, 2014, by Amending Agreement No. 5 dated December 19, 2014, by Amending Agreement No. 6 dated April 30, 2017, and by Amending Agreement No. 7 dated •, •, 2017 (collectively the "Agreement").

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before June 30, 2020.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance or part of an Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be prima facie evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Agreement. All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO. IESO waives presentment for payment, demand, protest, notice of dishonour and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

(Revolving Credit Facility April 30, 2017)

DATE	PRINCIPAL ADVANCED	RATE	REPAYMENT DATE	INTEREST AMOUNT	AMOUNT OF PAYMENT		UNPAID BALANCE			NOTATION MADE BY
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	REFINANCED (AMOUNT & DATE)	

From:	Ryan Blackbyrne
To:	Lisa Stein
Cc:	Sarah Harris; Jean-Francois Beaupre
Subject:	RE: $160M revolving credit - amending agreement no.7 (Lisa Changes blackline) -LS comments.docx
Date:	Wednesday, November 29, 2017 2:13:29 PM
Attachments:	$160M revolving credit - amending agreement no.7 -LS comments.docx

Hi Lisa,

As per your previous email, I reviewed the previous amending agreements and the only relevant amendment was in Amending Agreement No. 6 dated April 30, 2017. In that Amending Agreement a definition of Ontario's Fair Hydro Plan was added. As a result, I changed the attached agreement with language to "delete and replace" rather than just "add" the revised definition of OFHP. I also included your suggested edits in the attached. Please let us know if you have any comments.

Thank You,
Ryan

From: Lisa Stein
Sent: Wednesday, November 29, 2017 12:45 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Subject: $160M revolving credit - amending agreement no.7 (Lisa Changes blackline) -LS comments.docx

Hi Ryan,

Please see my comments and suggested amendments, attached (similar to previous amending agreement). However, as per my earlier e-mail, before proceeding, we need to ensure that there were no relevant amendments under the previous amending agreements.

Thank you,

Lisa

Lisa N. Stein
Legal Counsel
Ontario Financing Authority
416-325-2320

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****

AMENDING AGREEMENT NO. 7

This Amending Agreement is effective as of the • day of •, 2017.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIALCORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011, Amending Agreement No. 3 dated April 30, 2013, Amending Agreement No. 4 dated April 30, 2014, Amending Agreement No. 5 dated December 19, 2014 and Amending Agreement No. 6 dated April 30, 2017 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $160 million.

AND WHEREAS at the request of the IESO the parties wish to now amend the Agreement to accommodate IESO's role and obligations under the *Ontario Fair Hydro Plan Act, 2017*.

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. The following definition is added to Section 1.1 (Definitions) of the Agreement:

   "Clean Energy Adjustment" has the same meaning as that term is defined in the OFHP.

2. The definition of "Ontario's Fair Hydro Plan" originally added to Section 1.1 (Definitions) in Amending Agreement No. 6 dated April 30, 2017 is deleted and replaced with:

   "OFHP" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

3. The definition of "Permitted Liens" in Section 1.1 (Definitions) of the Agreement is amended by deleting the word "and" at the end of subsection 1.1(j); replacing the "." at the end of subsection (1.1 (k) and replacing it with "and"; and adding the following subsection 1.1(l):

(l) Any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael D. Manning
Title: Executive Director and Chief Investment Officer

From:	Ryan Blackbyrne
To:	Lisa Stein
Cc:	Sarah Harris; Jean-Francois Beaupre
Subject:	RE: $160M revolving credit - amending agreement no.7 (Lisa Changes blackline) -LS comments.docx
Date:	Wednesday, November 29, 2017 2:13:29 PM
Attachments:	$160M revolving credit - amending agreement no.7 -LS comments.docx

Hi Lisa,

As per your previous email, I reviewed the previous amending agreements and the only relevant amendment was in Amending Agreement No. 6 dated April 30, 2017. In that Amending Agreement a definition of Ontario's Fair Hydro Plan was added. As a result, I changed the attached agreement with language to "delete and replace" rather than just "add" the revised definition of OFHP. I also included your suggested edits in the attached. Please let us know if you have any comments.

Thank You,

Ryan

From: Lisa Stein
Sent: Wednesday, November 29, 2017 12:45 PM
To: Ryan Blackbyrne
Cc: Sarah Harris ; Jean-Francois Beaupre
Subject: $160M revolving credit - amending agreement no.7 (Lisa Changes blackline) -LS comments.docx

Hi Ryan,

Please see my comments and suggested amendments, attached (similar to previous amending agreement). However, as per my earlier e-mail, before proceeding, we need to ensure that there were no relevant amendments under the previous amending agreements.

Thank you,

Lisa

Lisa N. Stein
Legal Counsel
Ontario Financing Authority
416-325-2320

****
This message, including any attachments, is intended only for the use of the individual(s) to which it is addressed and contains information that is privileged/confidential. Any other distribution, copying or disclosure is strictly prohibited. If you are not the intended recipient or have received this message in error, please notify the sender immediately by reply e-mail and permanently delete this message, including any attachments, without reading it or making a copy. Thank you.
****

AMENDING AGREEMENT NO. 7

This Amending Agreement is effective as of the • day of •, 2017.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIALCORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011, Amending Agreement No. 3 dated April 30, 2013, Amending Agreement No. 4 dated April 30, 2014, Amending Agreement No. 5 dated December 19, 2014 and Amending Agreement No. 6 dated April 30, 2017 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $160 million.

AND WHEREAS at the request of the IESO the parties wish to now amend the Agreement to accommodate IESO's role and obligations under the *Ontario Fair Hydro Plan Act, 2017*.

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. The following definition is added to Section 1.1 (Definitions) of the Agreement:

   "Clean Energy Adjustment" has the same meaning as that term is defined in the OFHP.

2. The definition of "Ontario's Fair Hydro Plan" originally added to Section 1.1 (Definitions) in Amending Agreement No. 6 dated April 30, 2017 is deleted and replaced with:

   "OFHP" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

3. The definition of "Permitted Liens" in Section 1.1 (Definitions) of the Agreement is amended by deleting the word "and" at the end of subsection 1.1(j); replacing the "." at the end of subsection (1.1 (k) and replacing it with "and"; and adding the following subsection 1.1(l):

(l) Any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael D. Manning
Title: Executive Director and Chief Investment Officer

From: Ryan Blackbyrne
To: Linda Smith
Cc: Sarah Harris
Subject: RE: $200M OPG Borrowing Notice
Date: Monday, January 15, 2018 4:05:26 PM
Attachments: Proposed $200M OPG Advance due January 22 2048.docx

---

Hi Linda,

As per our discussions last week, please find attached a letter of consent for the proposed $200M advance to OPG. We worked with Lisa Stein in OFA legal to draft the letter. If you have any comments/suggestions please let us know.

Thank You,

Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M5G 1Z3
416-325-8143
ryan.blackbyrne@ofina.on.ca

Ontario Electricity Financial Corporation
1 Dundas Street West
Suite 1400
Toronto ON M7A 1Y7
(416) 325-8000

Société financière de l'industrie de l'électricité de l'Ontario
1 rue Dundas ouest
Bureau 1400
Toronto ON M7A 1Y7

January 15, 2018

Ken Hartwick
Ontario Power Generation Inc.
700 University Avenue, H18
Toronto, M5G 1X6

Re: **$200,000,000 Proposed Advance under Borrowing Notice Dated January 8, 2018**

Dear Ken,

The Ontario Electricity Financial Corporation ("OEFC") is in receipt of the Borrowing Notice provided by Ontario Power Generation ("OPG") to the OFA dated January 8, 2018 for the Proposed Advance of $200,000,000 (the "January 8, 2018 Borrowing Notice") under the General Corporate Requirements Credit Facility Agreement between OPG and OEFC dated June 16, 2016, as amended (the "Credit Agreement"), the terms defined therein being used herein as therein defined.

For the sole purpose of the January 8, 2018 Borrowing Notice, OEFC hereby agrees to modify the requirement set out in section 3.1 of the Credit Agreement that no more than 50% of the Proposed Advances for 2018 shall have a Repayment Date of no more than 30 years. As such, notwithstanding the total amount of Proposed Advances under the Credit Agreement for 2018, OEFC consents to a Repayment Date of 30 years from the date of the Proposed Advance under the Borrowing Notice, for the full principal amount of the Proposed Advance.

Accordingly, OEFC waives the requirement as set out in Section 3.2 and Schedule 1 of the Credit Agreement for OPG to provide the following certification in the January 8, 2018 Borrowing Notice:

> "The Repayment Date of any of the Proposed Advance(s) for 2018 is (a) no more than 30 years after the date of such Proposed Advance for no more than 50% of the total of all Proposed Advances for 2018 and (b) no more than 10 years after the date of the Proposed Advance for the remaining amount of the Proposed Advances for 2018."

Subject to the foregoing, section 3.1 of the Credit Agreement applies to all future Proposed Advances.

Best Regards,

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael D. Manning
Title: Chief Operating Officer

From: Linda Smith
To: Ryan Blackbyrne
Cc: Sarah Harris
Subject: RE: $200M OPG Borrowing Notice
Date: Tuesday, January 16, 2018 8:43:53 AM

Looks ok to me. Let me know if you want me to get Mike to sign it.

From: Ryan Blackbyrne
Sent: Monday, January 15, 2018 4:05 PM
To: Linda Smith
Cc: Sarah Harris
Subject: RE: $200M OPG Borrowing Notice

Hi Linda,

As per our discussions last week, please find attached a letter of consent for the proposed $200M advance to OPG. We worked with Lisa Stein in OFA legal to draft the letter. If you have any comments/suggestions please let us know.

Thank You,

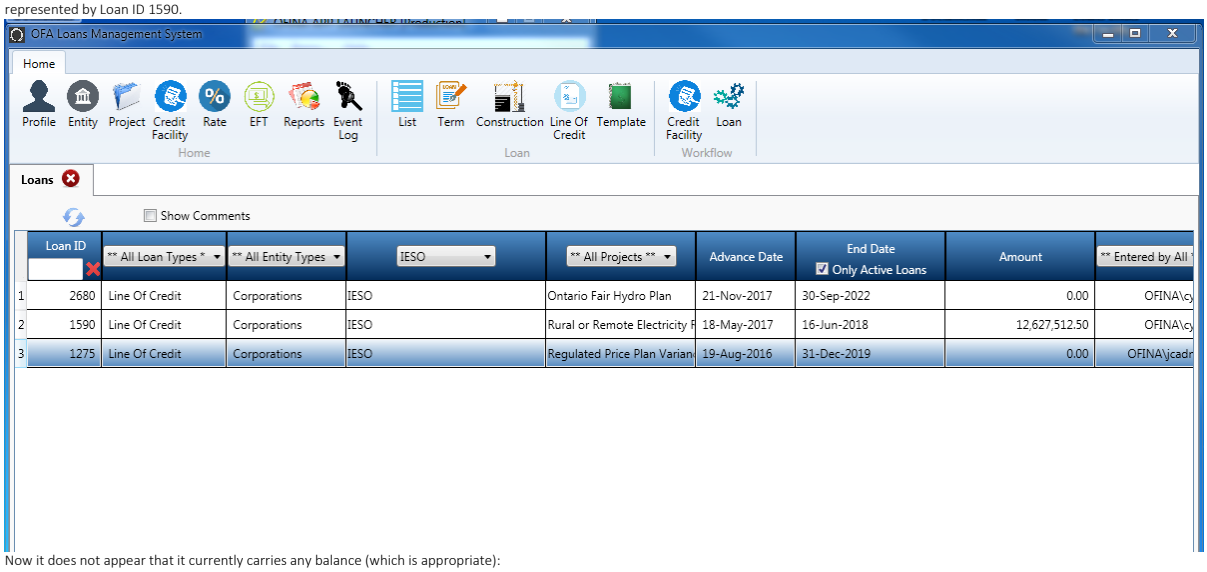
Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M5G 1Z3
416-325-8143
ryan.blackbyrne@ofina.on.ca

From: Risa Thau
To: William Tan
Cc: Sarah Harris; Andrea Dalgarno
Subject: RE: 975M IESO LOC in OLMS-Status Concern
Date: Wednesday, January 24, 2018 9:27:23 AM
Attachments: image001.png
image002.png
image003.png

Hi Will,
OLMS still does not allow two different projects under one credit facility. That is why there are two credit facilities set up for IESO - one for $2 billion for the Ontario Fair Hydro Plan and the second one for $475 million for the Rural and Remote Electricity Rate Protection Variance. I will work with Craig Walsh and Vivek to enhance OLMS to correct this but it will probably take a few months.
Thanks,
Risa Thau

From: William Tan
Sent: Tuesday, January 23, 2018 10:52 AM
To: Risa Thau
Cc: Sarah Harris ; Andrea Dalgarno
Subject: FW: 975M IESO LOC in OLMS-Status Concern
Hello Risa,
In OLMS, Andrea raised a question regarding Loan ID 1590 still appearing in the system as $975 million when she filters for "Line of Credit":
"List" and filters for "Line of Credit". Andrea is working on another matter but would like to understand the logic behind it to assist her in her understanding. More details below.
Thanks,
Will

From: Andrea Dalgarno
Sent: Tuesday, January 23, 2018 9:57 AM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: 975M IESO LOC in OLMS-Status Concern
Hi Will,
Sarah suggested you may be the best person to address this issue given your involvement in the amendment from 975 Million to 475 Million back in November.
It seems odd that when I call up active Lines of Credit (via "LIST" function) for IESO in OLMS below Loan Id 1275 is still appearing given it is the 975 Million which I think was replaced by the 475 million represented by Loan ID 1590.



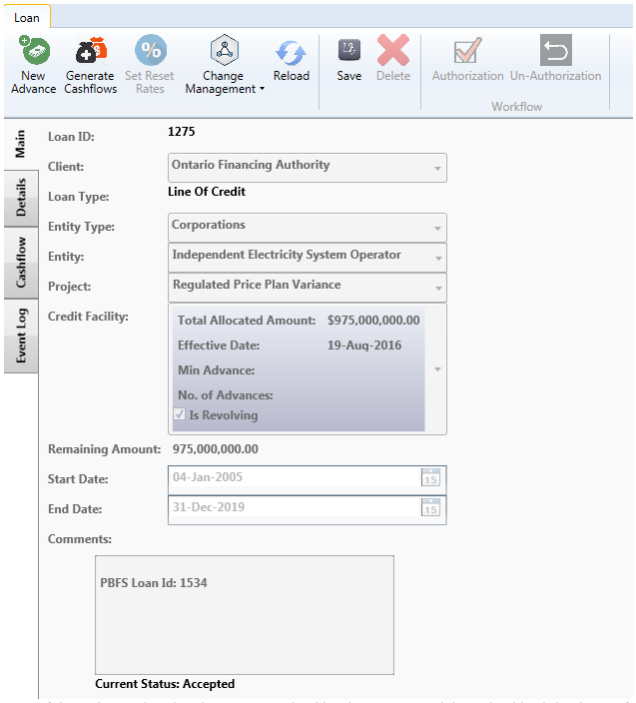
Now it does not appear that it currently carries any balance (which is appropriate):

Ontario Financing Authority
Line of Credit Grid Note

Entity : IESO
Project: Regulated Price Plan Variance
Schedule of loan transactions to: 23-Jan-2018
Loan Limit: 975,000,000.00
Loan Advanced to: 23-Jan-2018

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days
19-Aug-2016	$94,951,024.00	0.8300%	19-Sep-2016	31	$65,321.10	$95,078,202.37	$94,951,024.00	$127,178.37	20-Jan-2017	154
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20-Jun-2017	$109,986,030.30	1.2500%	21-Jul-2017	31	$116,765.99	$110,477,351.46	$109,986,030.30	$491,321.16	21-Nov-2017	154
21-Jul-2017	$136,581,867.69	1.2500%	21-Aug-2017	31	$145,001.30	$137,100,354.91	$136,581,867.69	$518,487.22	21-Nov-2017	123
21-Aug-2017	$148,134,438.04	1.2500%	21-Sep-2017	31	$157,266.01	$148,570,967.91	$148,134,438.04	$436,529.87	21-Nov-2017	92
21-Sep-2017	$210,261,264.44	1.2500%	20-Oct-2017	29	$223,222.58	$210,700,508.86	$210,261,264.44	$439,244.42	21-Nov-2017	61
20-Oct-2017	$220,675,501.53	1.2500%	21-Nov-2017	32	$234,278.79	$220,917,337.70	$220,675,501.53	$241,836.17	21-Nov-2017	32

But the end date is out in the future:



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Can you sort through this if need be with the owners of the system (OLMS). If there is no problem with how it is appearing it would be helpful to know the rationale.
I noticed this issue as I am working with Corporate Finance on revised reporting for available authority related to OFA loans.
Thank you as always.
Regards,

Andrea Dalgarno
Documentation & Analysis Specialist
Ontario Financing Authority
Tel 416-212-7451

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Loans

Show Comments

	Loan ID	** All Loan Types *	** All Entity Types	IESO	** All Projects **	Advance Date	End Date (Only Active Loans)	Amount	** Entered by All
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3	1275	Line Of Credit	Corporations	IESO	Regulated Price Plan Varian	19-Aug-2016	31-Dec-2019	0.00	OFINA\jcadr

Ontario Financing Authority

Line of Credit Grid Note

Entity : IESO

Project: Regulated Price Plan Variance

Schedule of loan transactions to: 23-Jan-2018

Loan Limit: 975,000,000.00

Loan Advanced to: 23-Jan-2018

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Loan

New Advance | Generate Cashflows | Set Reset Rates | Change Management | Reload | Save | Delete | Authorization | Un-Authorization

Workflow

Main | Details | Cashflow | Event Log

Loan ID: 1275

Client: Ontario Financing Authority

Loan Type: Line Of Credit

Entity Type: Corporations

Entity: Independent Electricity System Operator

Project: Regulated Price Plan Variance

Credit Facility:

Total Allocated Amount: $975,000,000.00

Effective Date: 19-Aug-2016

Min Advance:

No. of Advances:

Is Revolving

Remaining Amount: 975,000,000.00

Start Date: 04-Jan-2005

End Date: 31-Dec-2019

Comments:

PBFS Loan Id: 1534

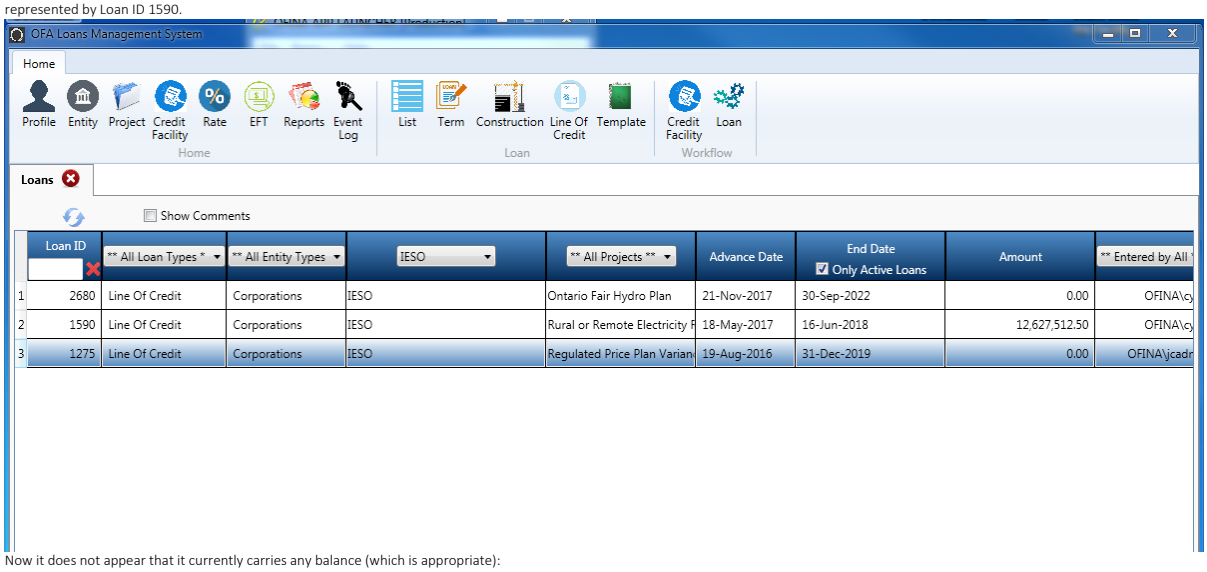
Current Status: Accepted

From: Risa Thau
To: William Tan
Cc: Sarah Harris; Andrea Dalgarno
Subject: RE: 975M IESO LOC in OLMS-Status Concern
Date: Wednesday, January 24, 2018 9:27:23 AM
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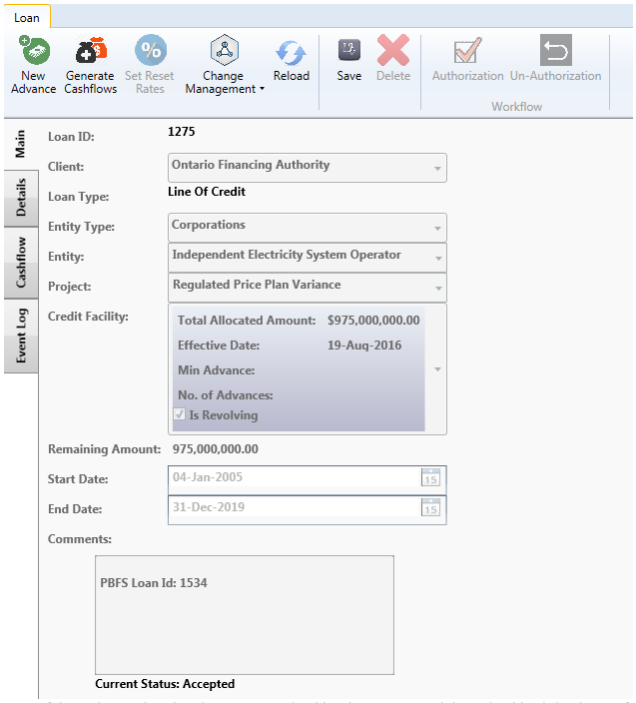
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Andrea Dalgarno
Documentation & Analysis Specialist
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Tel 416-212-7451

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Show Comments

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Ontario Financing Authority

Line of Credit Grid Note

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21-Sep-2017	$210,261,264.44	1.2500%	20-Oct-2017	29	$223,222.58	$210,700,508.86	$210,261,264.44	$439,244.42	21-Nov-2017	61
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Loan

New Advance | Generate Cashflows | Set Reset Rates | Change Management | Reload | Save | Delete | Authorization | Un-Authorization

Workflow

Main | Details | Cashflow | Event Log

Loan ID: 1275

Client: Ontario Financing Authority

Loan Type: Line Of Credit

Entity Type: Corporations

Entity: Independent Electricity System Operator

Project: Regulated Price Plan Variance

Credit Facility:

Total Allocated Amount: $975,000,000.00

Effective Date: 19-Aug-2016

Min Advance:

No. of Advances:

Is Revolving

Remaining Amount: 975,000,000.00

Start Date: 04-Jan-2005

End Date: 31-Dec-2019

Comments:

PBFS Loan Id: 1534

Current Status: Accepted

From: Opal Kandelas
To: Andrea Dalgarno
Cc: Sarah Harris
Subject: RE: BN - Lending Directive for Loan to OCRC.docx
Date: Tuesday, March 27, 2018 4:59:19 PM

Hi Andrea,
Could you please send Garth a template of an LRC note? Once he has drafted the briefing note and LRC note we can assist with review. There are still though a lot of moving pieces here so this could be a very interesting project!
Thanks,
Opal.

From: Garth Parish
Sent: Tuesday, March 27, 2018 3:46 PM
To: Opal Kandelas ; Sarah Harris ; Malle Hanslep (MOF)
Cc: Andrea Dalgarno ; Dimitri Markoulakis (MOF) ; Mara Bakic ; Anna Strathy
Subject: RE: BN - Lending Directive for Loan to OCRC.docx
Hi Opal,
Yes, will do.
Regards,
Garth

From: Opal Kandelas
Sent: March-27-18 3:34 PM
To: Garth Parish <Garth.Parish@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Malle Hanslep (MOF) <Malle.Hanslep@ontario.ca>
Cc: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>; Dimitri Markoulakis (MOF) <Dimitri.Markoulakis@ontario.ca>; Mara Bakic <Mara.Bakic@ofina.on.ca>; Anna Strathy <Anna.Strathy@ofina.on.ca>
Subject: RE: BN - Lending Directive for Loan to OCRC.docx
Hi Garth,
Would you please share a briefing note, draft Minister's directive and any other pertinent materials with us. The date for submitting a package for the April 16 LRC has long passed, but we can work towards getting this item to the DMO. An LRC Note will need to be prepared by CEFD as soon as possible. I've cc'd Anna so that she is aware.
Please send Anna a brief description of the issue so as to inform her discussions with DMO.
Thanks,
Opal

From: Garth Parish
Sent: Tuesday, March 27, 2018 2:29 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>; Malle Hanslep (MOF) <Malle.Hanslep@ontario.ca>
Cc: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Dimitri Markoulakis (MOF) <Dimitri.Markoulakis@ontario.ca>; Mara Bakic <Mara.Bakic@ofina.on.ca>
Subject: RE: BN - Lending Directive for Loan to OCRC.docx
Hi Sarah,

As Malle says, the best approach and the approach we, including Gadi, are recommending is that the "commitment" (in whatever form) be provided by MOH.
However, it appears as though the loan will be required eventually and will only work under a 35 year amortization (again Gadi has agreed to this amortization in principle), so we will need to amend the OIC. Given that our Plan B, which may be needed, is to provide some joint assurance MOF/MOH to HOOPP by April 30, I would like to work with Capital Markets to try to get the OIC in place so that we can use Plan B if necessary.
If you agree, just let me know what you need from me.
Thanks,
Garth

From: Sarah Harris
Sent: March-27-18 1:11 PM
To: Malle Hanslep (MOF) <Malle.Hanslep@ontario.ca>
Cc: Garth Parish <Garth.Parish@ofina.on.ca>; Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Dimitri Markoulakis (MOF) <Dimitri.Markoulakis@ontario.ca>
Subject: RE: BN - Lending Directive for Loan to OCRC.docx

Malle,
Thank you very much for your quick response.
Garth – I'm not familiar with the various inputs Malle has mentioned below with the loan, and the timing for getting these. Is it possible to obtain all the required approvals, etc. prior to April 30th? As Malle indicates, a binding commitment doesn't seem possible without these elements. On the other hand, if it is possible, we could try to make the case for including an amending OIC for the April 16th LRC.
Thanks,
Sarah

From: Hanslep, Malle (MOF) [mailto:Malle.Hanslep@ontario.ca]
Sent: Tuesday, March 27, 2018 12:49 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: Garth Parish <Garth.Parish@ofina.on.ca>; Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Dimitri Markoulakis (MOF) <Dimitri.Markoulakis@ontario.ca>
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Cc: Parish, Garth (OFA); Dalgarno, Andrea (OFA); Kandelas, Opal (OFA)
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Please advise the best way to proceed towards the required OIC amendment re timing.
Thanks. I will call to follow up.
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Regards,
Andrea

From: Garth Parish
Sent: Wednesday, December 06, 2017 1:52 PM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>
Cc: Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Daki Proudfoot <Daki.Proudfoot@ofina.on.ca>; Mara Bakic <Mara.Bakic@ofina.on.ca>; Bonnie Lemcke <Bonnie.Lemcke@ofina.on.ca>
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Hi Andrea,
That's great. Thank you very much.
We may have some updates/comments to follow.
Thanks,
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Based on this July 11, 2017 listing, the remaining authority under the two OIC's are as follows:

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So it seems, we should be able to draw on OIC 675/97 for the additional loans you reference given it was noted in the BN you attached that the 2017-2018 OFA Borrowing and On-lending Plan was set at $486 million and apparently $250 million of that was postponed to 2018-2019.
Let me know should you have any further question or concerns.
Regards,
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From: Garth Parish
Sent: Tuesday, December 05, 2017 3:37 PM
To: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Cc: Bonnie Zhang <Bonnie.Zhang@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: BN - Lending Directive for Loan to OCRC.docx

Hi Jean-Francois,
You will see in the highlighted section below that Lisa is asking that we confirm that 2 OFA loans we are working on:

- $150 million to the Ontario Cannabis Retail Corporation
- $100 million to St Michael's hospital

are covered by the "existing on-lending OIC's".
I don't know who would keep a registry of the OICs and what loans they cover. Would your group have this registry?
Thanks,
Garth

From: Lisa Stein
Sent: December-04-17 1:25 PM
To: Garth Parish <Garth.Parish@ofina.on.ca>
Cc: Bonnie Zhang <Bonnie.Zhang@ofina.on.ca>
Subject: BN - Lending Directive for Loan to OCRC.docx

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I'm still working on the directive for the OCRC loan. In the meantime, can you please confirm that this loan is covered by the existing on-lending OICs (as referenced in the draft note)?
Thank you,
Lisa

Lisa N. Stein
Legal Counsel
Ontario Financing Authority
416-325-2320
****
This message, including any attachments, is intended only for the use of the individual(s) to which it is addressed and contains

information that is privileged/confidential. Any other distribution, copying or disclosure is strictly prohibited. If you are not the intended recipient or have received this message in error, please notify the sender immediately by reply e-mail and permanently delete this message, including any attachments, without reading it or making a copy. Thank you.
****

From:	Hanslep, Malle (MOF)
To:	Sarah Harris
Cc:	Garth Parish; Andrea Dalgarno; Opal Kandelas; Dimitri Markoulakis (MOF)
Subject:	RE: BN - Lending Directive for Loan to OCRC.docx
Date:	Tuesday, March 27, 2018 12:49:07 PM

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Also just thinking general about this project, is it anticipated that any other approvals or signing of agreements, etc. would be proposed during the writ period?
Thanks,
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Cc: Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Daki Proudfoot <Daki.Proudfoot@ofina.on.ca>; Mara Bakic <Mara.Bakic@ofina.on.ca>; Bonnie Lemcke <Bonnie.Lemcke@ofina.on.ca>
Subject: RE: BN - Lending Directive for Loan to OCRC.docx

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Regards,

Andrea

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Subject: RE: BN - Lending Directive for Loan to OCRC.docx

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We may have some updates/comments to follow.

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Legal Counsel
Ontario Financing Authority
416-325-2320
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To:	Sarah Harris
Subject:	RE: BN - Lending Directive for Loan to OCRC.docx
Date:	Tuesday, March 27, 2018 12:24:05 PM

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From: Sarah Harris
Sent: Tuesday, March 27, 2018 12:21 PM
To: Malle Hanslep (MOF)
Cc: Garth Parish ; Andrea Dalgarno ; Opal Kandelas
Subject: FW: BN - Lending Directive for Loan to OCRC.docx

Hello Malle,

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In short, the OFA has the available room under its existing lending OICs (i.e. the OICs where the OFA borrows from Her Majesty, and then in turn makes loans to public bodies), but the expiry dates of the existing OICs are shorter than the proposed maturity. The OICs expire in 2041 and the loan would mature in late 2054. In order for the St. Micheal's loan to occur, there has to be a binding assurance to HOOPP by April 30th that funds will be available to be advance in the summer of 2019. In order for us to provide this, we would need to get approval for an amending OIC to extend the expiry dates of the existing OICs to 2055.

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From: Andrea Dalgarno
Sent: Tuesday, March 27, 2018 11:46 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: BN - Lending Directive for Loan to OCRC.docx

FYI

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From:	Garth Parish
To:	Andrea Dalgarno
Cc:	Jean-Francois Beaupre; Daki Proudfoot; Lisa Stein; Sarah Harris
Subject:	RE: BN - Lending Directive for Loan to OCRC.docx
Date:	Wednesday, December 27, 2017 3:14:28 PM

HI Andrea,
Great. Thanks very much.
Garth

From: Andrea Dalgarno
Sent: December-27-17 7:11 AM
To: Garth Parish
Cc: Jean-Francois Beaupre ; Daki Proudfoot ; Lisa Stein ; Sarah Harris
Subject: RE: BN - Lending Directive for Loan to OCRC.docx

Hi,
OIC 1051-2012 (attached) is an amending OIC. Both of the OIC's I quoted below (see yellow in my last response) were referenced as being amended. So- I believe the answer is yes.
Regards,
Andrea

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Sent: Friday, December 22, 2017 5:14 PM
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Cc: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Daki Proudfoot <Daki.Proudfoot@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>
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To:	Garth Parish
Cc:	Jean-Francois Beaupre; Daki Proudfoot; Lisa Stein; Sarah Harris
Subject:	RE: BN - Lending Directive for Loan to OCRC.docx
Date:	Wednesday, December 27, 2017 7:10:55 AM
Attachments:	OIC 1051-2012.pdf

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You will see in the highlighted section below that Lisa is asking that we confirm that 2 OFA loans we are working on:

- $150 million to the Ontario Cannabis Retail Corporation
- $100 million to St Michael's hospital

are covered by the "existing on-lending OIC's".
I don't know who would keep a registry of the OICs and what loans they cover. Would your group have this registry?
Thanks,
Garth

From: Lisa Stein
Sent: December-04-17 1:25 PM
To: Garth Parish <Garth.Parish@ofina.on.ca>
Cc: Bonnie Zhang <Bonnie.Zhang@ofina.on.ca>
Subject: BN - Lending Directive for Loan to OCRC.docx

Hi Garth,
Please find attached some comments and suggested amendments to the draft briefing note, attached. I did not review the attachments; however, as discussed on Friday, they still reference the loan to St. Michael's hospital as well (and these references should be deleted).
I'm still working on the directive for the OCRC loan. In the meantime, can you please confirm that this loan is covered by the existing on-lending OICs (as referenced in the draft note)?
Thank you,
Lisa

Lisa N. Stein
Legal Counsel
Ontario Financing Authority
416-325-2320

****
This message, including any attachments, is intended only for the use of the individual(s) to which it is addressed and contains information that is privileged/confidential. Any other distribution, copying or disclosure is strictly prohibited. If you are not the intended recipient or have received this message in error, please notify the sender immediately by reply e-mail and permanently delete this message, including any attachments, without reading it or making a copy. Thank you.
****

Ontario
Executive Council
Conseil exécutif

Order in Council
Décret

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and concurrence of the Executive Council, orders that:

Sur la recommandation de la personne soussignée, le lieutenant-gouverneur, sur l'avis et avec le consentement du Conseil exécutif, décrète ce qui suit :

WHEREAS pursuant to Order in Council 675/97 made under subsection 22(1) of the *Capital Investment Plan Act, 1993*, the Minister of Finance is authorized to lend Two Billion One Hundred and Sixty Million Dollars in lawful money of Canada to the Ontario Financing Authority (the "OFA");

AND WHEREAS pursuant to Order in Council 767/99 made under subsection 22(1) of the *Capital Investment Plan Act, 1993*, the Minister of Finance is authorized to lend Six Hundred and Fifty-six Million Dollars in lawful money of Canada to the OFA;

AND WHEREAS pursuant to Order in Council 1883/2006 made under subsection 22(1) of the *Capital Investment Plan Act, 1993*, the Minister of Finance is authorized to lend Eight Hundred Million Dollars in lawful money of Canada to the OFA;

AND WHEREAS pursuant to Order in Council 2144/2007 made under subsection 22(1) of the *Capital Investment Plan Act, 1993*, the Minister of Finance is authorized to lend Two Billion Dollars in lawful money of Canada to the OFA;

AND WHEREAS pursuant to Order in Council 300/2010 made under subsection 22(1) of the *Capital Investment Plan Act, 1993,* the Minister of Finance is authorized to lend One Billion Eight Hundred Million Dollars in lawful money of Canada to the OFA;

AND WHEREAS pursuant to Order in Council 163/2012 made under subsection 22(1) of the *Capital Investment Plan Act, 1993,* the Minister of Finance is authorized to lend One Billion Seven Hundred Million Dollars in lawful money of Canada to the OFA;

AND WHEREAS the Province considers it expedient to amend Order in Council 675/97, Order in Council 767/99, Order in Council 1883/2006, Order in Council 2144/2007, Order in Council 300/2010 and Order in Council 163/2012 to allow the Minister of Finance to determine the spread to be retained by the OFA on advances made by the Minister of Finance to the OFA where the OFA subsequently loans those moneys to public bodies;

THEREFORE:

1. Order in Council 675/97, as amended by Order in Council 1709/98, Order in Council 844/2008, Order in Council 1723/2009 and Order in Council 1268/2010, is hereby amended by:

(i) deleting subparagraph (d)(ii) and replacing said subparagraph with the following subparagraph:

"(d)(ii) in the event that moneys included in an Advance are used by the OFA for the purpose of funding loans to third parties (a "Third Party Loan"), the rate of interest payable by the OFA to the Province on the portion of the Advance so used shall be adjusted effective as of the date that the portion of the Advance is used to fund the Third Party Loan so that the per annum rate of interest payable by the OFA on such moneys is equivalent to the per annum rate of interest payable to the OFA under the Third Party Loan less an amount as may be determined by the Minister of Finance in respect of such Third Party Loan or a class of such Third Party Loans, until but excluding the date on which the Third Party Loan is repaid, at which time the interest rate set out in subparagraph (i) shall again be applicable to that portion of the Advance; and"

2. Order in Council 767/99, as amended by Order in Council 844/2008, Order in Council 1723/2009 and Order in Council 1268/2010, is hereby amended by:

(i) deleting subparagraph (d)(ii) and replacing said subparagraph with the following subparagraph:

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subparagraph (i) shall again be applicable to that portion of the Advance; and"

3. Order in Council 1883/2006, as amended by Order in Council 844/2008, Order in Council 1723/2009 and Order in Council 1268/2010, is hereby amended by:

(i) deleting subparagraph (c)(ii) and replacing said subparagraph with the following subparagraph:

"(c)(ii) in the event that moneys included in an Advance are used by the OFA for the purpose of funding loans to third parties (a "Third Party Loan"), the rate of interest payable by the OFA to the Province on the portion of the Advance so used shall be adjusted effective as of the date that the portion of the Advance is used to fund the Third Party Loan so that the per annum rate of interest payable by the OFA on such moneys is equivalent to the per annum rate of interest payable to the OFA under the Third Party Loan less an amount as may be determined by the Minister of Finance in respect of such Third Party Loan or a class of such Third Party Loans, until but excluding the date on which the Third Party Loan is repaid, at which time the interest rate set out in subparagraph (i) shall again be applicable to that portion of the Advance; and"

4. Order in Council 2144/2007, as amended by Order in Council 844/2008, Order in Council 1723/2009 and Order in Council 1268/2010, is hereby amended by:

(i) deleting subparagraph (c)(ii) and replacing said subparagraph with the following subparagraph:

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5. Order in Council 300/2010, as amended by Order in Council 1268/2010, is hereby amended by:

(i) deleting subparagraph (c)(ii) and replacing said subparagraph with the following subparagraph:

"(c)(ii) in the event that moneys included in an Advance are used by the OFA for the purpose of funding loans to third parties (a "Third Party Loan"), the rate of interest payable by the OFA to the Province on the portion of the Advance so used shall be adjusted effective as of the date that the portion of the Advance is used to fund the Third Party Loan so that the per annum rate of interest payable by the OFA on such moneys is equivalent to the per annum rate of interest payable to the OFA under the Third Party Loan less an amount as may be determined by the Minister of Finance in respect of such Third Party Loan or a class of such Third Party Loans, until but excluding the date on which the Third Party Loan is repaid, at which time the interest rate set out in subparagraph (i) shall again be applicable to that portion of the Advance: and"

6. Order in Council 163/2012 is hereby amended by:

(i) deleting subparagraph (c)(ii) and replacing said subparagraph with the following subparagraph:

"(c)(ii) in the event that moneys included in an Advance are used by the OFA for the purpose of funding loans to third parties (a "Third Party Loan"), the rate of interest payable by the OFA to the Province on the portion of the Advance so used shall be adjusted effective as of the date that the portion of the Advance is used to fund the Third Party Loan so that the per annum rate of interest payable by the OFA on such moneys is equivalent to the per annum rate of interest payable to the OFA under the Third Party Loan less an amount as may be determined by the Minister of Finance in respect of such Third Party Loan or a class of such Third Party Loans, until but excluding the date on which the Third Party Loan is repaid, at which time the interest rate set out in subparagraph (i) shall again be applicable to that portion of the Advance: and"

7. The forms of promissory note which evidence the loans pursuant to Order in Council 675/97, Order in Council 767/99, Order in Council 1883/2006, Order in Council 2144/2007, Order in Council 300/2010 and Order in Council 163/2012, are

hereby amended, as applicable, to reflect the above changes to the Orders in Council in respect of all amounts advanced to the OFA on or after the date of this Order.

Recommended _____
Minister of Finance

Concurred _____
Chair of Cabinet

Approved and Ordered

JUL 18 2012
Date

_____
Lieutenant Governor

From:	Garth Parish
To:	Opal Kandelas; Sarah Harris; Malle Hanslep (MOF)
Cc:	Andrea Dalgarno; Dimitri Markoulakis (MOF); Mara Bakic; Anna Strathy
Subject:	RE: BN - Lending Directive for Loan to OCRC.docx
Date:	Tuesday, March 27, 2018 3:46:13 PM

Hi Opal,
Yes, will do.
Regards,
Garth

From: Opal Kandelas
Sent: March-27-18 3:34 PM
To: Garth Parish ; Sarah Harris ; Malle Hanslep (MOF)
Cc: Andrea Dalgarno ; Dimitri Markoulakis (MOF) ; Mara Bakic ; Anna Strathy
Subject: RE: BN - Lending Directive for Loan to OCRC.docx

Hi Garth,
Would you please share a briefing note, draft Minister's directive and any other pertinent materials with us. The date for submitting a package for the April 16 LRC has long passed, but we can work towards getting this item to the DMO. An LRC Note will need to be prepared by CEFD as soon as possible. I've cc'd Anna so that she is aware.
Please send Anna a brief description of the issue so as to inform her discussions with DMO.
Thanks,
Opal

From: Garth Parish
Sent: Tuesday, March 27, 2018 2:29 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>; Malle Hanslep (MOF) <Malle.Hanslep@ontario.ca>
Cc: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Dimitri Markoulakis (MOF) <Dimitri.Markoulakis@ontario.ca>; Mara Bakic <Mara.Bakic@ofina.on.ca>
Subject: RE: BN - Lending Directive for Loan to OCRC.docx

Hi Sarah,
As Malle says, the best approach and the approach we, including Gadi, are recommending is that the "commitment" (in whatever form) be provided by MOH.
However, it appears as though the loan will be required eventually and will only work under a 35 year amortization (again Gadi has agreed to this amortization in principle), so we will need to amend the OIC. Given that our Plan B, which may be needed, is to provide some joint assurance MOF/MOH to HOOPP by April 30, I would like to work with Capital Markets to try to get the OIC in place so that we can use Plan B if necessary.
If you agree, just let me know what you need from me.
Thanks,
Garth

From: Sarah Harris
Sent: March-27-18 1:11 PM
To: Malle Hanslep (MOF) <Malle.Hanslep@ontario.ca>
Cc: Garth Parish <Garth.Parish@ofina.on.ca>; Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>;

Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Dimitri Markoulakis (MOF) <Dimitri.Markoulakis@ontario.ca>
Subject: RE: BN - Lending Directive for Loan to OCRC.docx

Malle,

Thank you very much for your quick response.

Garth – I'm not familiar with the various inputs Malle has mentioned below with the loan, and the timing for getting these. Is it possible to obtain all the required approvals, etc. prior to April 30th? As Malle indicates, a binding commitment doesn't seem possible without these elements. On the other hand, if it is possible, we could try to make the case for including an amending OIC for the April 16th LRC.

Thanks,

Sarah

From: Hanslep, Malle (MOF) [mailto:Malle.Hanslep@ontario.ca]
Sent: Tuesday, March 27, 2018 12:49 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: Garth Parish <Garth.Parish@ofina.on.ca>; Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Dimitri Markoulakis (MOF) <Dimitri.Markoulakis@ontario.ca>
Subject: RE: BN - Lending Directive for Loan to OCRC.docx

Hi,

Dimitri has been working on this as well so copying him here. According to the current OIC's, OFA must repay the funds borrowed from the Province by 2040 (I haven't check them all now but assume that you have) so the OFA couldn't make a longer term loan to a third party such as the hospital without an amending OIC as you describe.

I think that the only thing that could be done is to see whether there is any possibility of walking this OIC in at this point if it is that critical. However, at the same time, I know that there have been numerous elements regarding this potential loan including possibly having MOHLTC provide an indemnity to the OFA regarding the repayment by the hospital. Not sure that we could in anyway provide a binding commitment that the money will be available in 2019 since there would be many other elements such as a Minister's directive, the negotiation of the loan agreement and due diligence that would make it conditional. However, it seems that the amendment to the OIC is a necessary precondition.

Also just thinking general about this project, is it anticipated that any other approvals or signing of agreements, etc. would be proposed during the writ period?

Thanks,

Malle

From: Sarah Harris [mailto:Sarah.Harris@ofina.on.ca]
Sent: March 27, 2018 12:21 PM
To: Hanslep, Malle (MOF)
Cc: Parish, Garth (OFA); Dalgarno, Andrea (OFA); Kandelas, Opal (OFA)
Subject: FW: BN - Lending Directive for Loan to OCRC.docx

Hello Malle,

I am writing to you to inquire about the timing for an approval for an OIC in relation to a loan that the OFA may be making to St. Michael's, as detailed below.

In short, the OFA has the available room under its existing lending OICs (i.e. the OICs where the OFA borrows from Her Majesty, and then in turn makes loans to public bodies), but the expiry dates of the existing OICs are shorter than the proposed maturity. The OICs expire in 2041 and the loan

would mature in late 2054. In order for the St. Micheal's loan to occur, there has to be a binding assurance to HOOPP by April 30th that funds will be available to be advance in the summer of 2019. In order for us to provide this, we would need to get approval for an amending OIC to extend the expiry dates of the existing OICs to 2055.

Given that the last LRC scheduled is for April 16th, and the deadlines for providing materials has passed (March 20th), it doesn't seem possible to get approval for an amending OIC prior to April 30th. Do you know of any options that might make this possible?

Thanks,

Sarah

From: Andrea Dalgarno
Sent: Tuesday, March 27, 2018 11:46 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: BN - Lending Directive for Loan to OCRC.docx

FYI

From: Garth Parish
Sent: Tuesday, March 27, 2018 11:43 AM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>
Cc: Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Daki Proudfoot <Daki.Proudfoot@ofina.on.ca>; Mara Bakic <Mara.Bakic@ofina.on.ca>; Bonnie Lemcke <Bonnie.Lemcke@ofina.on.ca>; Bonnie Zhang <Bonnie.Zhang@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: RE: BN - Lending Directive for Loan to OCRC.docx

Hi Andrea,

We are in discussions with St. Michael's Hospital to provide them with a $100M loan that would be amortized over 35 years. This is with regard to pension assets that they are transferring to HOOPP that need to be topped up by $100M.

A wrinkle is that they need to provide a binding assurance to HOOPP by April 30 that they have the funds although the effective date of the loan and the transfer of funds won't take place until July/August of 2019. This means that the loan wouldn't be paid off until late 2054.

We understand that the latest dated OIC is 844/2008 which ends June 1, 2041, so in order to make this loan we would need an OIC out to say, 2055 – although we may wish to make it later. A smaller request from Grand River hospital would be similar. Both loans would fit within the existing authorized amounts but not the repayment date.

Please advise the best way to proceed towards the required OIC amendment re timing.

Thanks. I will call to follow up.

Thanks,

Garth

From: Andrea Dalgarno
Sent: December-06-17 2:10 PM
To: Garth Parish <Garth.Parish@ofina.on.ca>
Cc: Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Daki Proudfoot <Daki.Proudfoot@ofina.on.ca>; Mara Bakic <Mara.Bakic@ofina.on.ca>; Bonnie Lemcke <Bonnie.Lemcke@ofina.on.ca>
Subject: RE: BN - Lending Directive for Loan to OCRC.docx

Hi,
I have a place holder for when we do the next joint update to add the new 2 billion OIC 1279/2017 and the associated 2 billion line of credit (IESO-OFA credit facility FHP related). Also note the IESO 975m one will be removed while the IESO 475M will remain- it will be one line representing 475M.
Regards,
Andrea

From: Garth Parish
Sent: Wednesday, December 06, 2017 1:52 PM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>
Cc: Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Daki Proudfoot <Daki.Proudfoot@ofina.on.ca>; Mara Bakic <Mara.Bakic@ofina.on.ca>; Bonnie Lemcke <Bonnie.Lemcke@ofina.on.ca>
Subject: RE: BN - Lending Directive for Loan to OCRC.docx
Hi Andrea,
That's great. Thank you very much.
We may have some updates/comments to follow.
Thanks,
Garth

From: Andrea Dalgarno
Sent: December-06-17 12:30 PM
To: Garth Parish <Garth.Parish@ofina.on.ca>
Cc: Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Daki Proudfoot <Daki.Proudfoot@ofina.on.ca>
Subject: RE: BN - Lending Directive for Loan to OCRC.docx
Hi Garth,
I have been asked to respond to your query. Attached is the most current listing we have available of the OFA loans under the two OIC's. This listing was finalized in conjunction with Daki in Corporate Finance.
Based on this July 11, 2017 listing, the remaining authority under the two OIC's are as follows:

1) OIC 675/97 (the currently active one) has remaining authority of $721,594,955.57 as of July 11, 2017

2) OIC 767/99 has authority in the amount of $656,000,000.00 as of July 11, 2017

So it seems, we should be able to draw on OIC 675/97 for the additional loans you reference given it was noted in the BN you attached that the 2017-2018 OFA Borrowing and On-lending Plan was set at $486 million and apparently $250 million of that was postponed to 2018-2019.
Let me know should you have any further question or concerns.
Regards,
Andrea

From: Garth Parish
Sent: Tuesday, December 05, 2017 3:37 PM
To: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>

Cc: Bonnie Zhang <Bonnie.Zhang@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: BN - Lending Directive for Loan to OCRC.docx

Hi Jean-Francois,

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- $150 million to the Ontario Cannabis Retail Corporation
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Lisa N. Stein
Legal Counsel
Ontario Financing Authority
416-325-2320

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To:	Opal Kandelas; Sarah Harris; Malle Hanslep (MOF)
Cc:	Andrea Dalgarno; Dimitri Markoulakis (MOF); Mara Bakic; Anna Strathy
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Sent: March 27, 2018 12:21 PM
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Cc: Parish, Garth (OFA); Dalgarno, Andrea (OFA); Kandelas, Opal (OFA)
Subject: FW: BN - Lending Directive for Loan to OCRC.docx

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To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>
Cc: Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Daki Proudfoot <Daki.Proudfoot@ofina.on.ca>; Mara Bakic <Mara.Bakic@ofina.on.ca>; Bonnie Lemcke <Bonnie.Lemcke@ofina.on.ca>; Bonnie Zhang <Bonnie.Zhang@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: RE: BN - Lending Directive for Loan to OCRC.docx

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Legal Counsel
Ontario Financing Authority
416-325-2320

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From:	Opal Kandelas
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Cc:	Andrea Dalgarno; Dimitri Markoulakis (MOF); Mara Bakic; Anna Strathy
Subject:	RE: BN - Lending Directive for Loan to OCRC.docx
Date:	Tuesday, March 27, 2018 3:33:56 PM

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Cc: Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Daki Proudfoot <Daki.Proudfoot@ofina.on.ca>; Mara Bakic <Mara.Bakic@ofina.on.ca>; Bonnie Lemcke <Bonnie.Lemcke@ofina.on.ca>; Bonnie Zhang <Bonnie.Zhang@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: RE: BN - Lending Directive for Loan to OCRC.docx

Hi Andrea,

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Please advise the best way to proceed towards the required OIC amendment re timing.

Thanks. I will call to follow up.

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Cc: Bonnie Zhang <Bonnie.Zhang@ofina.on.ca>
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I'm still working on the directive for the OCRC loan. In the meantime, can you please confirm that this loan is covered by the existing on-lending OICs (as referenced in the draft note)?

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Legal Counsel
Ontario Financing Authority
416-325-2320

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From:	Sarah Harris
To:	Malle Hanslep (MOF)
Cc:	Garth Parish; Andrea Dalgarno; Opal Kandelas; Dimitri Markoulakis (MOF)
Subject:	RE: BN - Lending Directive for Loan to OCRC.docx
Date:	Tuesday, March 27, 2018 1:10:31 PM

Malle,

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Garth – I'm not familiar with the various inputs Malle has mentioned below with the loan, and the timing for getting these. Is it possible to obtain all the required approvals, etc. prior to April 30th? As Malle indicates, a binding commitment doesn't seem possible without these elements. On the other hand, if it is possible, we could try to make the case for including an amending OIC for the April 16th LRC.

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Sarah

From: Hanslep, Malle (MOF) [mailto:Malle.Hanslep@ontario.ca]

Sent: Tuesday, March 27, 2018 12:49 PM

To: Sarah Harris

Cc: Garth Parish ; Andrea Dalgarno ; Opal Kandelas ; Dimitri Markoulakis (MOF)

Subject: RE: BN - Lending Directive for Loan to OCRC.docx

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Also just thinking general about this project, is it anticipated that any other approvals or signing of agreements, etc. would be proposed during the writ period?

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Sent: March 27, 2018 12:21 PM

To: Hanslep, Malle (MOF)

Cc: Parish, Garth (OFA); Dalgarno, Andrea (OFA); Kandelas, Opal (OFA)

Subject: FW: BN - Lending Directive for Loan to OCRC.docx

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****

From: Opal Kandelas
To: Andrea Dalgarno
Cc: Sarah Harris
Subject: RE: BN - Lending Directive for Loan to OCRC.docx
Date: Tuesday, March 27, 2018 4:59:19 PM

Hi Andrea,
Could you please send Garth a template of an LRC note? Once he has drafted the briefing note and LRC note we can assist with review. There are still though a lot of moving pieces here so this could be a very interesting project!
Thanks,
Opal.

From: Garth Parish
Sent: Tuesday, March 27, 2018 3:46 PM
To: Opal Kandelas ; Sarah Harris ; Malle Hanslep (MOF)
Cc: Andrea Dalgarno ; Dimitri Markoulakis (MOF) ; Mara Bakic ; Anna Strathy
Subject: RE: BN - Lending Directive for Loan to OCRC.docx
Hi Opal,
Yes, will do.
Regards,
Garth

From: Opal Kandelas
Sent: March-27-18 3:34 PM
To: Garth Parish <Garth.Parish@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Malle Hanslep (MOF) <Malle.Hanslep@ontario.ca>
Cc: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>; Dimitri Markoulakis (MOF) <Dimitri.Markoulakis@ontario.ca>; Mara Bakic <Mara.Bakic@ofina.on.ca>; Anna Strathy <Anna.Strathy@ofina.on.ca>
Subject: RE: BN - Lending Directive for Loan to OCRC.docx
Hi Garth,
Would you please share a briefing note, draft Minister's directive and any other pertinent materials with us. The date for submitting a package for the April 16 LRC has long passed, but we can work towards getting this item to the DMO. An LRC Note will need to be prepared by CEFD as soon as possible. I've cc'd Anna so that she is aware.
Please send Anna a brief description of the issue so as to inform her discussions with DMO.
Thanks,
Opal

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Cc: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Dimitri Markoulakis (MOF) <Dimitri.Markoulakis@ontario.ca>; Mara Bakic <Mara.Bakic@ofina.on.ca>
Subject: RE: BN - Lending Directive for Loan to OCRC.docx
Hi Sarah,

As Malle says, the best approach and the approach we, including Gadi, are recommending is that the "commitment" (in whatever form) be provided by MOH.
However, it appears as though the loan will be required eventually and will only work under a 35 year amortization (again Gadi has agreed to this amortization in principle), so we will need to amend the OIC. Given that our Plan B, which may be needed, is to provide some joint assurance MOF/MOH to HOOPP by April 30, I would like to work with Capital Markets to try to get the OIC in place so that we can use Plan B if necessary.
If you agree, just let me know what you need from me.
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- $150 million to the Ontario Cannabis Retail Corporation
- $100 million to St Michael's hospital

are covered by the "existing on-lending OIC's".
I don't know who would keep a registry of the OICs and what loans they cover. Would your group have this registry?
Thanks,
Garth

From: Lisa Stein
Sent: December-04-17 1:25 PM
To: Garth Parish <Garth.Parish@ofina.on.ca>
Cc: Bonnie Zhang <Bonnie.Zhang@ofina.on.ca>
Subject: BN - Lending Directive for Loan to OCRC.docx

Hi Garth,
Please find attached some comments and suggested amendments to the draft briefing note, attached. I did not review the attachments; however, as discussed on Friday, they still reference the loan to St. Michael's hospital as well (and these references should be deleted).
I'm still working on the directive for the OCRC loan. In the meantime, can you please confirm that this loan is covered by the existing on-lending OICs (as referenced in the draft note)?
Thank you,
Lisa

Lisa N. Stein
Legal Counsel
Ontario Financing Authority
416-325-2320
****
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information that is privileged/confidential. Any other distribution, copying or disclosure is strictly prohibited. If you are not the intended recipient or have received this message in error, please notify the sender immediately by reply e-mail and permanently delete this message, including any attachments, without reading it or making a copy. Thank you.
****

From: Ryan Blackbyrne
To: Sarah Harris
Subject: RE: Could you please confirm for IESO-OEFC Credit/Loan Facilities
Date: Monday, December 18, 2017 2:40:07 PM

Hi Sarah,
I was actually just looking at these this morning (related to the confirmation Anthony requested for a KPMG audit).
Yes, I can confirm the following bullet is correct in terms of amounts and dates.
Thanks,
Ryan

From: Sarah Harris
Sent: Monday, December 18, 2017 2:35 PM
To: Ryan Blackbyrne
Subject: Could you please confirm for IESO-OEFC Credit/Loan Facilities
Hi Ryan,
We're updating the business plan…is the following bullet accurate in terms of amounts and dates?
• Monitoring a $120 million loan refinancing and a $160 million credit facility extension to the IESO, both expiring June 30, 2020, to provide the IESO with flexibility to meet financing and liquidity requirements.
Thanks,
Sarah

From: Ryan Blackbyrne
To: Sarah Harris
Subject: RE: Could you please confirm for IESO-OEFC Credit/Loan Facilities
Date: Monday, December 18, 2017 2:40:07 PM

Hi Sarah,
I was actually just looking at these this morning (related to the confirmation Anthony requested for a KPMG audit).
Yes, I can confirm the following bullet is correct in terms of amounts and dates.
Thanks,
Ryan

From: Sarah Harris
Sent: Monday, December 18, 2017 2:35 PM
To: Ryan Blackbyrne
Subject: Could you please confirm for IESO-OEFC Credit/Loan Facilities
Hi Ryan,
We're updating the business plan…is the following bullet accurate in terms of amounts and dates?
• Monitoring a $120 million loan refinancing and a $160 million credit facility extension to the IESO, both expiring June 30, 2020, to provide the IESO with flexibility to meet financing and liquidity requirements.
Thanks,
Sarah

From:	Karin Sze
To:	JP De Jesus
Cc:	Sarah Harris
Subject:	RE: Documentation Agreements in the Portal
Date:	Tuesday, March 13, 2018 10:00:55 AM
Attachments:	TEST Copy of Agreement Due Date Tracker (13-Mar-2018).xlsx

Here is the updated Agreement spreadsheet.

From: Karin Sze
Sent: Tuesday, March 13, 2018 10:00 AM
To: JP De Jesus
Cc: Sarah Harris
Subject: Documentation Agreements in the Portal

Hi JP,

Attached is the SCSD Work Request Form for the agreements that Documentation manages. Could you please take a look and let us know if this is sufficient before Sarah signs it. I also attach an updated Agreement spreadsheet.

Thank you,

Karin

(416) 212-1064

From: JP De Jesus
Sent: Wednesday, January 03, 2018 3:11 PM
To: Karin Sze <Karin.Sze@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Documentation Agreements in the Portal

Hi Karin,

Based on our meeting, please complete the attached Work Request Form in order to start the project management process. Let me know if you have any questions.

Thanks,

JP

From: Karin Sze
Sent: Tuesday, January 02, 2018 11:14 AM
To: JP De Jesus <JP.DeJesus@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: Documentation Agreements in the Portal

That's great. Shall we meet at 2 p.m. tomorrow? I can book the CM boardroom from 2 – 2:30 or do you want me to come down to see you?

From: JP De Jesus
Sent: Tuesday, January 02, 2018 11:09 AM
To: Karin Sze <Karin.Sze@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Documentation Agreements in the Portal

Hi Karin,

I'm free both days in the afternoon. ☺

Thanks,

JP

From: Karin Sze
Sent: Tuesday, January 02, 2018 10:54 AM
To: JP De Jesus <JP.DeJesus@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: Documentation Agreements in the Portal

Hi JP,

Hope you had a nice holiday season!

I am free to meet any time tomorrow and Thursday. Please let me know what time is good for you.

Thank you,

Karin

(416) 212-1064

From: JP De Jesus
Sent: Wednesday, December 20, 2017 1:32 PM
To: Karin Sze <Karin.Sze@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Documentation Agreements in the Portal

Hi Karin,

No problem. Would you like to have a meeting about this sometime in the new year? Any day after January 2nd works.

Thanks,

JP

From: Karin Sze
Sent: Wednesday, December 20, 2017 11:58 AM
To: JP De Jesus <JP.DeJesus@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: Documentation Agreements in the Portal

Hi JP,

Thank you in advance for your assistance in this project.

Kindly let us know if you have any questions on our spreadsheet or if you prefer to meet.

Karin

(416) 212-1064

From: Brian Scott
Sent: Wednesday, December 20, 2017 11:39 AM
To: Karin Sze <Karin.Sze@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; JP De Jesus <JP.DeJesus@ofina.on.ca>
Subject: RE: Documentation Agreements in the Portal

Hi Karin,

Development has taken over responsibilities for Portal development. JP will gladly assist with your request.

B

Brian E. Scott | *Manager, Strategy & Business Services Branch* |416.325-8015

From: Karin Sze
Sent: Wednesday, December 20, 2017 11:32 AM
To: Brian Scott <Brian.Scott@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: Documentation Agreements in the Portal

Hi Brian,

Documentation is organizing its different agreements with various counter parties and would like to post them on Portal eventually.

Years ago, George Welcher who helped us build the Derivatives repository in the Portal: http://portal.ofina.on.ca/sites/cms/doc/default.aspx. We are looking for something similar in that nature but the agreements base is not as big as Derivatives.

We would like to seek your advice as to what are the options and functionalities that the Portal can do that will help us organizing the agreements and who shall we ask for assistance in this project.

FYI, I attach a copy of the Agreements framework that we have built.

Please let me know if you have any questions.

Thank you,

Karin

(416) 212-1064

	Category	Parties	Amount	File Folder	Agreement Expiry Date	Date to be notified before Agreement Expiry Date
	Credit Facilities Agreements					
1	**Credit Agreement (10)**	IESO (formerly OPA), OFA	$475,000,000	1. Credit Agmts	31-Dec-2019	(IT project lead to insert datepicker to send alert)
2	**Revolving Credit Facility Agreement (7)**	IESO, OEFC	$160,000,000	2. Revolving Cr Facility Agmt	30-Jun-2020	(IT project lead to insert datepicker to send alert)
3	**Agreement Providing for Issuance of a Note (7)**	IESO (formerly IEMO, Ontario Hydro), OEFC	$120,000,000	3. Agmt providg for Iss of Note	30-Jun-2020	(IT project lead to insert datepicker to send alert)
4	**General Corporate Requirements Credit Facility Agreement (4)**	OPG, OEFC	$2,350,000,000	4. Gen Corp req Cr Facility Agm	31-Dec-2018	(IT project lead to insert datepicker to send alert)
5	**Long Term Non-Revolving Credit Facility Agreement (1)**	OILC, Province	$2,500,000,000	5. L-T Non-Rev Cr Fac Agmt	14-Nov-2018	(IT project lead to insert datepicker to send alert)
6	**Short-Term Revolving Credit Facility Agreement (1)**	OILC, Province	$900,000,000	6. S-T Rev Cr Fac Agmt	26-May-2020	(IT project lead to insert datepicker to send alert)
7	**Revolving Credit Facility Agreement (Line of Credit) (2)**	OILC (formerly OIPC), OFA	$200,000,000	7. Rev Cr Fac Agmt (Line of Cr)	29-Jun-2019	(IT project lead to insert datepicker to send alert)
8	**Revolving Credit Facility Agreement (1)**	IESO, OFA	$2,000,000,000	8. Rev Cr Fac Agmt	30-Sep-2022	(IT project lead to insert datepicker to send alert)
	Service Agreements					
9	**Services (Level) Agreement (2)**	OILC, OFA	N/A	9. Services (Level) Agmt	31-Mar-2020	(IT project lead to insert datepicker to send alert)
10	**Treasury Bill Issuing & Paying Agency Agreement (7)**	TD, Province	$3,500,000,000	10.T-Bill Iss & Pay Agency Agmt	10-Jun-2019	(IT project lead to insert datepicker to send alert)
11	**Financial Services Agreement (4)**	OCGC, OFA	$165,000,000	11.Fin Services Agmt OCGC & OFA	As long as OCGC has an investment in any of the Funds, or on such other date as agreed to by the Parties.	(IT project lead to insert datepicker to send alert)
	Investment Management Agreements					
12	Investment Management Agreements (5)	OFA, DICO	N/A	12.Inv Mgt Agmt OFA & DICO	Termination: ▪ <30 days by writing; or ▪ mutual agreement	(IT project lead to insert datepicker to send alert)
13	Investment Management Agreements (3)	OFA, PBGF	N/A	13. Inv Mgt Agmt OFA & PBGF	Termination: ▪ <30 days by writing; or ▪ mutual agreement	(IT project lead to insert datepicker to send alert)
14	Investment Management Agreements (5)	OFA, OTF	N/A	14.Inv Mgt Agmt OFA & OTF	Termination: ▪ <30 days by writing; or ▪ mutual agreement	(IT project lead to insert datepicker to send alert)

Credit Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OPA, OFA	1-Jan-2005	$500,000,000	▪ Advances: 30-Nov-2006. ▪ Manadatory Repayment: 31-Dec-2006.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\OFA-OPA Original Credit Agreement.pdf
Amendment No. 1 (letter)		14-Feb-2005		▪ clause 4.7 substituting the word "Agreement" for the "Services".	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 1\Amendment No. 1.pdf
Amending Agreement No. 3	OPA, OFA	11-Oct-2005	$975,000,000	▪ Increased credit amount.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 3\(Signed) Aendment 3.Final.pdf
Amending Agreement No. 4	OPA, OFA	27-Sep-2006		▪ Mandatory Repayment: 31-Dec-2010.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 4\(Signed) Amendment 4.Final.pdf
Amending Agreement No. 5	OPA, OFA	13-Jul-2007		▪ Advances: 30-Nov-2010.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 5\(Signed) Amendment 5.Final.pdf
Amending Agreement No. 6	OPA, OFA	9-Nov-2010		▪ Mandatory Repayment: 31-Dec-2013. ▪ Advances: 30-Nov-2013.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 6\Amendmen #6 (Executed).pdf
Amending Agreement No. 7	OPA, OFA	20-Dec-2013		▪ Mandatory Repayment: 31-Dec-2016. ▪ Advances: 30-Nov-2016.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 7\(Executed) OPA Amending Agreement No 7.pdf
Amending Agreement No. 8	Amalgamation	19-Dec-2014		▪ OPA and Pre-Amalgamation IESO effective 1-Jan-2015.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 8 (Amalgamation with IESO)\OFA-OPA Amending Agreement No. 8 (Executed).PDF
Amending Agreement No. 9	IESO, OFA	30-Nov-2016		▪ 1-Jan-2015: OPA amalgamated with IESO and OPA became obligations of the IESO. ▪ Mandatory Repayment: 31-Dec-2019. ▪ Advances: 30-Nov-2019.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 9\OPA IESO Amendment No 9 (Executed).pdf
Amending Agreement No. 10	IESO, OFA	21-Nov-2017	$475,000,000.00	▪ Decrease credit amount. ▪ Add "Intercept" clause.	S:\Users\CMB\Documentation\IESO-OPA Merger\ONTARIO POWER AUTHORITY\Credit Agreement\Amendment No. 10\OFA IESO Amending Agreement No. to Jan 1, 2005 Credit Facility Nov 6,2007 - OFA signed.pdf

Revolving Credit Facility Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	IESO, OEFC	23-Apr-2010	$60,000,000		S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010\Credit Facility Agreement. April 23. 2010. executed..pdf
Amending Agreement No. 1		21-Jul-2010		▪ Commitment and facility limits. ▪ Repayments conditions.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010\Amending Agreement No. 1\Amending Agreement #1 (Executed).pdf
Amending Agreement No. 2		14-Oct-2011	$110,000,000	▪ Interest Rate 30-day term: up to $60M (+ 0.25% p.a.); in excess of $60M (+0.5% p.a.) ▪ A new Grid Promissory Note of $110M.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010\Amending Agreement No. 2\(executed) Amending Agreement No. 2 14-Oct-11.pdf
Amending Agreement No. 3		30-Apr-2013		▪ Interest Rate 30-day term: +0.5% p.a. ▪ Mandatory Repayment: 30-Apr-2014.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010\Amending Agreement No. 3\IESO $110 M credit facility Amending Agreement No. 3 (executed copy).PDF
Amending Agreement No. 4		30-Apr-2014	$95,000,000	▪ Interest Rate 30-day term: +0.5% p.a. ▪ Mandatory Repayment: 30-Apr-2017.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010\Amending Agreement No. 4\IESO $95 M Credit Facility Amending Agreement No. 4 Executed Copy.PDF
Amending Agreement No. 5	Amalgamation	19-Dec-2014	N/A	▪ Amalgamation of IESO with OPA effective as of 1-Jan-2015. *Note* : No executed copy. The Amending Agreement date was obtained from the first paragraph in the Amending Agreement No. 6.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010\Amending Agreement No. 5 (Amalgamation)\IESO Amending Agreement No 5 (Amalgamation) (Draft).doc
Amending Agreement No. 6	IESO, OEFC	30-Apr-2017	$160,000,000	▪ Mandatory Repayment: 30-Jun-2020. ▪ Advances: up to a maximum of 12 times per year.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Revolving Credit Facility 2010\Amending Agreement No. 6\Amending Agrt no.6 - Revolving Credit Facility - OEFC_IESO_IESO Signed.pdf

Agreement Providing for Issuance of a Note	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	IEMO, OEFC	1-Apr-1999	$70,300,000	Transferring staff, assets, liabilities, rights and obligations of Ontario Hydroto IEMO. ▪ Term of loan maturity: 1-May-2009. ▪ Interest: 7.9% p.a.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Original Agreement.pdf
Amending Agreement No. 1		23-Mar-2000	$78,200,000	▪ Increased principal amount by $7.9M.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement NO 1.pdf
Amending Agreement No. 2	IESO (formerly IEMO) , OEFC	23-Apr-2009		▪ Term of the loan maturity: 1-May-2011.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement#2 (ExecutedCopy).pdf
Amending Agreement No. 3		1-May-2011		▪ Issuance of a 2nd Refinancing Note maturing 1-May-2013 and to delete the prepayment provisions.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement No. 3\[Executed] Amending Agreement No. 3.pdf
Amending Agreement No. 4		1-May-2013		▪ Issuance of a 3rd Refinancing Note maturing 30-Apr-2014.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement No. 4\IESO Amending Agreement No. 4 for $78.2M loan (executed copy).PDF
Amending Agreement No. 5		30-Apr-2014	$90,000,000	▪ Issuance of a 4th Refinancing Note maturing 30-Apr-2017. ▪ OEFC advanced loans to IESO: $11.8M.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement No. 5\IESO Amending Agreement No. 5 Executed Copy.PDF
Amending Agreement No. 6		30-Apr-2017	$120,000,000	▪ Issuance of a 5th Refinancing Note maturing 30-Jun-2020. ▪ OEFC advanced loans to IESO: $30M. ▪ Extend maturity date to 30-Jun-2020.	S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement No. 6\Amending Agrt no.6 re Issuance of Note - OEFC_IESO - IESO SignedCounterpart.pdf also in: S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement No. 6\IESOExecutedCopyAgreement.pdf S:\Users\CMB\Documentation\IESO-OPA Merger\IESO(IMO)\OEFC - Loan Refinancing May 2011\Amending Agreement No. 6\OEFCExecutedPageCounterpart.pdf

General Corporate Requirements Credit Facility Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OPG, OEFC	17-Jun-2016	$700,000,000	▪ Financing for the period 1-Jun-2016 to 31-Dec-2017 re Darlington Refurbishment Project.	S:\Users\CMB\Documentation\OPG Loans from OEFC\Loans to OPG\2017 OPG $700 Million CF\$700 million OEFC-OPG Credit Facility (Executed Original).pdf also in: S:\Users\CMB\Documentation\OPG Loans from OEFC\Loans to OPG\2017 OPG $700 Million CF\$700 million OEFC-OPG Credit Facility (Executed).pdf
Amending Agreement No. 1		7-Sep-2016		▪ Financing for the period 1-Jan-2017 to 31-Dec-2017.	S:\Users\CMB\Documentation\OPG Loans from OEFC\Loans to OPG\2017 OPG $700 Million CF\Amending Agreement\2017 $700 Million Facility Amending Agreement 1 (Executed original).pdf also in: S:\Users\CMB\Documentation\OPG Loans from OEFC\Loans to OPG\2017 OPG $700 Million CF\Amending Agreement\2017 $700 Million Facility Amending Agreement 1 (Executed).pdf
Amending Agreement No. 2		2-Feb-2017		▪ Proposed advances may be for a term of up to 30 years.	S:\Users\CMB\Documentation\OPG Loans from OEFC\Loans to OPG\2017 OPG $700 Million CF\Amending Agreement\Amending No 2 (executed).pdf
Amending Agreement No. 3		6-Sep-2017	$2,350,000,000	▪ No more than $1.5B to be advanced prior to 1-Jan-2018. ▪ Advances occurred for the period 1-Jan-2017 to 31-Dec-2018.	S:\Users\CMB\Documentation\OPG Loans from OEFC\Loans to OPG\2017 OPG $700 Million CF\Amending Agreement\Amendment No 3 (executed).pdf

Long-Term Non-Revolving Credit Facility Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OILC, Province	14-Nov-2016	$2,500,000,000	▪ Pursuant to OILC By-law 3U. ▪ Borrowing authoity may be exercised is for 2 years from the date of approval of this By-law 3U. ▪ No funds is to remain outstanding after 42 years from the date of approval of this By-law or November 14, 2016, whichever is later.	S:\Users\CMB\Documentation\OILC (formerly OIPC)\OILC Credit facility Agreement 2016-2018\Current Version\OILC2016-18 Long-Term Credit Facility Agreement - Executed.pdf also in: S:\Users\CMB\Documentation\OILC (formerly OIPC)\OILC Credit facility Agreement 2016-2018\OILC2016-18 Long-Term Credit Facility Agreement - Executed.pdf S:\Users\CMB\Documentation\OILC (formerly OIPC)\By-laws\By-Law 3U

Short-Term Revolving Credit Facility Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OILC, Province	26-May-2014	$900,000,000	▪ 5-year period beginning on the effective date of By-Law 3Q. ▪ OIC 631/2014. ▪ Advances only to 26-May-2019 ▪ Mandatory Repayment: 26-May-2020.	S:\Users\CMB\Documentation\OILC (formerly OIPC)\2014 Short Term Revolving Credit Facility (OILC-PROV)\{Executed) Agreement-OILC Short Term Revolving Credit Facility-May 26, 2014.pdf

Revolving Credit Facility Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OILC (formerly OIPC), OFA	23-Jun-2006	$200,000,000	▪ Mandatory Repayment: 23-Jun-2016. ▪ May prepay any advances outstanding or interest accrued upon 5 business days' notice to OFA. ▪ Advances: 23-Jun-2011.	● Z:\Users\CMB\Documentation\OILC (formerly OIPC)\Credit Facility 2006\Revolving Credit Facility Agreement.pdf
Amending Agreement		5-Jul-2011		▪ OIPC, the Ontario Realty Corporation and the Stadium Corporation of Ontario Limited were amalgamated and continued as a coporation under the name OILC. ▪ Mandatory Repayment: 29-Jun-2019. ▪ Advances: 29-Jun-2016.	● S:\Users\CMB\Documentation\OILC (formerly OIPC)\Credit Facility 2006\Amending Agreement 2011 Expires June 2016\Signed Amending Agreemen July 5_2011.pdf

Revolving Credit Facility Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	IESO, OFA	6-Nov-2017	$2,000,000,000	▪ Advances: 23-Sep-2017. ▪ Mandatory Repayment: 30-Sep-2022.	S:\Users\CMB\Documentation\IESO-OPA Merger\OFHP IESO OFA Credit Facility\FHP Credit Agreement OFA IESO - Nov 6, 2017 - OFA Signed.pdf

Services (Level) Agreement	Parties	Agreement/ Amendment Date	Program and Authorized Amount	Notes	Link to Site
Services Level Agreement	OIPC, OFA	1-Apr-2007	N/A	Background: Ontario Infrastructure Projects Corporation Act, 2006 (the "OIPC Act"), which amalgamated Infrastructure Ontario and the Ontario Strategic Infrastructure Financing Authority ("OSIFA") to form the Ontario Infrastructure Projects Corporation was proclaimed into force on July 17, 2006. Expired: 31-March-2012.	● S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OILC Ontario Infrastructure and Lands Corporation\OIPC Service Level Agreement\OIPC.Final Executed SLA.pdf also in: ● S:\Users\CMB\Documentation\Service Level Agreement\OIPC Service Level Agreement with OFA.pdf
Services Agreement	OILC, OFA	1-Feb-2015	N/A	Background: The Ontario Infrastructure and Lands Corporation Act, 2011 (the "OILC Act"), which amalgamated OIPC, Ontario Realty Corporation and Stadium Corporation of Ontario Limited to form Infrastructure Ontario was proclaimed into force on June 6, 2011. Extended the above Service Level Agreement between OILC and OFA until 31-Jan-2015.	● S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OILC Ontario Infrastructure and Lands Corporation\Service Level Agreements\SLA February 2015\Services Agreement between OFA and OILC effective February 1, 2015.pdf also in: ● S:\Users\CMB\Documentation\OILC (formerly OIPC)\SLA February 2015\ervices Agreement between OFA and OILC effective February 1, 2015.pdf ● S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OILC Ontario Infrastructure and Lands Corporation\Service Level Agreements\SLA February 2015\SLA Feb 1, 2015.pdf

Issuing and Paying Agency Agreement	Parties	Agreement/ Amendment Date	Program and Authorized Amount	Notes	Link to Site
Original	BMO, Province	18-Dec-2001	various amounts under various OICs	So long as the Global Treasury Bill is outstanding, there shall at all times be an issuing agent, registrar and paying agent.	S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Issue and Paying Agency Agreement (2003)\Issuing and Paying Agency Agrt with BMO 2001.pdf
Original	TD, Province	10-Jun-2003	various amounts under various OICs	▪ Terminated BMO. ▪ New agreement with TD.	S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill (T-Bill) services\Termination letter to BMO\Treasury Bills Termination Letter to BMO 2003.wpd S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Issue and Paying Agency Agreement (2003)\(signed) Issuing & Paying Agency Agmt 2003.pdf
1st Extension (Letter)	TD, Province	8-Jun-2010		▪ 1 year term ended 10-Jun-2010. ▪ Extended 2 years term from 10-Jun-2010 to 10-Jun-2012.	S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Approval for Extension of 2003 Contract to 2012\Approval TD contract extension (exe Gadi).pdf S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Approval for Extension of 2003 Contract to 2012\A&R IPAA Extension letter exe 2010 - 10Jun2012.PDF
1st Amendment	TD, Province	10-Jun-2010	various amounts under various OICs	▪ Retained TD to provide certain services.	S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Amended and Restated IPA (2010)\Amended Restated Issuing Paying Agency Agrt and TD cert of incumbency.PDF
2nd Amendment	TD, Province	6-Jun-2011	$30,500,000,000	▪ Cancelled Global T-bill 21-July-2010. ▪ Issued new Global T-Bill 6-Jun-2011. ▪ Amended s. 20(7) of FAA. ▪ Deleted reference of 25-year borrowing period.	S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Amended and Restated IPA -to remove expiry dates (2011)\Execution Copies\AR-IPAA exe 6Jun11.PDF
2nd Extension (Approval Note)	TD, Province	8-Aug-2011		▪ Extended additional 2 years term from 10-Jun-2012 to 10-Jun-2014.	S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Approval for Extension of 2003 Contract to 2014\Approval (exe Gadi) and briefing note - TD contract extension to 2014.pdf S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Approval for Extension of 2003 Contract to 2014\Second Extension. Extension LEtte Executed Sept 2011 to extend to 2014. TD Letter of Incumbency.pdf
3rd Extension (Letter)	TD, Province	28-May-2014		▪ Extended additional 5 years term from 10-Jun-2014 to 10-Jun-2019.	S:\Users\CMB\Documentation\Treasury Bills\Treasury Bill Issuing & Paying Agency Agreement Related\Approval for Extension of 2003 Contract to 2019\TD Treasury Bill Services Extension Letter May 28, 2014 (Fully Executed).PDF

Financial Services Agreement	Parties	Agreement/ Amendment Date	Program and Authorized Amount	Notes	Link to Site
Original	OCGC, OFA	27-Feb-2009	$90,000,000	Background: OCGC's Ontario Venture Capital Fund Agreement in Ontario Venture Capital Fund LP. ▪ OFA to provide investment and cash mgt services for the admin of Ontario's Venture Capital Fund LP.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OCGC Financial Services Agreement\FSA, Financial Services Agreement\OCGC Financial Services Agreement October 1, 2014\OCGC.Financial Services Agrmt.pdf
		1-Oct-2014	$50,000,000	▪ Province committed $90M to OVCF LP; OCGC committed $50M to Northleaf Venture Catalyst Fund LP.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OCGC Financial Services Agreement\FSA, Financial Services Agreement\OCGC Financial Services Agreement October 1, 2014\OCGC Financial Sservices Agreement October 1, 2014 (Executed).PDF
Amending Agreement No. 1		20-Mar-2017	$25,000,000	▪ $25M provincial commitment to ScaleUP Venture Fund I, LP.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OCGC Financial Services Agreement\Amendments\Amending Agreement 1 (Scaleup Fund Addition)\OCGC FSA Amend 1 March 20, 2017.pdf also in: S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OCGC Financial Services Agreement\Amendments\OCGC FSA Amend 1 March 20, 2017.pdf
Amending Agreement No. 2		12-Feb-2018	$20,000,000	▪ $20M provincial commitment to Yaletown Innovation Growth Limited Partnership (th e"Yaletown Fund") and update account information, signing authorities, and notification requirements.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\OCGC Financial Services Agreement\Amendments\Amending Agreement 2 (Yaletown Fund, Signing Auth)\OCGC FSA Amend 2 February 12, 2018 (executed).pdf

Investment Management Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OFA, DICO	28-Sep-2005	N/A	Background: DICO to maintain the Deposite Insurance Reserve Fund (DIRF), a fund which exists to provide for the funding of deposite insurance claims and other purposes as specified under the CUCPA.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\DICO\IMA\IMA_DICO OFA_2005Sep28.pdf
Amending Agreement No. 1		30-Mar-2012	N/A	▪ Revised Investment Management Mandate (IMM) and the Transaction and Custody Fees by replacing a few schedules.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\DICO\Amending Agreements\Amending Agreement No. 1 (laddered investments)\Amending Agreement No 1 April 12 2012 (Executed) .PDF also in: S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\DICO\Amending Agreements\Amending Agreement No. 1 (laddered investments)\DICO Amending Agrmt No 1 March 30 2012 (Execution Copy).PDF
Amending Agreement No. 2		29-Aug-2012	N/A	▪ Revised SIPP by replacing existing schedules.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\DICO\Amending Agreements\Amending Agreement No. 2 (updated SIPP)\Amending Agreement No. 2 August 29 2012 (Executed).pdf
Amending Agreement No. 3		22-Jul-2014	N/A	▪ Revised Investment Policy and changed existing schedules.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\DICO\Amending Agreements\Amending Agreement No. 3\DICO Amending Agreement #3 Executed Copy.pdf
Amending Agreement No. 4		4-Jul-2016	N/A	▪ Changes to DICO representatives.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\DICO\Amending Agreements\Amending Agreement No. 4\DICO Amending Agreement #4 Executed Copy.pdf
Amending Agreement No. 5		22-Jan-2018	N/A	▪ Schedules A, B and E deleted and replaced.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\DICO\Amending Agreements\Amending Agreement No. 5\DICO Amending Agmt No. 5[executed].pdf

Investment Management Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OFA, PBGF	1-Apr-2005	N/A	Background: ▪ FSCO as administrator of PBGF. ▪ FSCO appointed OFA as investment manager.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\PBGF\IMA\IMA_PBGF OFA_01April2005.doc
Amending Agreement No. 1		24-Mar-2014	N/A	▪ Revised Statement of Investment Policies and Guidelines to provide a different asset mix (Revised SIPG). ▪ New transaction and custody fees. ▪ Replaced appendices accordingly.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\PBGF\Amending Agreements\Amending Agreement No. 1 (laddered investments)\PBGF Amending Agreement No.1 March 2014 (Executed).PDF
Amending Agreement No. 2		25-Sep-2015	N/A	▪ Revised Appendix B (FSCO as administrator of the Pension Benefits Guarantee Fund) representatives and specimen signatures.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\PBGF\Amending Agreements\Amending Agreement No. 2 (Appendix B-current representatives)\PBGF Amending Armt No 2 (Final-Executed).pdf

Investment Management Agreement	Parties	Agreement/ Amendment Date	Amount	Notes	Link to Site
Original	OFA, OTF	26-Apr-2007	N/A	Background: OTF provides grants to eligible charitable and not-for-profit organizations.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\IMA\Executed.OTF IMA 2007.pdf
Amending Agreement No. 1		22-Mar-2011	N/A	▪ Revised Statement of Investment Policies and Procedures to provide a different asset mix (Revised SIPP). ▪ New transaction and custody fees. ▪ Replaced schedules accordingly.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\Amending Agreements\Amending Agreement No. 1 (laddered investments)\Amending Agreement & Schedules March 22, 2011.PDF also in: S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\Amending Agreements\Amending Agreement No. 1 (laddered investments)\Amending Agreement No. 1.pdf
Amending Agreement No. 2		28-May-2012	N/A	▪ Change in name of Ministry under which OTF operates. ▪ Revised SIPP, replaced schedule accordingly.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\Amending Agreements\Amending Agreement No. 2 (Ministry Name Change and new SIPP)\Amending Agreement No. 2 (executed).pdf also in: S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\Amending Agreements\Amending Agreement No. 3 (Signature Change and new SIPP)\Amending Agreement No. 2 (executed).pdf
Amending Agreement No. 3		6-Oct-2015	N/A	▪ Revised Statement of Investment Policies and Procedures (Revised SIPP). ▪ New transaction and custody fees. ▪ Replaced schedules accordingly.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\Amending Agreements\Amending Agreement No. 3 (Signature Change and new SIPP)\Amending Agreement No. 3 (executed).pdf
Amending Agreement No. 4		21-Oct-2016	N/A	▪ Revised list of OTF representatives. ▪ Revised SIPP.	S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\Amending Agreements\Amending Agreement No. 4 (New signatory and new SIPP)\Amending Agreement No.4.pdf also in: S:\Users\CMB\Documentation\INVESTMENT MANAGEMENT AGREEMENTS\Discretionary\ONTARIO TRILLIUM FOUNDATION\Amending Agreements\Amending Agreement No. 4 (New signatory and new SIPP)\Amending Agreement, Sch B & E, signature specimen and SIPP (final signed).pdf

3 months
6 months
9 months
1 year

From: Sarah Harris
To: Ryan Blackbyrne
Subject: RE: ESO - OEFC Drafts - IESO Comments Nov 29
Date: Monday, October 15, 2018 4:05:52 PM
Attachments: image001.png
image002.png

Thanks, Ryan.
Sarah

From: Ryan Blackbyrne
Sent: Monday, October 15, 2018 4:02 PM
To: Sarah Harris
Subject: FW: ESO - OEFC Drafts - IESO Comments Nov 29

Hi Sarah,
Yes, both the $120M Note and the $160M credit facilities were amended.

Thanks,
Ryan

From: Ryan Blackbyrne
Sent: Thursday, November 30, 2017 3:19 PM
To: Tobias P. Whitfield (MOF) <Tobias.Whitfield@ontario.ca>
Cc: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Subject: RE: ESO - OEFC Drafts - IESO Comments Nov 29

Hi Toby,

There are two IESO-OEFC agreements that are being amended. Both are being amended for the 7th time. Please find both proposed IESO-OEFC amending agreement no.7's attached. I have also attached the originals of each agreement.
From the amending $120M Note agreement:

3. Subsection 2.2(2) of the Agreement is deleted and replaced by the following:
(2) The Note shall at all times rank *pari passu* with all other unsecured Senior Debt of the IESO, subject to the existence of any Liens that secure Indebtedness as permitted by subsections 3.8 (a) through (f) hereof.

And from the original $120M Note agreement:

(2) The Note shall at all times rank pari passu with all other Senior Debt, except Senior Debt that is statutorily preferred and Senior Debt that is secured by a Lien referred to in Sections 3.8(a) to 3.8(f), inclusive.

From the amending $160M revolving credit agreement:

2. Subsection 3.2(4) of the Agreement is deleted and replaced by the following:

(4) The Credit Facility shall at all times rank *pari passu* with all other unsubordinated and unsecured Indebtedness of the IESO, subject to the existence of any Liens that secure Indebtedness as permitted by subsections 4.7(a) through (e) hereof.

And from the original $160M revolving credit agreement:

(4) The Note shall at all times rank *pari passu* with all other unsubordinated Indebtedness of IESO, subject to the existence of any Permitted Liens of IESO.

Thank You,
Ryan

From: Whitfield, Tobias P. (MOF) [mailto:Tobias.Whitfield@ontario.ca]
Sent: Thursday, November 30, 2017 3:09 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Subject: RE: ESO - OEFC Drafts - IESO Comments Nov 29

Ryan – sure. Was discussing with Lisa, and I have been reading this exchange. Can you please forward me the version of the agreement that is being amended by this language?
Thanks
Toby

Tobias Whitfield
Counsel, Legal Services Branch
Ministry of Finance
tobias.whitfield@ontario.ca
Phone: 416-325-1456

From: Ryan Blackbyrne [mailto:Ryan.Blackbyrne@ofina.on.ca]
Sent: November 30, 2017 2:51 PM
To: Whitfield, Tobias P. (MOF)
Cc: Beaupre, Jean-Francois (OFA)
Subject: ESO - OEFC Drafts - IESO Comments Nov 29

Hi Toby,
You have a quick minute to chat about this?

Thank you,
Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M7A 1Y7
416-325-8143
ryan.blackbyrne@ofina.on.ca

From: Lisa Stein
Sent: Thursday, November 30, 2017 2:27 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Tobias P. Whitfield (MOF) <Tobias.Whitfield@ontario.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Subject: Re: IESO - OEFC Drafts - IESO Comments Nov 29

I query whether we should retain the language re "statutorily preferred", as well as the new proposed language? I've copied Toby from MOF legal to see if he has any views on this amendment.

Sent from my iPhone

On Nov 30, 2017, at 1:06 PM, Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca> wrote:

> Hi Lisa,
> For the $120M Note:
> . Subsection 2.2(2) of the Agreement is deleted and replaced by the following:
> (2) The Note shall at all times rank *pari passu* with all other unsecured Senior Debt of the IESO, subject to the existence of any Liens that secure Indebtedness as permitted by subsections 3.8 (a) through (f) hereof.
> In the Original agreement Subsection 2.2(2):
>
> ---
>
> **From:** Lisa Stein
> **Sent:** Thursday, November 30, 2017 12:06 PM
> **To:** Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
> **Cc:** Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
> **Subject:** Re: IESO - OEFC Drafts - IESO Comments Nov 29
> Hi Ryan,
> I've just sent you an email regarding the additional deletion.
> Lisa
>
> Sent from my iPhone
>
> On Nov 30, 2017, at 12:01 PM, Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca> wrote:
>
> > Hi Lisa,
> > There was no similar deletion in the other agreement (for the $160M revolving credit facility). As Victor pointed out in his email: "You will note that a similar clause is not included in the Revolving Credit Agreement.)"
> > In the original revolving credit agreement "Negative Pledge" was addressed in Section 4.7. There was no similar section called "Other Indebtedness" as there was in the original agreement for the $120M note..
> > Thank You,
> > Ryan
> >
> > ---
> >
> > **From:** Lisa Stein
> > **Sent:** Thursday, November 30, 2017 11:50 AM
> > **To:** Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
> > **Subject:** Re: IESO - OEFC Drafts - IESO Comments Nov 29
> > Hi Ryan,
> > Please see questions from my earlier email. Was there another deletion?
> > Thank you,
> > Lisa
> >
> > Sent from my iPhone
> >
> > On Nov 30, 2017, at 11:33 AM, Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca> wrote:
> >
> > > Hi Lisa,
> > > I spoke to JF and we are fine with moving forward with deleting this paragraph. We understand it's a business decision.
> > > Did you have any other concerns with either note?
> > > Thanks,
> > > Ryan
> > >
> > > ---

From: Lisa Stein
Sent: Thursday, November 30, 2017 11:28 AM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Subject: Re: IESO - OEFC Drafts - IESO Comments Nov 29
Hi Ryan,
I have no concerns with this deletion either. However, as noted earlier, I suggest running it by Toby as well as we worked together on the negative pledge language.
I believe there was also a deletion to the other agreement. Was it the same paragraph ? I think that numbering was different.
Lisa

Sent from my iPhone

On Nov 30, 2017, at 11:17 AM, Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca> wrote:

> Hi Lisa,
> Based on my conversation with Opal this morning, from a business perspective I don't have any concerns with this change.
>
> From Victor Buza's email:
> "Regarding the deletion of s.3.7 in the Note Agreement ("Other Indebtedness"), this is duplicative of s.3.8 ("Negative Pledge") but also conflicts with it in certain respects so may cause confusion and I believe the easiest way to deal with it is to delete it since I don't think it adds anything. (You will note that a similar clause is not included in the Revolving Credit Agreement.)"
> Thanks,
> Ryan
>
> **From:** Lisa Stein
> **Sent:** Thursday, November 30, 2017 10:58 AM
> **To:** Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
> **Cc:** Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
> **Subject:** Fwd: IESO - OEFC Drafts - IESO Comments Nov 29
> Hi Ryan,
> I found the amendments. Can you please send me the paragraphs that the IESO would like to delete? Do you have any concerns from a business perspective?
> Thank you,
>
> Sent from my iPhone
>
> Begin forwarded message:
>
> > **From:** Victor Buza <Victor.Buza@ieso.ca>
> > **Date:** November 29, 2017 at 6:49:40 PM EST
> > **To:** Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>, Anthony Martinello <Anthony.Martinello@ieso.ca>
> > **Cc:** Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>, John Kim <John.Kim@ofina.on.ca>, Gavin He <Gavin.He@ofina.on.ca>, Opal Kandelas <Opal.Kandelas@ofina.on.ca>, Sarah Harris <Sarah.Harris@ofina.on.ca>, "Lisa Stein" <Lisa.Stein@ofina.on.ca>
> > **Subject: RE: IESO - OEFC Drafts - IESO Comments Nov 29**
> >
> > Hi Ryan – thanks for the drafts. Please see attached markups that include our comments – I haven't had an opportunity to discuss these changes/comments internally but thought I should forward these asap given the time pressure.
> > The main adders that I have included track the language in the recently executed FHP Credit Facility.
> > Regarding the deletion of s.3.7 in the Note Agreement ("Other Indebtedness"), this is duplicative of s.3.8 ("Negative Pledge") but also conflicts with it in certain respects so may cause confusion and I believe the easiest way to deal with it is to delete it since I don't think it adds anything. (You will note that a similar clause is not included in the Revolving Credit Agreement.)
> > We may have more comments after we have a chance to discuss your draft and my comments internally tomorrow.
> > Regards,
> > Victor
> > **Victor Buza** | Senior Counsel

Independent Electricity System Operator (IESO) | T: 416-969-6079
1600-120 Adelaide Street West, Toronto, ON M5H 1T1
Web: www.ieso.ca[ieso.ca] | Twitter: IESO_Tweets[twitter.com] | LinkedIn: IESO[linkedin.com]

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From: Ryan Blackbyrne [mailto:Ryan.Blackbyrne@ofina.on.ca]
Sent: November 29, 2017 4:50 PM
To: Anthony Martinello
Cc: Jean-Francois Beaupre; John Kim; Victor Buza; Gavin He; Opal Kandelas; Sarah Harris; Lisa Stein
Subject: RE: IESO - OEFC Nov 27

Hi Anthony,

Please find initial draft documents for your review. Please note terms of these documents are still subject to internal approval at the OFA. Please let us know your comments.

Regards,

Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M7A 1Y7
416-325-8143
ryan.blackbyrne@ofina.on.ca

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Monday, November 27, 2017 2:50 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>; Gavin He <Gavin.He@ofina.on.ca>
Subject: IESO - OEFC Nov 27

Ryan – are you able to send over draft documents for our review? I understand that we may start to work on them now.

Regards.

From: Anthony Martinello
Sent: November 07, 2017 4:07 PM
To: 'Ryan.Blackbyrne@ofina.on.ca'
Cc: 'Jean-Francois.Beaupre@ofina.on.ca'; William Tan; John Kim; Victor Buza
Subject: IESO - OEFC Nov 7

Ryan,

As discussed with Will today, I understand you will be co-ordinating the proposed 2 amendments to the existing IESO-OEFC credit facilities.

For starters, there are no expected changes being asked to the existing agreement's key business content (e.g. amounts, dates, interest, notices etc.), rather given that IESO-OFA have just finished two new agreements pertaining to the new fair hydro program, ….I suggest we just copy and paste the salient sections from these agreements that would now be relevant to the OEFC agreements for fair hydro namely;

1.DRAFT

The definition of "Permitted Liens" is amended by deleting the word "and" at the end of subsection (xx); replacing the "." at the end of subsection (xx) and replacing it with "; and" ; and adding the following subsection (xx):

"(xx) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

2.DRAFT

The OFA agreements had required an intercept provision, …..not sure if the same applies to OEFC if yes:

"Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of November 6th , 2017 herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the

Capital Investment Plan Act, 1993 (the "Intercept Letter"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("Appropriated Funds"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("Intercept").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail."

3.

If any… other relevant updates that make sense to do now……I do not anticipate any material ones.

We need your support to expedite the above in order to avoid delays in the Fair Hydro implementation.

Regards.

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(2) The Note shall at all times rank pari passu with all other Senior Debt, except Senior Debt that is statutorily preferred and Senior Debt that is secured by a Lien referred to in Sections 3.8(a) to 3.8(f), inclusive.

(4) The Note shall at all times rank *pari passu* with all other unsubordinated Indebtedness of IESO, subject to the existence of any Permitted Liens of IESO.

From: YAO Anthea -FUNDMGMT
To: Kevin Shvarts
Cc: Sarah Harris; Jean-Francois Beaupre
Subject: RE: EXTERNAL - RE: OEFC borrowing notice - January 22, 2018
Date: Friday, January 05, 2018 8:07:20 AM
Attachments: $200M OEFC Borrowing Notice - 01 08 18 signed.pdf

---

Thanks Kevin.

Sarah/Jean-Francois - could you please advise to whom I should send the signed copy of borrowing notice?

Regards,
Anthea

Anthea Yao | Ontario Power Generation
700 University Avenue, Suite H18 C2, Toronto, Ontario, M5G 1X6 | T416.592.5542 | F 416.592.4189 | E anthea.yao@opg.com

-----Original Message-----
From: Kevin Shvarts [mailto:Kevin.Shvarts@ofina.on.ca]
Sent: Thursday, January 04, 2018 4:38 PM
To: YAO Anthea -FUNDMGMT <anthea.yao@opg.com>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Subject: EXTERNAL - RE: OEFC borrowing notice - January 22, 2018

*** Exercise caution. This is an EXTERNAL email. DO NOT open attachments or click links from unknown senders or unexpected email. *** _____

Hi Anthea,

No, Kelly is no longer with the OFA. His manager, Sarah, is currently out of the office, but I am copying her and Jean-Francois who can help direct this to the appropriate person.

Kevin

-----Original Message-----
From: YAO Anthea -FUNDMGMT [mailto:anthea.yao@opg.com]
Sent: Thursday, January 04, 2018 4:33 PM
To: Kevin Shvarts <Kevin.Shvarts@ofina.on.ca>
Subject: FW: OEFC borrowing notice - January 22, 2018

Hi Kevin,

My email below to Kelly was bounced back. Would you know if Kelly is still with the OFA?

Thanks,
Anthea

From: YAO Anthea -FUNDMGMT
Sent: Thursday, January 04, 2018 2:04 PM

To: 'Kelly.Listoe@ofina.on.ca' <Kelly.Listoe@ofina.on.ca<mailto:Kelly.Listoe@ofina.on.ca>>
Cc: TETI Vicki -FIN & C CTRL <vicki.teti@opg.com<mailto:vicki.teti@opg.com>>; RYFA Ken -TREASURY <ken.ryfa@opg.com<mailto:ken.ryfa@opg.com>>; 'Linda Smith' <linda.smith@ofina.on.ca<mailto:linda.smith@ofina.on.ca>>; 'CASHP@ofina.on.ca' <CASHP@ofina.on.ca<mailto:CASHP@ofina.on.ca>>; casho@ofina.on.ca<mailto:casho@ofina.on.ca> <casho@ofina.on.ca<mailto:casho@ofina.on.ca>>; Carlos Yep <carlos.yep@ofina.on.ca<mailto:carlos.yep@ofina.on.ca>>; James Devine <james.devine@ofina.on.ca<mailto:james.devine@ofina.on.ca>>; 'Serena.ly@ofina.on.ca' <Serena.ly@ofina.on.ca<mailto:Serena.ly@ofina.on.ca>>; GO Matthew -TREASURY <matthew.go@opg.com<mailto:matthew.go@opg.com>>
Subject: OEFC borrowing notice - January 22, 2018

Kelly,

Attached is a scanned copy of the Borrowing Notice and Promissory Note for $200 million General Corporate Requirements under the Credit Facility Agreement. The advance has a value date of January 22, 2018 and is for a 30-year term.

I will courier the originals to your attention.

Thanks,
Anthea

Anthea Yao | Ontario Power Generation
700 University Avenue, Suite H18 C2, Toronto, Ontario, M5G 1X6 | T416.592.5542 | F 416.592.4189 | E anthea.yao@opg.com<mailto:anthea.yao@opg.com>

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BORROWING NOTICE

Date: January 8, 2018

Ontario Electricity Financial Corporation **("OEFC")**
c/o Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A1Y7

Attention: Cash Management
Via e-mail*: CashP@ofina.on.ca

Dear Sirs:

The undersigned, Ontario Power Generation Inc. ("**OPG**"), refers to the General Corporate Requirements Credit Facility Agreement dated June 17, 2016 (as amended, supplemented or restated from time to time, the **"Agreement"**, the terms defined therein being used herein as therein defined) between OPG and OEFC, and gives you notice pursuant to Section 3.2 of the Agreement that OPG requests the following Advance under the Agreement (the **"Proposed Advance"**), and, in that connection, sets forth below the information relating to such Proposed Advance as required by Section 3.2 of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is January 22, 2018;
(b) The principal amount of the Proposed Advance is $200,000,000;
(c) The purpose of the Proposed Advance is Other General Corporate Requirements;
(d) The Repayment Date of the Proposed Advance is January 22, 2048;
(e) The Interest Payment Dates are the 22nd day of each January and July beginning July 22, 2018.

OPG hereby certifies that:

The representations and warranties of OPG contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

OPG has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received previously as Advances under the Agreement have been expended or are being held solely for the purpose for which they were advanced; no part of said funds has been nor any part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

ONTARIO POWER GENERATION INC.

Per: _____
John Lee
Vice President Treasurer

Per: _____
Ken Hartwick
Chief Financial Officer &
Senior Vice President - Finance

*To be confirmed by telephone call to OEFC Cash Management (416) 325-8108

PROMISSORY NOTE
(GENERAL CORPORATE REQUIREMENTS CREDIT FACILITY)

Principal Amount: **$200,000,000 CAD** Date: January 22, 2018
Interest Rate: _____% per annum
Due: **January 22, 2048**

FOR VALUE RECEIVED, ONTARIO POWER GENERATION INC. ("OPG"), a corporation incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of $200,000,000 in the lawful money of Canada, with interest on such amount at the rate, calculated in the manner and payable at the times specified in this promissory note (the **"Note"**).

The outstanding principal amount of this Note together with all interest accrued thereon shall become due and payable on January 22, 2048.

OEFC shall and is unconditionally and absolutely authorized and directed by OPG to record the date and amount of each prepayment, made with OEFC's consent, on account of the principal paid to OEFC and the resulting outstanding principal amount of this Note (the "**Records**"). OPG agrees that, in the absence of manifest mathematical error, the Records shall be *prima facie* evidence of such payments, provided that the failure of OEFC to record or correctly record any amount or date shall not affect the obligation of OPG to pay the outstanding principal amount of the advances and interest, if applicable.

The principal amount of this Note remaining from time to time unpaid and outstanding shall bear interest from the date of this Note both before and after maturity and both before and after Default at the rate of per annum equal to _____%. Interest at such rate shall accrue daily and shall be payable in arrears, in equal semi-annual payments on January 22nd and July 22nd of each year commencing July 22, 2018 until repaid in full. Overdue interest shall bear interest at the same rate, calculated as aforesaid. Whenever it is necessary to compute interest in respect of this Note for a period of less than one full year, other than such equal semi-annual payments, such interest shall be calculated on the basis of the actual number of days elapsed in a year of 365 days.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the General Corporate Requirements Credit Facility Agreement dated June 17, 2016 between OPG and OEFC (as amended supplemented or replaced from time to time, the "**Agreement**"), which Agreement provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of OPG. OPG waives presentment for payment and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

*****

IN WITNESS WHEREOF OPG has executed this Note

ONTARIO POWER GENERATION INC.

Per: _____
John Lee
Vice President–Treasurer

Per: _____
Ken Hartwick
Chief Financial Officer &
Senior Vice President - Finance

From:	YAO Anthea -FUNDMGMT
To:	Ryan Blackbyrne
Cc:	Kevin Shvarts; Jean-Francois Beaupre; Sarah Harris
Subject:	RE: EXTERNAL - RE: OEFC borrowing notice - January 22, 2018
Date:	Friday, January 05, 2018 10:44:32 AM
Attachments:	$200M OEFC Borrowing Notice - 01 08 18 signed.pdf

---

Hi Ryan,

Please see attached. I will send the originals to your attention.

Thanks,
Anthea

-----Original Message-----
From: Ryan Blackbyrne [mailto:Ryan.Blackbyrne@ofina.on.ca]
Sent: Friday, January 05, 2018 9:09 AM
To: YAO Anthea -FUNDMGMT <anthea.yao@opg.com>
Cc: Kevin Shvarts <Kevin.Shvarts@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: EXTERNAL - RE: OEFC borrowing notice - January 22, 2018

*** Exercise caution. This is an EXTERNAL email. DO NOT open attachments or click links from unknown senders or unexpected email. *** _____

Hi Anthea,

I can handle this. Please resend the attachments. You can courier the originals to my attention at the same address you used for Kelly (in my email signature).

Thank You,

Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M5G 1Z3
416-325-8143
ryan.blackbyrne@ofina.on.ca

-----Original Message-----
From: Kevin Shvarts
Sent: Thursday, January 04, 2018 4:38 PM
To: 'YAO Anthea -FUNDMGMT' <anthea.yao@opg.com>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Subject: RE: OEFC borrowing notice - January 22, 2018

Hi Anthea,

No, Kelly is no longer with the OFA. His manager, Sarah, is currently out of the office, but I am copying her and Jean-Francois who can help direct this to the appropriate person.

Kevin

-----Original Message-----
From: YAO Anthea -FUNDMGMT [mailto:anthea.yao@opg.com]
Sent: Thursday, January 04, 2018 4:33 PM
To: Kevin Shvarts <Kevin.Shvarts@ofina.on.ca>
Subject: FW: OEFC borrowing notice - January 22, 2018

Hi Kevin,

My email below to Kelly was bounced back. Would you know if Kelly is still with the OFA?

Thanks,
Anthea

From: YAO Anthea -FUNDMGMT
Sent: Thursday, January 04, 2018 2:04 PM
To: 'Kelly.Listoe@ofina.on.ca' <Kelly.Listoe@ofina.on.ca<mailto:Kelly.Listoe@ofina.on.ca>>
Cc: TETI Vicki -FIN & C CTRL <vicki.teti@opg.com<mailto:vicki.teti@opg.com>>; RYFA Ken -TREASURY <ken.ryfa@opg.com<mailto:ken.ryfa@opg.com>>; 'Linda Smith' <linda.smith@ofina.on.ca<mailto:linda.smith@ofina.on.ca>>; 'CASHP@ofina.on.ca' <CASHP@ofina.on.ca<mailto:CASHP@ofina.on.ca>>; casho@ofina.on.ca<mailto:casho@ofina.on.ca> <casho@ofina.on.ca<mailto:casho@ofina.on.ca>>; Carlos Yep <carlos.yep@ofina.on.ca<mailto:carlos.yep@ofina.on.ca>>; James Devine <james.devine@ofina.on.ca<mailto:james.devine@ofina.on.ca>>; 'Serena.ly@ofina.on.ca' <Serena.ly@ofina.on.ca<mailto:Serena.ly@ofina.on.ca>>; GO Matthew -TREASURY <matthew.go@opg.com<mailto:matthew.go@opg.com>>
Subject: OEFC borrowing notice - January 22, 2018

Kelly,

Attached is a scanned copy of the Borrowing Notice and Promissory Note for $200 million General Corporate Requirements under the Credit Facility Agreement. The advance has a value date of January 22, 2018 and is for a 30-year term.

I will courier the originals to your attention.

Thanks,
Anthea

Anthea Yao | Ontario Power Generation
700 University Avenue, Suite H18 C2, Toronto, Ontario, M5G 1X6 | T416.592.5542 | F 416.592.4189 | E anthea.yao@opg.com<mailto:anthea.yao@opg.com>

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BORROWING NOTICE

Date: January 8, 2018

Ontario Electricity Financial Corporation **("OEFC")**
c/o Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A1Y7

Attention: Cash Management
Via e-mail*: CashP@ofina.on.ca

Dear Sirs:

The undersigned, Ontario Power Generation Inc. ("**OPG**"), refers to the General Corporate Requirements Credit Facility Agreement dated June 17, 2016 (as amended, supplemented or restated from time to time, the **"Agreement"**, the terms defined therein being used herein as therein defined) between OPG and OEFC, and gives you notice pursuant to Section 3.2 of the Agreement that OPG requests the following Advance under the Agreement (the **"Proposed Advance"**), and, in that connection, sets forth below the information relating to such Proposed Advance as required by Section 3.2 of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is January 22, 2018;
(b) The principal amount of the Proposed Advance is $200,000,000;
(c) The purpose of the Proposed Advance is Other General Corporate Requirements;
(d) The Repayment Date of the Proposed Advance is January 22, 2048;
(e) The Interest Payment Dates are the 22nd day of each January and July beginning July 22, 2018.

OPG hereby certifies that:

The representations and warranties of OPG contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

OPG has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received previously as Advances under the Agreement have been expended or are being held solely for the purpose for which they were advanced; no part of said funds has been nor any part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

ONTARIO POWER GENERATION INC.

Per: _____
John Lee
Vice President Treasurer

Per: _____
Ken Hartwick
Chief Financial Officer &
Senior Vice President - Finance

*To be confirmed by telephone call to OEFC Cash Management (416) 325-8108

PROMISSORY NOTE
(GENERAL CORPORATE REQUIREMENTS CREDIT FACILITY)

Principal Amount: **$200,000,000 CAD** Date: January 22, 2018
Interest Rate: _____% per annum
Due: **January 22, 2048**

FOR VALUE RECEIVED, ONTARIO POWER GENERATION INC. ("OPG"), a corporation incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of $200,000,000 in the lawful money of Canada, with interest on such amount at the rate, calculated in the manner and payable at the times specified in this promissory note (the **"Note"**).

The outstanding principal amount of this Note together with all interest accrued thereon shall become due and payable on January 22, 2048.

OEFC shall and is unconditionally and absolutely authorized and directed by OPG to record the date and amount of each prepayment, made with OEFC's consent, on account of the principal paid to OEFC and the resulting outstanding principal amount of this Note (the "**Records**"). OPG agrees that, in the absence of manifest mathematical error, the Records shall be *prima facie* evidence of such payments, provided that the failure of OEFC to record or correctly record any amount or date shall not affect the obligation of OPG to pay the outstanding principal amount of the advances and interest, if applicable.

The principal amount of this Note remaining from time to time unpaid and outstanding shall bear interest from the date of this Note both before and after maturity and both before and after Default at the rate of per annum equal to _____%. Interest at such rate shall accrue daily and shall be payable in arrears, in equal semi-annual payments on January 22nd and July 22nd of each year commencing July 22, 2018 until repaid in full. Overdue interest shall bear interest at the same rate, calculated as aforesaid. Whenever it is necessary to compute interest in respect of this Note for a period of less than one full year, other than such equal semi-annual payments, such interest shall be calculated on the basis of the actual number of days elapsed in a year of 365 days.

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This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

*****

IN WITNESS WHEREOF OPG has executed this Note

ONTARIO POWER GENERATION INC.

Per: _____
John Lee
Vice President–Treasurer

Per: _____
Ken Hartwick
Chief Financial Officer &
Senior Vice President - Finance

From: YAO Anthea -FUNDMGMT
To: Andrea Dalgarno
Cc: Sarah Harris; Ryan Blackbyrne; Linda Smith; Carlos Yep; James Devine; Ricky Lai
Subject: RE: EXTERNAL – Waiver Applicable to March 22, 2018 Proposed Advance $400 Million
Date: Tuesday, March 13, 2018 11:07:18 AM

Hi Andrea,
Thank you for the copy. Please also send the original to our office below.
Regards,
Anthea

From: Andrea Dalgarno [mailto:Andrea.Dalgarno@ofina.on.ca]
Sent: Tuesday, March 13, 2018 8:39 AM
To: YAO Anthea -FUNDMGMT
Cc: Sarah Harris ; Ryan Blackbyrne ; Linda Smith ; Carlos Yep ; James Devine ; Ricky Lai
Subject: EXTERNAL – Waiver Applicable to March 22, 2018 Proposed Advance $400 Million
*** Exercise caution. This is an EXTERNAL email. DO NOT open attachments or click links from unknown senders or unexpected email. ***

Good Morning,
Attached to this email is a copy of an executed waiver as it pertains to the March 22, 2018 Proposed Advance of $400 million as requested in OPG's Borrowing Notice dated March 5, 2018.
Please confirm whether OPG requires the original to be sent to the attention of Ken Hartwick as follows:
Ontario Power Generation
700 University Avenue, H18
Toronto, Ontario
M5G 1X6
Regards,
Andrea Dalgarno
Documentation & Analysis Specialist
Ontario Financing Authority
Tel 416-212-7451

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by return e-mail and delete this message from your system. Ontario Power Generation Inc.

From:	Julie Wong Barker
To:	Victor Buza; William Tan
Cc:	Sarah Harris; Lisa Stein; Anthony Martinello
Subject:	RE: Exchange of Grid Notes
Date:	Friday, November 24, 2017 11:57:15 AM

For ease of reference, my contact info is below.

Julie Wong Barker | Bilingual Sr. Legal Counsel
Independent Electricity System Operator (IESO) | T: (416) 969-6206 | C: (416) 904-4479
120 Adelaide Street West - Suite 1600, Toronto, ON, M5H 1T1
Web: www.ieso.ca[ieso.ca] | Twitter: IESO_Tweets[twitter.com] | LinkedIn: IESO[linkedin.com]
Conservation: www.saveONenergy.ca[saveonenergy.ca] | Twitter: saveONenergyOnt[twitter.com] | LinkedIn: saveONenergy[linkedin.com]

From: Victor Buza
Sent: November 24, 2017 11:52 AM
To: William Tan
Cc: Sarah Harris; Lisa Stein; Anthony Martinello; Julie Wong Barker
Subject: RE: Exchange of Grid Notes

Thanks William. I am not in our Toronto office today so, assuming it will go by same day delivery, please address it to the Attn of my colleague Julie Wong Barker at that same address (cc'ed on this email).
Regards,
Victor

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 24, 2017 9:27 AM
To: Victor Buza
Cc: Sarah Harris; Lisa Stein; Anthony Martinello
Subject: RE: Exchange of Grid Notes

Good morning Victor,
The note for $475M arrived late yesterday. I will be sending you the cancelled note for $975M. Shall I have it delivered to your attention at:
1600-120 Adelaide Street West
Toronto, ON M5H 1T1
Please find the attached copies of both notes.
Thanks,
Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Wednesday, November 22, 2017 3:07 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: RE: Exchange of Grid Notes

Ok thanks Will. I will send over the new original note tomorrow morning by same day delivery – I missed the early deadline today.
Victor

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 22, 2017 1:40 PM

To: Victor Buza
Cc: Sarah Harris; Lisa Stein; Anthony Martinello
Subject: FW: Exchange of Grid Notes

Hello Victor,

Anthony and I discussed that after the borrowing notice and election notices are actioned, OFA will produce the grid notes to evidence payment and advancements. IESO will then send the new $475MM prom note to OFA. Once received, OFA will send the $975MM cancelled prom note to IESO.

Attached are the grid notes for you reference. Please send the prom note addressed to me below.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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---

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Wednesday, November 22, 2017 12:50 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Anthony Martinello <Anthony.Martinello@ieso.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: Exchange of Grid Notes

Hi Will. I understand from Anthony that the November advances etc have now occurred under the new FHP line of credit and the 2005 line of credit.

Just wanted to check in with you on arranging for the exchange of the Grid Notes regarding the 2005 line of credit i.e. we will provide to OFA the new $475MM Note in exchange for the return to us of the old $975MM Note.

Let me know what your standard practice is.

Thanks,

Victor

Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079
1600-120 Adelaide Street West, Toronto, ON M5H 1T1
Web: www.ieso.ca[ieso.ca][na01.safelinks.protection.outlook.com] | Twitter: IESO_Tweets[twitter.com][na01.safelinks.protection.outlook.com] | LinkedIn: IESO[linkedin.com][na01.safelinks.protection.outlook.com]

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From: Victor Buza
To: William Tan
Cc: Sarah Harris; Lisa Stein; Anthony Martinello; Julie Wong Barker
Subject: RE: Exchange of Grid Notes
Date: Friday, November 24, 2017 11:52:26 AM

Thanks William. I am not in our Toronto office today so, assuming it will go by same day delivery, please address it to the Attn of my colleague Julie Wong Barker at that same address (cc'ed on this email).
Regards,
Victor

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Sent: November 24, 2017 9:27 AM
To: Victor Buza
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Toronto, ON M5H 1T1
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Will

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Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: RE: Exchange of Grid Notes

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Attached are the grid notes for you reference. Please send the prom note addressed to me below.
Best regards,
Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority

1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca
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---

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Wednesday, November 22, 2017 12:50 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Anthony Martinello <Anthony.Martinello@ieso.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: Exchange of Grid Notes

Hi Will. I understand from Anthony that the November advances etc have now occurred under the new FHP line of credit and the 2005 line of credit.

Just wanted to check in with you on arranging for the exchange of the Grid Notes regarding the 2005 line of credit i.e. we will provide to OFA the new $475MM Note in exchange for the return to us of the old $975MM Note.

Let me know what your standard practice is.

Thanks,

Victor

Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079
1600-120 Adelaide Street West, Toronto, ON M5H 1T1
Web: www.ieso.ca[ieso.ca][na01.safelinks.protection.outlook.com] | Twitter: IESO_Tweets[twitter.com][na01.safelinks.protection.outlook.com] | LinkedIn: IESO[linkedin.com][na01.safelinks.protection.outlook.com]

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From: Victor Buza
To: William Tan
Cc: Sarah Harris; Lisa Stein; Anthony Martinello; Julie Wong Barker
Subject: RE: Exchange of Grid Notes
Date: Friday, November 24, 2017 11:52:26 AM

Thanks William. I am not in our Toronto office today so, assuming it will go by same day delivery, please address it to the Attn of my colleague Julie Wong Barker at that same address (cc'ed on this email).
Regards,
Victor

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 24, 2017 9:27 AM
To: Victor Buza
Cc: Sarah Harris; Lisa Stein; Anthony Martinello
Subject: RE: Exchange of Grid Notes

Good morning Victor,
The note for $475M arrived late yesterday. I will be sending you the cancelled note for $975M. Shall I have it delivered to your attention at:
1600-120 Adelaide Street West
Toronto, ON M5H 1T1
Please find the attached copies of both notes.
Thanks,
Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Wednesday, November 22, 2017 3:07 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
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Ok thanks Will. I will send over the new original note tomorrow morning by same day delivery – I missed the early deadline today.
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To: Victor Buza
Cc: Sarah Harris; Lisa Stein; Anthony Martinello
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Hello Victor,
Anthony and I discussed that after the borrowing notice and election notices are actioned, OFA will produce the grid notes to evidence payment and advancements. IESO will then send the new $475MM prom note to OFA. Once received, OFA will send the $975MM cancelled prom note to IESO.
Attached are the grid notes for you reference. Please send the prom note addressed to me below.
Best regards,
Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority

1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
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From:	William Tan
To:	"Victor Buza"
Cc:	Sarah Harris; Lisa Stein; Anthony Martinello
Subject:	RE: Exchange of Grid Notes
Date:	Friday, November 24, 2017 9:27:06 AM
Attachments:	$475M Promissory Grid Note.pdf $975M Cancelled Promissory Grid Note.pdf

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INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $475,000,000 Date: Nov. 21, 2017

FOR VALUE RECEIVED, INDEPENDENT ELECTRICTY SYSTEM OPERATOR (the **"IESO"**), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY ("OFA")** at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Credit Agreement (as defined below). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Credit Agreement.

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the credit agreement dated January 1, 2005 as amended, supplemented or restated from time to time, between the Borrower and the OFA (the **"Credit Agreement"**).

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Credit Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: K Marshall

Name: Kimberly Marshall
Authorized Signatory

SCHEDULE 3 TO AMENDING AGREEMENT NO. 9

SCHEDULE 3

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $975,000,000 Date: November 30, 2016

FOR VALUE RECEIVED, INDEPENDENT ELECTRICTY SYSTEM OPERATOR (the **"Company"**), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY ("OFA")** at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the Company, all as recorded by the OFA on the grid (the **"Grid"**) attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Credit Agreement (as defined below).

OFA shall and is unconditionally and absolutely authorized and directed by the Company to record on the Grid (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the grid promissory note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Credit Agreement dated January 1, 2005 as amended, supplemented or restated from time to time, between the Borrower and the OFA (the **"Credit Agreement"**). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Credit Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Credit Agreement.

This Note is not transferable or negotiable without the prior written consent of the Company.

The Company waives presentment for payment and notice of non-payment.

This Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the Company has executed this Note.

INDEPENDENT ELECTRICTY SYSTEM OPERARTOR

By: _____

Name: Bruce Campbell
Title: President & CEO

By: _____

Name: Kimberly Marshall
Title: VP, Corporate Services; CFO; Treasurer

From:	William Tan
To:	"Victor Buza"
Cc:	Sarah Harris; Lisa Stein; Anthony Martinello
Subject:	RE: Exchange of Grid Notes
Date:	Friday, November 24, 2017 9:27:06 AM
Attachments:	$475M Promissory Grid Note.pdf $975M Cancelled Promissory Grid Note.pdf

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Sent: Wednesday, November 22, 2017 12:50 PM

To: William Tan <William.Tan@ofina.on.ca>
Cc: Anthony Martinello <Anthony.Martinello@ieso.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
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Thanks,

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INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $475,000,000 Date: Nov. 21, 2017

FOR VALUE RECEIVED, INDEPENDENT ELECTRICTY SYSTEM OPERATOR (the **"IESO"**), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY ("OFA")** at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Credit Agreement (as defined below). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Credit Agreement.

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

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IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: K Marshall

Name: Kimberly Marshall
Authorized Signatory

SCHEDULE 3 TO AMENDING AGREEMENT NO. 9

SCHEDULE 3

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $975,000,000 Date: November 30, 2016

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Title: President & CEO

By: _____

Name: Kimberly Marshall
Title: VP, Corporate Services; CFO; Treasurer

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Cc: Sarah Harris; Lisa Stein; Anthony Martinello
Subject: RE: Exchange of Grid Notes
Date: Wednesday, November 22, 2017 3:06:46 PM

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Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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---

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Wednesday, November 22, 2017 12:50 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Anthony Martinello <Anthony.Martinello@ieso.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: Exchange of Grid Notes

Hi Will. I understand from Anthony that the November advances etc have now occurred under the new FHP line of credit and the 2005 line of credit.

Just wanted to check in with you on arranging for the exchange of the Grid Notes regarding the 2005 line of credit i.e. we will provide to OFA the new $475MM Note in exchange for the return to us of the old $975MM Note.

Let me know what your standard practice is.

Thanks,

Victor

Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079

1600-120 Adelaide Street West, Toronto, ON M5H 1T1
Web: www.ieso.ca[ieso.ca][na01.safelinks.protection.outlook.com] | Twitter: IESO_Tweets[twitter.com][na01.safelinks.protection.outlook.com] | LinkedIn: IESO[linkedin.com][na01.safelinks.protection.outlook.com]
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From:	Julie Wong Barker
To:	Victor Buza; William Tan
Cc:	Sarah Harris; Lisa Stein; Anthony Martinello
Subject:	RE: Exchange of Grid Notes
Date:	Friday, November 24, 2017 11:57:15 AM

For ease of reference, my contact info is below.

Julie Wong Barker | Bilingual Sr. Legal Counsel
Independent Electricity System Operator (IESO) | T: (416) 969-6206 | C: (416) 904-4479
120 Adelaide Street West - Suite 1600, Toronto, ON, M5H 1T1
Web: www.ieso.ca[ieso.ca] | Twitter: IESO_Tweets[twitter.com] | LinkedIn: IESO[linkedin.com]
Conservation: www.saveONenergy.ca[saveonenergy.ca] | Twitter: saveONenergyOnt[twitter.com] | LinkedIn: saveONenergy[linkedin.com]

From: Victor Buza
Sent: November 24, 2017 11:52 AM
To: William Tan
Cc: Sarah Harris; Lisa Stein; Anthony Martinello; Julie Wong Barker
Subject: RE: Exchange of Grid Notes

Thanks William. I am not in our Toronto office today so, assuming it will go by same day delivery, please address it to the Attn of my colleague Julie Wong Barker at that same address (cc'ed on this email).
Regards,
Victor

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 24, 2017 9:27 AM
To: Victor Buza
Cc: Sarah Harris; Lisa Stein; Anthony Martinello
Subject: RE: Exchange of Grid Notes

Good morning Victor,
The note for $475M arrived late yesterday. I will be sending you the cancelled note for $975M. Shall I have it delivered to your attention at:
1600-120 Adelaide Street West
Toronto, ON M5H 1T1
Please find the attached copies of both notes.
Thanks,
Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Wednesday, November 22, 2017 3:07 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: RE: Exchange of Grid Notes

Ok thanks Will. I will send over the new original note tomorrow morning by same day delivery – I missed the early deadline today.
Victor

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 22, 2017 1:40 PM

To: Victor Buza
Cc: Sarah Harris; Lisa Stein; Anthony Martinello
Subject: FW: Exchange of Grid Notes

Hello Victor,

Anthony and I discussed that after the borrowing notice and election notices are actioned, OFA will produce the grid notes to evidence payment and advancements. IESO will then send the new $475MM prom note to OFA. Once received, OFA will send the $975MM cancelled prom note to IESO.

Attached are the grid notes for you reference. Please send the prom note addressed to me below.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
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From:	Risa Thau
To:	Salvatore Alfano; William Tan
Cc:	Sarah Harris; Carlos Yep; SETTLEMENT; CASHP; James Devine
Subject:	RE: FHP Agreement, 5-day minimum period exception
Date:	Friday, March 09, 2018 1:43:41 PM

Neither does Settlements.
Thanks,
Risa Thau

From: Salvatore Alfano
Sent: Friday, March 09, 2018 1:31 PM
To: William Tan
Cc: Sarah Harris ; Carlos Yep ; SETTLEMENT ; CASHP ; James Devine
Subject: RE: FHP Agreement, 5-day minimum period exception
Hi,
We don't have any concerns.
Sal

From: William Tan
Sent: Friday, March 09, 2018 12:03 PM
To: Salvatore Alfano <Salvatore.Alfano@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>; CASHP <CASHP@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>
Subject: RE: FHP Agreement, 5-day minimum period exception
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Thanks,
WIll

From: Salvatore Alfano
Sent: Thursday, March 08, 2018 9:58 AM
To: William Tan <William.Tan@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>; CASHP <CASHP@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: FHP Agreement, 5-day minimum period exception
Hi,
We would have no concerns from an operational standpoint.
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From: William Tan
Sent: Wednesday, March 07, 2018 3:33 PM
To: Carlos Yep <Carlos.Yep@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>; CASHP <CASHP@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>

Subject: FHP Agreement, 5-day minimum period exception

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IESO has asked OFA for a one-time exception to waive the minimum period for advances of 5 days (FHP Credit Facility Agreement). IESO has asked for an advance period of 1 day, so it may use money expected from OPG to repay its advance on the same day it matures.

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Please let me know if your respective areas have any concerns or issues from an operational standpoint.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
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From:	Salvatore Alfano
To:	William Tan
Cc:	Sarah Harris; Carlos Yep; SETTLEMENT; CASHP; James Devine
Subject:	RE: FHP Agreement, 5-day minimum period exception
Date:	Friday, March 09, 2018 1:31:25 PM

Hi,
We don't have any concerns.
Sal

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To: Salvatore Alfano
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To:	Salvatore Alfano
Cc:	Sarah Harris; Carlos Yep; SETTLEMENT; CASHP; James Devine
Subject:	RE: FHP Agreement, 5-day minimum period exception
Date:	Friday, March 09, 2018 12:02:55 PM
Attachments:	Rollover Notice with advance.pdf

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Powering Tomorrow.

Independent Electricity System Operator
Station A, Box 4474
Toronto, ON M5W 4E5
t 905.403.6900
www.ieso.ca

SCHEDULE 2
ELECTION NOTICE

Date: **February 16, 2018**

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7
Delivered Via Email: CASHP@ofina.on.ca

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is **February 21, 2018.**
(b) The aggregate amount of the proposed Continued Advance is **$199,486,717.08**, which is comprised of:
i. principal amount of Advance which is to be continued **$199,486,717.08**; and
ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date **$0.00**;
(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): **$0.00**;
(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is **March 20, 2018**. [Insert date not earlier than 5 days and not later than 95 days after the current Repayment Date for the Advance.]

IESO confirms it will also be paying interest in the amount of **$261,518.89**.

Such election shall be confirmed by IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: **$132,913,843.06**

The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: **$332,400,560.14**

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): **This transaction relates to the Fair Hydro Program**.

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: K Marshall

Kimberly Marshall
VP Corporate Services, CFO and Treasurer

From:	William Tan
To:	Salvatore Alfano
Cc:	Sarah Harris; Carlos Yep; SETTLEMENT; CASHP; James Devine
Subject:	RE: FHP Agreement, 5-day minimum period exception
Date:	Friday, March 09, 2018 12:02:55 PM
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Such election shall be confirmed by IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: **$132,913,843.06**

The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: **$332,400,560.14**

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): **This transaction relates to the Fair Hydro Program**.

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: K Marshall

Kimberly Marshall
VP Corporate Services, CFO and Treasurer

From: Salvatore Alfano
To: William Tan; Carlos Yep; SETTLEMENT; CASHP
Cc: Sarah Harris
Subject: RE: FHP Agreement, 5-day minimum period exception
Date: Thursday, March 08, 2018 9:57:36 AM

Hi,
We would have no concerns from an operational standpoint.
Sal

From: William Tan
Sent: Wednesday, March 07, 2018 3:33 PM
To: Carlos Yep ; SETTLEMENT ; CASHP
Cc: Sarah Harris
Subject: FHP Agreement, 5-day minimum period exception

Hello all,

IESO has asked OFA for a one-time exception to waive the minimum period for advances of 5 days (FHP Credit Facility Agreement). IESO has asked for an advance period of 1 day, so it may use money expected from OPG to repay its advance on the same day it matures.

IESO's current outstanding advance of $322M, matures on March 21, 2018. IESO will require an additional advance of $208M (to pay power generators) for a total of $530M, but will only require this for 1 day because IESO expects to receive funds from OPG to repay its advances on March 22. Rather than incurring additional interest costs of borrowing until March 26, 2018 (5 day minimum), IESO would prefer to match the maturity of its advances and expected cash inflow from OPG.

Please let me know if your respective areas have any concerns or issues from an operational standpoint.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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From:	Carlos Yep
To:	William Tan
Cc:	Sarah Harris
Subject:	RE: FHP Agreement, 5-day minimum period exception
Date:	Wednesday, March 07, 2018 3:42:55 PM

Hi Will

The waiver for the 5 day minimum is expected to occur on an infrequent but periodic basis.

Regards

Carlos

From: William Tan
Sent: Wednesday, March 07, 2018 3:33 PM
To: Carlos Yep ; SETTLEMENT ; CASHP
Cc: Sarah Harris
Subject: FHP Agreement, 5-day minimum period exception

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From:	Risa Thau
To:	Salvatore Alfano; William Tan
Cc:	Sarah Harris; Carlos Yep; SETTLEMENT; CASHP; James Devine
Subject:	RE: FHP Agreement, 5-day minimum period exception
Date:	Friday, March 09, 2018 1:43:41 PM

Neither does Settlements.
Thanks,
Risa Thau

From: Salvatore Alfano
Sent: Friday, March 09, 2018 1:31 PM
To: William Tan
Cc: Sarah Harris ; Carlos Yep ; SETTLEMENT ; CASHP ; James Devine
Subject: RE: FHP Agreement, 5-day minimum period exception
Hi,
We don't have any concerns.
Sal

From: William Tan
Sent: Friday, March 09, 2018 12:03 PM
To: Salvatore Alfano <Salvatore.Alfano@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>; CASHP <CASHP@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>
Subject: RE: FHP Agreement, 5-day minimum period exception
Hello Salvatore,
I spoke to Olga (IESO). She informed me that $322M, matures on March 20,(not March 21, previously reported). IESO would need to borrow $530M for 2 days (not 1 day, previously reported) for a maturity of March 22. Please let me know if your area has concerns from an operational standpoint regarding this.
Thanks,
WIll

From: Salvatore Alfano
Sent: Thursday, March 08, 2018 9:58 AM
To: William Tan <William.Tan@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>; CASHP <CASHP@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: FHP Agreement, 5-day minimum period exception
Hi,
We would have no concerns from an operational standpoint.
Sal

From: William Tan
Sent: Wednesday, March 07, 2018 3:33 PM
To: Carlos Yep <Carlos.Yep@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>; CASHP <CASHP@ofina.on.ca>
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Subject: FHP Agreement, 5-day minimum period exception

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From:	William Tan
To:	Sarah Harris
Subject:	RE: FHP agreement and intercept letter
Date:	Tuesday, February 06, 2018 11:27:13 AM

Hi Sarah,
I'm sorry. I didn't read the title subject line and thought she was still referring to ONTC files. I'll send Lisa the FHP related electronic copies to her.

From: Sarah Harris
Sent: Tuesday, February 06, 2018 11:20 AM
To: William Tan
Subject: RE: FHP agreement and intercept letter

Hi Will,
Lisa was confused when I spoke to her about the ONTC agreements. In her e-mail below, she is referencing FHP and intercept. She needs electronic copies of those.
Thanks,
Sarah

From: William Tan
Sent: Tuesday, February 06, 2018 9:39 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: FHP agreement and intercept letter

Thanks Sarah.

From: Sarah Harris
Sent: Tuesday, February 06, 2018 9:38 AM
To: William Tan <William.Tan@ofina.on.ca>
Subject: RE: FHP agreement and intercept letter

Hi Will,
Everyone is tied up with a global and a new DMTN. I will have to get it for Lisa but after my meeting with Opal, sometime around 11-11:30 a.m.
I will lend the files to Lisa, and she can ask Joan to make copies and return them to us.
Thanks,
SArah

From: William Tan
Sent: Tuesday, February 06, 2018 9:36 AM
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Subject: FW: FHP agreement and intercept letter

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It's in cabinet 9.
At the very bottom of the cabinet. They should be next to each other.
$7M ONTC line of credit marked across the top
$8M ONTC line of credit marked across the top
Thanks,
Will

From: Lisa Stein
Sent: Tuesday, February 06, 2018 9:28 AM
To: William Tan <William.Tan@ofina.on.ca>
Subject: RE: FHP agreement and intercept letter
Please ask someone to send it today, thank you.

From: William Tan
Sent: Tuesday, February 06, 2018 9:24 AM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: RE: FHP agreement and intercept letter
Good morning Lisa,
I am WFH today. May I send it to you tomorrow? If its urgent I can get another colleague to pull the file and scan it to you.
Thanks,
Will

From: Lisa Stein
Sent: Monday, February 05, 2018 4:35 PM
To: William Tan <William.Tan@ofina.on.ca>
Subject: FHP agreement and intercept letter
Hi Will,
When you have a chance, can you please send me electronic copies of the above two signed agreements for my file?
Thank you,
Lisa
Lisa N. Stein
Legal Counsel
Ontario Financing Authority
416-325-2320
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From:	Sarah Harris
To:	William Tan
Subject:	RE: FHP agreement and intercept letter
Date:	Tuesday, February 06, 2018 11:19:59 AM

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From:	William Tan
To:	Sarah Harris
Subject:	RE: FHP agreement and intercept letter
Date:	Tuesday, February 06, 2018 9:38:51 AM

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To: William Tan
Subject: RE: FHP agreement and intercept letter
Date: Tuesday, February 06, 2018 9:38:16 AM

Hi Will,
Everyone is tied up with a global and a new DMTN. I will have to get it for Lisa but after my meeting with Opal, sometime around 11-11:30 a.m.
I will lend the files to Lisa, and she can ask Joan to make copies and return them to us.
Thanks,
SArah

From: William Tan
Sent: Tuesday, February 06, 2018 9:36 AM
To: Sarah Harris
Subject: FW: FHP agreement and intercept letter
Hi Sarah,
As per below Lisa requires copies of the physical files for the $7M and $8M line of credit. Would you be able to assign someone to pull and scan the files to Lisa?
It's in cabinet 9.
At the very bottom of the cabinet. They should be next to each other.
$7M ONTC line of credit marked across the top
$8M ONTC line of credit marked across the top
Thanks,
Will

From: Lisa Stein
Sent: Tuesday, February 06, 2018 9:28 AM
To: William Tan <William.Tan@ofina.on.ca>
Subject: RE: FHP agreement and intercept letter
Please ask someone to send it today, thank you.

From: William Tan
Sent: Tuesday, February 06, 2018 9:24 AM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: RE: FHP agreement and intercept letter
Good morning Lisa,
I am WFH today. May I send it to you tomorrow? If its urgent I can get another colleague to pull the file and scan it to you.
Thanks,
Will

From: Lisa Stein
Sent: Monday, February 05, 2018 4:35 PM
To: William Tan <William.Tan@ofina.on.ca>
Subject: FHP agreement and intercept letter
Hi Will,
When you have a chance, can you please send me electronic copies of the above two signed agreements for my file?

Thank you,

Lisa

Lisa N. Stein
Legal Counsel
Ontario Financing Authority
416-325-2320

****
This message, including any attachments, is intended only for the use of the individual(s) to which it is addressed and contains information that is privileged/confidential. Any other distribution, copying or disclosure is strictly prohibited. If you are not the intended recipient or have received this message in error, please notify the sender immediately by reply e-mail and permanently delete this message, including any attachments, without reading it or making a copy. Thank you.
****

From:	William Tan
To:	Sarah Harris
Subject:	RE: FHP agreement and intercept letter
Date:	Tuesday, February 06, 2018 11:27:13 AM

Hi Sarah,
I'm sorry. I didn't read the title subject line and thought she was still referring to ONTC files. I'll send Lisa the FHP related electronic copies to her.

From: Sarah Harris
Sent: Tuesday, February 06, 2018 11:20 AM
To: William Tan
Subject: RE: FHP agreement and intercept letter

Hi Will,
Lisa was confused when I spoke to her about the ONTC agreements. In her e-mail below, she is referencing FHP and intercept. She needs electronic copies of those.
Thanks,
Sarah

From: William Tan
Sent: Tuesday, February 06, 2018 9:39 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: FHP agreement and intercept letter

Thanks Sarah.

From: Sarah Harris
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To: William Tan <William.Tan@ofina.on.ca>
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Lisa N. Stein
Legal Counsel
Ontario Financing Authority
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****

To:	Lisa Stein; William Tan
Subject:	RE: FHP and Amending Agreement 10 - Resolution of the Board of Directors and Incumbency Certificate
Date:	Thursday, October 18, 2018 2:56:15 PM

Hi Will,

Please recall your message.

From: Lisa Stein
Sent: Monday, August 21, 2017 10:25 AM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: FHP and Amending Agreement 10 - Resolution of the Board of Directors and Incumbency Certificate

I don't think we should be "editing" their resolution….

From: William Tan
Sent: Monday, August 21, 2017 10:24 AM
To: 'Victor Buza' <Victor.Buza@ieso.ca>
Cc: 'Anthony Martinello' <Anthony.Martinello@ieso.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: FHP and Amending Agreement 10 - Resolution of the Board of Directors and Incumbency Certificate

Good morning Victor,

Please find the attached Resolution of the Board of Directors with minor edits. No comments on the Incumbency Certificate.

Thanks,

Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Friday, August 18, 2017 5:23 PM
To: William Tan <William.Tan@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: RE: IESO FHP Credit Facility Agreement and Amending Agreement 10

Understood Will. Thanks.

FYI, I was under the impression that we had forwarded

(i) the form of extract of board resolution and
(ii) the form of incumbency certificate

for your approval prior to us finalizing and executing those documents.

Let me know if I you have not received those. If you have, please confirm that their form is satisfactory.

Regards,
Victor

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: August 18, 2017 5:16 PM
To: Anthony Martinello; Victor Buza
Cc: Sarah Harris; Lisa Stein
Subject: RE: IESO FHP Credit Facility Agreement and Amending Agreement 10

Hello Anthony and Victor,

To clarify that IESO still needs to comment on our proposed changes as well as OFA getting the signed directive.

Thanks,

Will

From: William Tan
Sent: Friday, August 18, 2017 3:18 PM
To: 'Anthony Martinello' <Anthony.Martinello@ieso.ca>; 'Victor Buza' <Victor.Buza@ieso.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: IESO FHP Credit Facility Agreement and Amending Agreement 10

Hello Anthony and Victor

Please find the attached FHP Credit Facility Agreement and Amending Agreement 10. If the changes are satisfactory, please accept the changes and execute two original copies and forward the originals to me. When you have a moment please contact me for a quick chat.

Execute:
Amending Agreement 10
FHP Credit Facility
Resolution of the Board of Directors.
Incumbency Certificate

Thanks,

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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---

From: William Tan
Sent: Monday, August 14, 2017 4:18 PM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>; 'Victor Buza' <Victor.Buza@ieso.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: FW: IESO FHP Credit Facility Agreement

Hello Anthony and Victor,

My apologies for the delay in providing the next turn of the FHP Credit Facility Agreement. While reviewing the last draft for the new credit facility, we became aware of a policy requirement for which we will need to obtain an additional directive prior to execution of the agreement. We estimate that this will likely take 3 or 4 weeks. Knowing that IESO's next funding request will be sent to the OFA on August 17th (for funding on August 21st), the August FHP draw will need to be made under the existing $975 million credit facility. At the time we execute the new $2 Billion facility, we would be able to transfer (by incorporating into the agreements the required provisions or by another agreed mechanism) any amount of loans exceeding $475 million (being the reduced facility limit under the draft amending agreement) under the existing facility to the new facility. We can set-up a call to discuss the details how this would work.

Thanks,

Will

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Friday, August 11, 2017 4:15 PM
To: William Tan <William.Tan@ofina.on.ca>

Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Kelly Listoe <Kelly.Listoe@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>
Subject: IESO FHP Credit Facility Agreement

William,

Just checking in….any status on when the new $2B and $475M credit docs will be finalized for execution?

Regards.

Anthony Martinello Director, Treasury & Pension Operations
Independent Electricity System Operator (IESO) | T: 905-403-6944
Station A, Box 4474, Toronto, ON, M5W 4E5
www.ieso.ca[ieso.ca][na01.safelinks.protection.outlook.com]
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From:	Ryan Blackbyrne
To:	Siva Nathan; San Rajaratnam
Cc:	Sarah Harris
Subject:	RE: FIESO : OFA/OEFC December 31, 2017 - confirmations to KPMG
Date:	Tuesday, January 23, 2018 10:34:13 AM
Attachments:	IESO audit confirmation for Dec 31 2017 FS.pdf

Hi Siva,
I just got the attached document delivered to me from IESO requesting a signature. It is dated January 17, 2018.
I believe Anthony Martinello at IESO is having these sent to me because we work closely with his group on other issues (Agreements, Advances ect). I can let him know to send audit confirmations directly to your group in the future. In the meantime, the original of the attached is in my possession and I can walk it over to your desk.
Thank You,
Ryan

From: Siva Nathan
Sent: Monday, January 08, 2018 10:36 AM
To: Ryan Blackbyrne ; San Rajaratnam
Cc: Siva Nathan
Subject: RE: FIESO : OFA/OEFC December 31, 2017 - confirmations to KPMG
Ryan,
Audit confirmations are the responsibility of the Accounting Group. I don't know why this time Documentation is get involved. I remember signing 2 IESO confirmations on January 2, 2018.
In the future, please provide my name as the contact person for OFA Agency audit confirmations.
Thanks
Siva

From: Ryan Blackbyrne
Sent: Monday, January 08, 2018 10:26 AM
To: San Rajaratnam <San.Rajaratnam@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: FIESO : OFA/OEFC December 31, 2017 - confirmations to KPMG
Good morning and Happy New Year to you both.
I just wanted to follow up on the below. Could you please confirm when the confirmations for KPMG are signed-off on?
Thank You,
Ryan

From: Ryan Blackbyrne
Sent: Monday, December 18, 2017 4:29 PM
To: San Rajaratnam <San.Rajaratnam@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Robert Bozinoski <Robert.Bozinoski@ofina.on.ca>
Subject: IESO : OFA/OEFC December 31, 2017 - confirmations to KPMG
Hi San and Siva,
Please see the below email and attached documents from IESO requesting that we confirm their outstanding borrowings with the OFA and OEFC. This is in connection with a KPMG audit on IESO's financial statements for the year ended December 31, 2017.
I can confirm the accuracy of the two IESO-OFA and two IESO-OEFC borrowing facilities with respect

to the limit amounts, interest rates and maturity dates.
Can someone in your department please confirm the current amounts outstanding under each facility? Also, please confirm who can sign-off on the attached confirmations for KPMG?
Thank You,
Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M5G 1Z3
416-325-8143
ryan.blackbyrne@ofina.on.ca

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Friday, December 15, 2017 4:19 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Cc: De Caire, Justin J <jdecaire@kpmg.ca>; Sims, Brendan <brendansims@kpmg.ca>; Olga Whiteley <Olga.Whiteley@ieso.ca>; Natalie Schaus <Natalie.Schaus@ieso.ca>
Subject: IESO : OFA/OEFC December 31, 2017 - confirmations to KPMG

Ryan, William,
In connection with their audit of the IESO's financial statements for the year ended December 31, 2017, our auditors, KPMG LLP, have requested confirmation of the IESO's borrowings with Ontario Electricity Financial Corporation and Ontario Financing Authority as at December 31, 2017.
Please see the attached, and please confirm back to KPMG LLP.
If you have any questions, please call/contact:
Justin De Caire
KPMG LLP
80 King Street, Suite 620
P.O. Box 1294
St. Catharines, ON, L2R 7G1
Fax: 905-682-2008
T: 905-687-3284
Regards,

Anthony Martinello Director, Treasury & Pension Operations
Independent Electricity System Operator (IESO) | T: 905-403-6944
Station A, Box 4474, Toronto, ON, M5W 4E5
www.ieso.ca[ieso.ca]

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January 17, 2018

Mr. Ryan Blackbyrne
Ontario Financing Authority
1 Dundas Street West, Ste. 1400
Toronto, ON. M7A 1Y7

ieso
Independent Electricity System Operator

1600 - 120 Adelaide Street West
Toronto, ON M5H 1T1
t 416 506 2800

www.ieso.ca

Dear Mr. Blackbyrne:

In connection with the audit of our financial statements for the year ended December 31, 2017, our auditor, Office of the Auditor General of Ontario, has requested the confirmation of the following information related to the credit facility and note payable to the Ontario Electricity Financial Corporation.

Our records show the following amounts outstanding as at December 31, 2017.

Facility	Total Amount of Debt/facility	Interest Rate	Maturity Date
1. Note Payable	Amount outstanding as at December 31, 2017 is : CAD$ 120,000,000.00	Fixed at 1.767% per annum.	June 30, 2020
2. Credit Facility	Amount outstanding as at December 31, 2017 is : CAD$ -0-	Draws up to $160,000,000 will be at Province of Ontario's cost of borrowing for a 30day term plus 0.50 percent per annum.	June 30, 2020

In addition, Independent Electricity System Operator paid interest payments to Ontario Electricity Financial Corporation during the period January 1, 2017 to December 31, 2017 as follows:

$920,700.00, May 1, 2017 for the period November 2016 to April 2017;
$352,915.89, June 30, 2017 for the period May 2017 to June 2017;
1,060,200.00 January 2, 2018 for period July 2017 to December 2017;
$2,333,815.89

If the details above agree with your records, please confirm by signing in space provided below. If the information is incorrect, please provide to our auditor details on any discrepancy.

Please email this confirmation, and any supporting information, directly to our auditors by February 7, 2018 (Office of the Auditor General of Ontario to cynthia.tso@auditor.on.ca). Or mail to: Office of the Auditor General of Ontario, 20 Dundas Street West, Suite 1530, Toronto, Ontario, M5G 2C2. Attention: Cynthia Tso.

Yours truly,

Anthony Martinello
Director, Treasury and Pension Operations

(A) The information is confirmed CORRECT.

Authorized Signature | Print Name and Position Title | Date

OR

(B) This information is INCORRECT. (See comments below)

From:	Ryan Blackbyrne
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Cc:	Sarah Harris
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KPMG LLP
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P.O. Box 1294
St. Catharines, ON, L2R 7G1
Fax: 905-682-2008
T: 905-687-3284
Regards,

Anthony Martinello Director, Treasury & Pension Operations
Independent Electricity System Operator (IESO) | T: 905-403-6944
Station A, Box 4474, Toronto, ON, M5W 4E5
www.ieso.ca[ieso.ca]

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January 17, 2018

Mr. Ryan Blackbyrne
Ontario Financing Authority
1 Dundas Street West, Ste. 1400
Toronto, ON. M7A 1Y7

ieso
Independent Electricity System Operator

1600 - 120 Adelaide Street West
Toronto, ON M5H 1T1
t 416 506 2800

www.ieso.ca

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Yours truly,

Anthony Martinello
Director, Treasury and Pension Operations

(A) The information is confirmed CORRECT.

Authorized Signature | Print Name and Position Title | Date

OR

(B) This information is INCORRECT. (See comments below)

From:	Ryan Blackbyrne
To:	Lisa Stein; Gavin He
Cc:	John Kim; Sarah Harris; Jean-Francois Beaupre
Subject:	RE: Final OEFC-IESO briefing note
Date:	Thursday, November 30, 2017 10:40:34 AM

Hi Lisa,
We agree with Gavin. Please proceed.
Thanks,
Ryan

From: Lisa Stein
Sent: Thursday, November 30, 2017 10:39 AM
To: Gavin He
Cc: Ryan Blackbyrne ; John Kim
Subject: Re: Final OEFC-IESO briefing note
Hi Gavin,
I was providing feedback on the note and explaining that it does not fully reflect the requested amendments (which are still in progress). How you chose to proceed is a business decision.
Lisa

Sent from my iPhone

On Nov 30, 2017, at 10:29 AM, Gavin He <Gavin.He@ofina.on.ca> wrote:

> Hi Lisa/Ryan,
> Given the short turnaround time on this, we are not planning to update the briefing note at this point, and the note is only used for internal approval. We are taking the approach to brief Ron directly on those additional changes, so would the same approach work for both of you?
> Thanks,
> Gavin He
>
> **From:** Lisa Stein
> **Sent:** Thursday, November 30, 2017 10:20 AM
> **To:** Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
> **Cc:** John Kim <John.Kim@ofina.on.ca>
> **Subject:** Re: Final OEFC-IESO briefing note
> The briefing note only addresses the amendment to “permitted liens”. Perhaps the note should cover additional amendments as well?
>
> Sent from my iPhone
>
> On Nov 30, 2017, at 9:54 AM, Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca> wrote:
>
> > Hi Lisa,
> > Please see Opal’s email below and the final briefing-note John Kim prepared attached.
> > Do you have any issue with the edits Victor Buza made to the two

agreements in his email yesterday?
Thank You,
Ryan

From: Opal Kandelas
Sent: Thursday, November 30, 2017 9:45 AM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Subject: Final OEFC-IESO briefing note

Please see attached. The relevant parties in CEFD, CMB and CEO's office have been briefed and are fine with moving forward with the IESO requested amendments to the OEFC credit facility and loan agreement.
Thanks,
Opal

From:	Gavin He
To:	Ryan Blackbyrne; Lisa Stein
Cc:	John Kim; Sarah Harris; Jean-Francois Beaupre
Subject:	RE: Final OEFC-IESO briefing note
Date:	Thursday, November 30, 2017 10:49:01 AM

Thanks Ryan and Lisa!
Regards,
Gavin He

From: Ryan Blackbyrne
Sent: Thursday, November 30, 2017 10:41 AM
To: Lisa Stein ; Gavin He
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Subject: RE: Final OEFC-IESO briefing note
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Lisa

Sent from my iPhone

On Nov 30, 2017, at 10:29 AM, Gavin He <Gavin.He@ofina.on.ca> wrote:

> Hi Lisa/Ryan,
> Given the short turnaround time on this, we are not planning to update the briefing note at this point, and the note is only used for internal approval. We are taking the approach to brief Ron directly on those additional changes, so would the same approach work for both of you?
> Thanks,
> Gavin He
>
> **From:** Lisa Stein
> **Sent:** Thursday, November 30, 2017 10:20 AM
> **To:** Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
> **Cc:** John Kim <John.Kim@ofina.on.ca>
> **Subject:** Re: Final OEFC-IESO briefing note
> The briefing note only addresses the amendment to “permitted liens”. Perhaps the note should cover additional amendments as well?

Sent from my iPhone

On Nov 30, 2017, at 9:54 AM, Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca> wrote:

> Hi Lisa,
> Please see Opal's email below and the final briefing-note John Kim prepared attached.
> Do you have any issue with the edits Victor Buza made to the two agreements in his email yesterday?
> Thank You,
> Ryan
>
> ---
>
> **From:** Opal Kandelas
> **Sent:** Thursday, November 30, 2017 9:45 AM
> **To:** Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
> **Cc:** Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
> **Subject:** Final OEFC-IESO briefing note
> Please see attached. The relevant parties in CEFD, CMB and CEO's office have been briefed and are fine with moving forward with the IESO requested amendments to the OEFC credit facility and loan agreement.
> Thanks,
> Opal

From:	William Tan
To:	Caroline Swerdlyk
Cc:	Sarah Harris
Subject:	RE: Guidance on IESO Election Notice
Date:	Monday, March 12, 2018 10:37:25 AM

Hi Caroline,
I'll have IESO have the Election Form reflect the November 6, 2017 date.
You're correct. I(b) and I(b)(i) should be the same amount. Thanks for your assistance with on this.

From: Caroline Swerdlyk
Sent: Monday, March 12, 2018 8:08 AM
To: William Tan
Cc: Sarah Harris
Subject: RE: Guidance on IESO Election Notice

Hi Will,
The actual date of the Revolving Credit Facility Agreement should be inserted in the opening paragraph (change "October (·), 2017" to the date of the agreement, November 6, 2017).
I can't review or comment on the accuracy of the numbers that you have used. I noticed that you have inserted two different numbers in s. I(b) and I(b)(i) ($332,000,000 and $332,400,560.14) but it is not clear why these are different. I think they should be the same since the amount of interest that is being rolled over is indicated as $0.
If you would like to discuss, please let me know.
Thanks,
Caroline

From: William Tan
Sent: Friday, March 09, 2018 5:35 PM
To: Caroline Swerdlyk <Caroline.Swerdlyk@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: Guidance on IESO Election Notice

Hello Caroline,
I am anticipating the possibility to providing guidance to IESO on how to fill out the Election Notice. Do you mind reviewing and commenting on the accuracy of Guidance IESO Election Notice?

1.Unofficial numbers (attachment)
$332M continued advance
$128M advance
$460M total advance
IESO plans to pay the interest from the February advance.

2. Grid note (attachment)
Interest amount of $368,828.02

3. Feb Election Notice (attachment)
It appears that the only an Election Notice was used. It also appears that the Election Notice was slightly modified compared to the Election Notice from the FHP Agreement.

(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): **$0.00**;

(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is **March 20, 2018**. [Insert date not earlier than 5 days and not later than 95 days after the current Repayment Date for the Advance.]

IESO confirms it will also be paying interest in the amount of **$261,518.89**.

Such election shall be confirmed by IESO by a telephone call to OFA Cash Management at 416-325-8108.

4. Guidance Election Notice

I captured the Interest payment under (c)

(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any):
$ _$368,828.02_____

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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From:	Caroline Swerdlyk
To:	William Tan
Cc:	Sarah Harris
Subject:	RE: Guidance on IESO Election Notice
Date:	Monday, March 12, 2018 8:08:02 AM

Hi Will,

The actual date of the Revolving Credit Facility Agreement should be inserted in the opening paragraph (change "October (·), 2017" to the date of the agreement, November 6, 2017).

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From: Sarah Harris
To: William Tan; Lisa Stein
Subject: RE: IESO $2B and $475M Credit Facilities
Date: Friday, May 18, 2018 11:06:16 AM

HI Will,
I am fine with what IESO has provided, have circulated the notices and have provided Lisa with the update. We're good to go.
Thanks,
Sarah

From: William Tan
Sent: Friday, May 18, 2018 11:03 AM
To: Lisa Stein
Cc: Sarah Harris
Subject: Fwd: IESO $2B and $475M Credit Facilities
Hello Lisa,
Olga (IESO) provided the borrowing notices with signature under company seal. Do you mind reviewing the attached and commenting if you have any concerns?
Thanks,
Will

Sent from my iPhone

Begin forwarded message:

> **From:** "Olga Whiteley" <Olga.Whiteley@ieso.ca>
> **To:** "William Tan" <William.Tan@ofina.on.ca>, "Sarah Harris" <Sarah.Harris@ofina.on.ca>
> **Cc:** "Anthony Martinello" <Anthony.Martinello@ieso.ca>, "Victor Buza" <Victor.Buza@ieso.ca>
> **Subject: RE: IESO $2B and $475M Credit Facilities**
>
> Hello Will and Sarah,
> Please see attached borrowing notices with IESO's corporate seal applied to Peter Gregg's signature (CEO). I will forward the originals to you on Monday.
> Thank you very much for your help with all this.
> Regards.
> **Olga Whiteley** | Treasury and Pension Operations
> Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
> Station A, Box 4474, Toronto, ON M5W 4E5
> Web: www.ieso.ca[ieso.ca] | Email: olga.whiteley@ieso.ca
>
> ---
>
> **From:** William Tan [mailto:William.Tan@ofina.on.ca]
> **Sent:** May 17, 2018 3:54 PM
> **To:** Anthony Martinello; Olga Whiteley
> **Cc:** Sarah Harris
> **Subject:** RE: IESO $2B and $475M Credit Facilities
> Hello Anthony and Olga,
> I apologise for the multiple emails. I have additional solutions as I am having a fluid

conversation with my legal department.

1. Certified resolution of the board of directors for IESO authorizing both the Fair Hydro Plan Credit Agreement and for the Existing Credit Facility authorizing the signatory and Updated Incumbency Certificate.
2. A delegation of authority from the (former) IESO CFO to the IESO CEO (or other authorized signatories).
3. A general signing authority resolution of the IESO Board of Directors.
4. By-law or other document in place providing authorization to the IESO CEO.
5. A certificate from the IESO Corporate Secretary stating that the IESO CEO has signing authority.
6. A signature under seal of the corporation.

Thanks,
Will

From: William Tan
Sent: Thursday, May 17, 2018 3:27 PM
To: 'Anthony Martinello' <Anthony.Martinello@ieso.ca>; 'Olga Whiteley' <Olga.Whiteley@ieso.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO $2B and $475M Credit Facilities

Hello Anthony,
Can you please request the following documents from your legal department:

1. a delegation of authority from the (former) IESO CFO to the IESO CEO (or other authorized signatories); and/or,
2. a general signing authority resolution of the IESO Board of Directors

Thank you,
Will

From: William Tan
Sent: Thursday, May 17, 2018 2:10 PM
To: 'Anthony Martinello' <Anthony.Martinello@ieso.ca>; Olga Whiteley <Olga.Whiteley@ieso.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO $2B and $475M Credit Facilities

Hello Anthony,
Unfortunately the documents required are key documents. Could you please check on the status of the documents? I will seek any possible solutions from my end.
Thanks,
Will

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Thursday, May 17, 2018 6:34 AM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO $2B and $475M Credit Facilities

Will,
I have requested our legal group to address your request and prepare an updated

cert….it is pending.
I'm not sure this cert will be ready by today or tomorrow…let me know if this is a problem.
As for the IESO CEO signing the draw, the resolution you already have notes that the CFO delegate can sign and thus the IESO CEO (CFO's boss) is now signing the draws.
Regards.

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: May 10, 2018 3:12 PM
To: Anthony Martinello
Cc: CASHP; SETTLEMENT; Carlos Yep; James Devine; Ricky Lai; Olga Whiteley; Sarah Harris
Subject: FW: IESO $2B and $475M Credit Facilities

Hello Anthony,
As per our earlier conversation, we would require updated signing authority documents.
Please provide the following:

1. Certified resolution of the board of directors for IESO authorizing both the Fair Hydro Plan Credit Agreement and for the Existing Credit Facility authorizing the signatory.
2. Updated Incumbency Certificate.

Attached is an example of the documents.
Thanks,
Will

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Thursday, May 10, 2018 11:47 AM
To: CASHP <CASHP@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>; Ricky Lai <Ricky.Lai@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>
Subject: IESO $2B and $475M Credit Facilities

Hi,
The IESO's CFO, Kim Marshall, is no longer with the IESO effective May-1-2018.
We are actively recruiting for a CFO, but no CFO and no acting CFO is yet named……the new CFO is not expected to be in place until July 2018.
For the $2B and $475MM facilities, we will be drawing on these next week……..are you ok if I sign the OFA notices or do you require the IESO CEO (remember no CFO is present).
Please advise.
Regards.

Anthony Martinello CPA CA, CFA
Director, Treasury & Pension Operations
Independent Electricity System Operator (IESO) | T: 905-403-6944
Station A, Box 4474, Toronto, ON, M5W 4E5
www.ieso.ca[ieso.ca][na01.safelinks.protection.outlook.com]

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From:	Lisa Stein
To:	William Tan
Cc:	Sarah Harris
Subject:	RE: IESO $2B and $475M Credit Facilities
Date:	Thursday, May 17, 2018 3:45:47 PM

Hi Will and Sarah,

Further to my earlier e-mails, if none of the requested documents are available from the IESO (i.e. by-law, delegation of signing authority, or signing authority resolution), we can also accept:

- A certificate from the IESO Corporate Secretary stating that the IESO CEO has signing authority (although this will be unlikely if there is no evidence of signing authority available); or,
- A signature under seal of the corporation

If none of the above are available, it will be a business decision as to whether the OFA is willing to accept borrowing notices that are not properly executed. It would likely be low risk, given that all of the other details are consistent with the terms of the agreement. However, this would not be a legal decision.

Happy to discuss further,

Lisa

Lisa N. Stein
Legal Counsel
Ontario Financing Authority
416-325-2320
****
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****

From: Lisa Stein
Sent: Thursday, May 17, 2018 3:39 PM
To: William Tan
Cc: Sarah Harris
Subject: RE: IESO $2B and $475M Credit Facilities

Please request it as well – it would be an alternative if the other two documents are not available.

From: William Tan
Sent: Thursday, May 17, 2018 3:38 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO $2B and $475M Credit Facilities

Hi Lisa,

Sorry, I already requested the other two items below. Is the by-law a must have for now?

- a delegation of authority from the (former) IESO CFO to the IESO CEO (or other authorized signatories); and/or,
- a general signing authority resolution of the IESO Board of Directors

---

From: Lisa Stein
Sent: Thursday, May 17, 2018 3:28 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO $2B and $475M Credit Facilities

We should also ask if there is a by-law or other document in place providing authorization to the IESO CEO

From: Lisa Stein
Sent: Thursday, May 17, 2018 3:22 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO $2B and $475M Credit Facilities

While we might require something like this, we first require evidence of signing authority.
Lisa

From: William Tan
Sent: Thursday, May 17, 2018 3:19 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: IESO $2B and $475M Credit Facilities

Hello Lisa,
Attached is a Certificate of Officer for IESO signed in 2015. Could we accept something like this?
Thanks,
Will

From: William Tan
Sent: Thursday, May 17, 2018 2:51 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO $2B and $475M Credit Facilities

Hello Lisa,
As requested.
Thanks,
Will

From: Lisa Stein
Sent: Thursday, May 17, 2018 2:48 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO $2B and $475M Credit Facilities

Hi Will,
Please let me know when you are available for a call or meeting to discuss?
Thank you,
Lisa

From: William Tan
Sent: Thursday, May 17, 2018 2:06 PM
To: Sarah Neville <Sarah.Neville@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: IESO $2B and $475M Credit Facilities

Hello Lisa and Sarah N.,
On May 10, IESO notified us that Kimberly Marshall is no longer with the company (the only person we had documented to have signing authority). Anthony Martinello (IESO) was informed of the

required documents to facilitate a new signatory. Yesterday, we received a Borrowing Notice with an advance date for tomorrow (May 18), signed by the their president and CEO. According to Anthony, their legal department is working on providing us with the required documents. However, he has informed us that there is a real possibility that the required documents may not be provided by today or tomorrow.
Could you provide some guidance as to how to proceed if the documents are not received in time or options available to us?
Thanks,
Will

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Thursday, May 17, 2018 6:34 AM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
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2. Updated Incumbency Certificate.

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Subject: IESO $2B and $475M Credit Facilities
Hi,
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We are actively recruiting for a CFO, but no CFO and no acting CFO is yet named……the new CFO is not expected to be in place until July 2018.

For the $2B and $475MM facilities, we will be drawing on these next week……..are you ok if I sign the OFA notices or do you require the IESO CEO (remember no CFO is present).

Please advise.

Regards.

Anthony Martinello CPA CA, CFA
Director, Treasury & Pension Operations
Independent Electricity System Operator (IESO) | T: 905-403-6944
Station A, Box 4474, Toronto, ON, M5W 4E5
www.ieso.ca[ieso.ca][na01.safelinks.protection.outlook.com]

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From:	Lisa Stein
To:	William Tan
Cc:	Sarah Harris
Subject:	RE: IESO $2B and $475M Credit Facilities
Date:	Thursday, May 17, 2018 3:45:47 PM

Hi Will and Sarah,

Further to my earlier e-mails, if none of the requested documents are available from the IESO (i.e. by-law, delegation of signing authority, or signing authority resolution), we can also accept:

- A certificate from the IESO Corporate Secretary stating that the IESO CEO has signing authority (although this will be unlikely if there is no evidence of signing authority available); or,
- A signature under seal of the corporation

If none of the above are available, it will be a business decision as to whether the OFA is willing to accept borrowing notices that are not properly executed. It would likely be low risk, given that all of the other details are consistent with the terms of the agreement. However, this would not be a legal decision.

Happy to discuss further,

Lisa

Lisa N. Stein
Legal Counsel
Ontario Financing Authority
416-325-2320
****
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Sent: Thursday, May 17, 2018 3:39 PM
To: William Tan
Cc: Sarah Harris
Subject: RE: IESO $2B and $475M Credit Facilities

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Sent: Thursday, May 17, 2018 3:38 PM
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Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
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Anthony Martinello CPA CA, CFA
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Independent Electricity System Operator (IESO) | T: 905-403-6944
Station A, Box 4474, Toronto, ON, M5W 4E5
www.ieso.ca[ieso.ca][na01.safelinks.protection.outlook.com]

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From:	William Tan
To:	Lisa Stein
Cc:	Sarah Harris
Subject:	RE: IESO $2B and $475M Credit Facilities
Date:	Thursday, May 17, 2018 3:37:59 PM

Hi Lisa,

Sorry, I already requested the other two items below. Is the by-law a must have for now?

- a delegation of authority from the (former) IESO CFO to the IESO CEO (or other authorized signatories); and/or,
- a general signing authority resolution of the IESO Board of Directors

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From: Lisa Stein
Sent: Thursday, May 17, 2018 3:28 PM
To: William Tan
Cc: Sarah Harris
Subject: RE: IESO $2B and $475M Credit Facilities

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From: Lisa Stein
Sent: Thursday, May 17, 2018 3:22 PM
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Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO $2B and $475M Credit Facilities

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Subject: FW: IESO $2B and $475M Credit Facilities

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Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO $2B and $475M Credit Facilities

Hello Lisa,

As requested.

Thanks,

Will

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To: William Tan <William.Tan@ofina.on.ca>
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From: William Tan
To: "Anthony Martinello"; "Olga Whiteley"
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Subject: RE: IESO $2B and $475M Credit Facilities
Date: Thursday, May 17, 2018 3:26:55 PM

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From:	Sarah Harris
To:	"Olga Whiteley"; William Tan
Cc:	Anthony Martinello; Victor Buza
Subject:	RE: IESO $2B and $475M Credit Facilities
Date:	Friday, May 18, 2018 10:41:52 AM

Thank you, Olga.
This looks good.
Sarah

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]
Sent: Friday, May 18, 2018 10:29 AM
To: William Tan ; Sarah Harris
Cc: Anthony Martinello ; Victor Buza
Subject: RE: IESO $2B and $475M Credit Facilities

Hello Will and Sarah,
Please see attached borrowing notices with IESO's corporate seal applied to Peter Gregg's signature (CEO). I will forward the originals to you on Monday.
Thank you very much for your help with all this.
Regards.

Olga Whiteley | Treasury and Pension Operations
Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
Station A, Box 4474, Toronto, ON M5W 4E5
Web: www.ieso.ca[ieso.ca] | Email: olga.whiteley@ieso.ca

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: May 17, 2018 3:54 PM
To: Anthony Martinello; Olga Whiteley
Cc: Sarah Harris
Subject: RE: IESO $2B and $475M Credit Facilities

Hello Anthony and Olga,
I apologise for the multiple emails. I have additional solutions as I am having a fluid conversation with my legal department.

1. Certified resolution of the board of directors for IESO authorizing both the Fair Hydro Plan Credit Agreement and for the Existing Credit Facility authorizing the signatory and Updated Incumbency Certificate.
2. A delegation of authority from the (former) IESO CFO to the IESO CEO (or other authorized signatories).
3. A general signing authority resolution of the IESO Board of Directors.
4. By-law or other document in place providing authorization to the IESO CEO.
5. A certificate from the IESO Corporate Secretary stating that the IESO CEO has signing authority.
6. A signature under seal of the corporation.

Thanks,
Will

From: William Tan
Sent: Thursday, May 17, 2018 3:27 PM
To: 'Anthony Martinello' <Anthony.Martinello@ieso.ca>; 'Olga Whiteley' <Olga.Whiteley@ieso.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>

Subject: RE: IESO $2B and $475M Credit Facilities

Hello Anthony,

Can you please request the following documents from your legal department:

1. a delegation of authority from the (former) IESO CFO to the IESO CEO (or other authorized signatories); and/or,
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Thank you,

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Sent: Thursday, May 17, 2018 2:10 PM
To: 'Anthony Martinello' <Anthony.Martinello@ieso.ca>; Olga Whiteley <Olga.Whiteley@ieso.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO $2B and $475M Credit Facilities

Hello Anthony,

Unfortunately the documents required are key documents. Could you please check on the status of the documents? I will seek any possible solutions from my end.

Thanks,

Will

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Thursday, May 17, 2018 6:34 AM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO $2B and $475M Credit Facilities

Will,

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Regards.

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: May 10, 2018 3:12 PM
To: Anthony Martinello
Cc: CASHP; SETTLEMENT; Carlos Yep; James Devine; Ricky Lai; Olga Whiteley; Sarah Harris
Subject: FW: IESO $2B and $475M Credit Facilities

Hello Anthony,

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Attached is an example of the documents.

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To: CASHP <CASHP@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>; Ricky Lai <Ricky.Lai@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
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From:	Lisa Stein
To:	William Tan
Cc:	Sarah Harris
Subject:	RE: IESO $2B and $475M Credit Facilities
Date:	Thursday, May 17, 2018 3:21:57 PM

While we might require something like this, we first require evidence of signing authority.
Lisa

From: William Tan
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From:	Lisa Stein
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Cc:	Sarah Harris
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Date:	Thursday, May 17, 2018 3:20:50 PM

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From: Lisa Stein
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To:	William Tan
Cc:	Sarah Harris
Subject:	RE: IESO $2B and $475M Credit Facilities
Date:	Thursday, May 17, 2018 2:57:37 PM

Just to clarify – was there a CFO in place at some point in time who delegated signing authority to the IESO CEO?

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Subject: RE: IESO $2B and $475M Credit Facilities

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Date:	Thursday, May 17, 2018 2:51:26 PM
Attachments:	FHP Credit Agreement OFA IESO - Nov 6, 2017 - IESO Signed.pdf Certified IESO Brd Resol"n June 14_17 re Credit Facilities and Incumb Ce....pdf

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INDEPENDENT ELECTRICITY SYSTEM OPERATOR

as Borrower

and

ONTARIO FINANCING AUTHORITY

as Lender

REVOLVING CREDIT FACILITY AGREEMENT

Date: November 6, 2017

REVOLVING CREDIT FACILITY AGREEMENT

THIS AGREEMENT is made as of the 6th day of November 2017,

BETWEEN:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, a statutory corporation without share capital existing under Part II of the *Electricity Act, 1998* (the "**IESO**")
(as Borrower)

AND

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* (the "**OFA**" and together with the IESO, the "**Parties**")
(as Lender)

RECITALS:

WHEREAS the IESO has requested a revolving credit facility for up to a maximum principal amount of $2 billion from the OFA for the purpose of supporting the IESO's role in the implementation and administration of the *Ontario Fair Hydro Plan Act, 2017*.

THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the Parties agree as follows:

ARTICLE 1

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"Advances" means advances made by the OFA to the IESO under Article 3 and "Advance" means any one of such advances, and in the case of an election by the IESO under Section 3.3, includes a "Continued Advance", as defined in Section 3.3(1), as applicable.

"Advances Outstanding" means, at any time, an amount equal to the aggregate principal amount of all Advances outstanding at such time.

"Agreement", "herein", "hereby", "hereor', "hereunder" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression "Article" or "Section" followed by a number means the specified Article or Section of this Agreement.

"Borrowing Notice" has the meaning specified in Section 3.2(1).

"Business Day" means any day that is not a day on which banks are generally authorized or required by law or executive order to be closed in the City of Toronto.

"Clean Energy Adjustment" has the same meaning as that term is defined in the OFHP.

"Commitment" means, at any time, an amount equal to $2 billion.

"Consolidated Assets" means, at any time, the book value of the assets of the IESO and the Subsidiaries, determined as of such time on a consolidated basis in accordance with GAAP.

"Continued Advance" has the meaning specified in Section 3.3(1).

"Credit Facility" means the revolving credit facility to be made available to the IESO by the OFA under this Agreement for the purposes specified in Section 2.2.

"Current Repayment Date" has the meaning specified in Section 3.3(2).

"Default" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"Dollars" or **"$"** means lawful currency of Canada.

"Election Notice" has the meaning specified in Section 3.3(2).

"Event of Default" has the meaning specified in Section 5.1.

"First Advance" has the meaning specified in Section 3.2(3).

"GAAP" means accounting policies and standards as established by the Chartered Professional Accountants of Canada, at the relevant time and applied on a consistent basis.

"Grid Note" has the meaning specified in Section 3.2(2).

"Indebtedness" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) every obligation of such Person for borrowed money;

(b) every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments;

(c) every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) every capital lease obligation of such Person;

(f) the Swap Termination Value of each Swap Contract of such Person; and

(g) every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"Lien" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"Material Subsidiary" means, at any time, a Subsidiary which has consolidated assets with a book value of more than $25 million determined in accordance with GAAP.

"**New Repayment Date**" has the meaning specified in Section 3.3(2).

"**OFHP**" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

"Permitted Liens" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) any obligations or duties, affecting the property of the IESO to any municipality or governmental, statutory or public authority, with respect to any franchise, grant, license

or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by the IESO or such Material Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by the IESO or such Material Subsidiary;

(d) any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) the right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) any undetermined or inchoate Liens and charges incidental to the current operations of the IESO or a Material Subsidiary that have not at the time been filed against the IESO or such Material Subsidiary; provided, however, that if any such Lien or charge shall have been filed, the IESO or such Material Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) any Lien the validity of which is being contested at the time by the IESO or a Material Subsidiary in good faith and the enforcement of which has been stayed;

(h) any easements, rights-of-way and servitudes that in the opinion of the IESO will not in the aggregate materially and adversely impair the use or value of the land for the purpose for which it is held or occupied by the IESO or a Material Subsidiary;

(i) any Liens and privileges arising out of judgments or awards with respect to which the IESO or a Material Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall have secured a stay of execution pending such appeal or proceedings for review;

(j) any other Liens of a nature similar to the foregoing which do not in the opinion of the IESO, acting reasonably, materially impair the use of the property subject thereto or the operation of the business of the IESO or any Material Subsidiary or the value of such property for the purpose of any such business; and

(k) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other

lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

"Person" means any individual, corporation, partnership joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"Purchase Money Mortgage" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or part of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"Repayment Date" means, in respect of the repayment of Advances, the repayment date contained in the most recent Borrowing Notice or Election Notice.

"Stated Maturity" when used with respect to any Indebtedness or any installment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such installment of interest is due and payable.

"Subsidiary" means:

(a) a corporation more than 50% of the voting power or the outstanding Voting Shares of which is owned, directly or indirectly, by the IESO or by one or more other Subsidiaries or by the IESO and one or more other Subsidiaries; or

(b) any Person (other than a corporation) in which the IESO, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

"Swap Contract" means any agreement whether or not in writing, relating to any transaction or derivative transaction including a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction currency swap, cross-currency rate swap, swaption, currency option or other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.

"Swap Termination Value" means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap contracts:

(a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and

(b) for any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.

"Voting Shares" of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings.

The division of this Agreement into Articles and Sections and the insertion of headings are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and vice versa and words importing gender may include any gender. In this Agreement, (a) the words "including" and "includes" mean "including (or includes) without limitation", and (b) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" each mean "to but excluding".

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with GAAP.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the next succeeding Business Day.

ARTICLE 2
REVOLVING CREDIT FACILITY

Section 2.1 Availability.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO. The OFA shall make each Advance in Dollars.

Section 2.2 Use of Proceeds.

The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the *Electricity Act, 1998*, as such regulation may be amended or replaced from time to time, subject to the condition that proceeds of Advances may be used only for IESO's financing needs and requirements of any kind arising in connection with the IESO's role with respect to and obligations under the OFHP.

Section 2.3 Credit Facility Limit.

The Advances Outstanding shall not at any time exceed the Commitment. The Credit Facility shall revolve and no payment under the Credit Facility shall reduce the Commitment.

Section 2.4 Mandatory Repayment.

Subject to Sections 2.5 and 5.2, the IESO shall repay each Advance together with the interest accrued thereon on the applicable Repayment Date, and, in any event, shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder on September 30, 2022.

Section 2.5 Prepayments.

The IESO is not entitled to prepay any part of the Advances Outstanding or the interest accrued thereon without the prior written consent of the OFA.

Section 2.6 Payments under this Agreement.

(1) The OFA shall make Advances to the IESO under this Agreement to or to the order of the IESO by wire transfer of immediately available funds in accordance with wire transfer instructions given by the IESO to the OFA from time to time, or in such other manner as the IESO may specify to the OFA from time to time.

(2) The IESO shall make any payment required hereunder to be made by it to the OFA, to or to the order of the OFA, by wire transfer of immediately available funds in accordance with wire transfer instruction given by the OFA to the IESO from time to time, or in such other manner as the OFA may specify to the IESO from time to time. The IESO shall make each such payment in Canadian Dollars.

Section 2.7 Computations of Interest.

(1) All computations of interest shall be made by the OFA taking into account the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest is payable on the basis of a year of 365 days or 366 days, as the case may be.

(2) For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Agreement for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

Section 2.8 Limit on Rate of Interest.

(1) Notwithstanding any provision contained in this Agreement, the IESO shall not be obliged to make any payments of interest or other amounts payable to the OFA hereunder in excess of the amount or rate which would be prohibited by applicable law or would result in the receipt by the OFA of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada)).

(2) In the event that any such payments are limited or prohibited as provided in Section 2.8(1), the OFA shall have no further obligation to make any Advances available hereunder and the Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, shall become immediately due and payable.

Section 2.9 Application of Payments.

All payments made by the IESO under this Agreement shall be applied firstly to the payment of interest payable to the OFA on late payments of principal or interest hereunder, secondly, to the payment of accrued and unpaid interest payable to the OFA hereunder and thirdly, to the payment of the outstanding principal amount of any Advances payable to the OFA.

ARTICLE 3
ADVANCES

Section 3.1 Advances.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO under the Credit Facility from time to time on any Business Day prior to September 23, 2022.

Section 3.2 Procedure for Advances.

(1) Subject to Section 3.3(5), each Advance shall be made subject to two Business Days' prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each notice of an Advance (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1, other than a Borrowing Notice that is included in an Election Notice as permitted by Section 3.3(3). Each Borrowing Notice shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance; (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall not be earlier than 5 days and not later than 95 days after the date of the requested Advance. Each Borrowing Notice shall also certify the use of proceeds of the Advance which shall in any case be in accordance with Section 2.2. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, the IESO shall execute and deliver to the OFA a grid promissory note in respect of Advances substantially in the form of Schedule 3 (the "**Grid Note**"). The IESO authorizes the OFA to record on the Grid Note (a) the date and amount of each Advance or Continued Advance; (b) the applicable rate of interest for each Advance or Continued Advance; (c) the Repayment Date of each Advance or Continued Advance; (d) the date and amount of each payment of interest and each payment of principal or portion thereof in respect of each Advance or Continued Advance; and (e) Advances Outstanding. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such Advances and repayments; provided that the failure of the OFA to record any amount, rate or date shall not affect the obligation of the IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement.

(3) Respecting the first Advance to be made under this Agreement (the "**First Advance**"), a specified portion thereof (the "**Repayment Amount**") shall be used to repay a portion of the IESO's outstanding indebtedness to the OFA under the credit agreement between the Parties dated January 1, 2005, as amended (the "**Existing Credit Facility**"). The amount of the Repayment Amount shall be detailed in the Borrowing Notice issued in respect of the First Advance. Concurrently with the First Advance, OFA shall provide to IESO an updated grid in respect of the grid note issued under the Existing Credit Facility evidencing the repayment of the Repayment Amount thereunder.

Section 3.3 Elections Regarding Advances.

(1) The IESO may elect to continue all or a portion of the principal amount of any Advance and any amount of interest on such Advance (together, the "**Continued Advance**") for a further period of at least 5 days and up to a maximum of 95 days beginning on the then current Repayment Date in accordance with Section 3.3(2).

(2) Each notice to continue an Advance for a further period (an "**Election Notice**") shall be provided by the IESO to the OFA at least two Business Days prior to the Repayment Date of the Advance (the "**Current Repayment Date**"), and in each case, not later than

10:00 a.m. (Toronto time). Each such Election Notice shall be given substantially in the form of Schedule 2 and shall be irrevocable and binding upon the IESO and shall specify: (a) the Current Repayment Date; (b) the new aggregate total amount of the proposed Continued Advance; (c) the amount of interest or principal, if any, to be paid or re-paid by the IESO with respect to such Advance on the Current Repayment Date; and (d) the new Repayment Date of the proposed Continued Advance, which shall be no earlier than 5 days and not later than 95 days after the current Repayment Date (the "**New Repayment Date**"). If the IESO fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date.

(3) An Election Notice with respect to a proposed Continued Advance may include a Borrowing Notice for a further Advance proposed to be made on the Current Repayment Date. The Repayment Date of such further Advance shall be the New Repayment Date of the Continued Advance that is specified in the Election Notice. Such Borrowing Notice shall be given substantially in the form of Schedule 2.

(4) The calculation of interest on a Continued Advance shall be determined in the same manner as an Advance under Section 3.4 and shall be recorded on the Grid Note in accordance with Section 3.2(2).

(5) Any portion of an Advance not continued for a further period in accordance with Section 3.3(2) shall be repayable on the applicable Repayment Date.

(6) The Credit Facility shall at all times rank *pari passu* with all other unsubordinated and unsecured Indebtedness of the IESO, subject to the existence of any Liens that secure Indebtedness, as permitted by subections 4.6 (a) through (e) hereof.

(7) All amounts owing in respect of the Advances shall be paid without exercising any right of set off or counterclaim by the IESO.

Section 3.4 Interest on Advances.

(1) The IESO shall pay interest on the unpaid principal amount of each Advance in accordance with this Section 3.4 from and including the date of such Advance until the principal amount of such Advance is repaid in full.

(2) Interest shall accrue on the principal amount of each Advance from and including the date of the Advance to but excluding the Repayment Date of such Advance, at an annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum, before as well as after the date such principal amount or interest thereon becomes due hereunder and both before and after Default and shall be payable on the Repayment Date for such Advance. Any amount of interest arising hereunder which is not paid when due shall bear interest at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment. The amount of interest payable on an Advance will be calculated by the

OFA by dividing the interest rate applicable to the Advance by 365 or 366, as the case may be, and multiplying the result by the principal amount of the Advance and further multiplying the result by the number of days in the period from the date of the Advance to the Repayment Date of the Advance.

(3) If the IESO elects to continue an Advance in accordance with Section 3.3(2), the OFA shall determine the interest rate applicable after the original Repayment Date of the Advance and endorse the said rate on the grid forming part of the Grid Note in respect of Advances held by it.

Section 3.5 Conditions Precedent

The obligation of the OFA to make the Advances to the IESO pursuant to Section 2.1 is subject to the following conditions being satisfied to the OFA's satisfaction at the time of making each Advance:

(a) that the representations and warranties of the IESO contained in this Agreement are true and correct as at the date of making the Advance;

(b) that no Event of Default has occurred and is continuing;

(c) that there shall, in the reasonable opinion of the OFA, have been no material adverse change in the financial condition of the IESO or a Material Subsidiary; and

(d) that the OFA has received such other documentation which it has reasonably requested to ensure that the IESO is in compliance with the terms and conditions of this Agreement, including certified true copies of any necessary resolutions, a written legal opinion from counsel to the IESO confirming that the borrowing is within the legal powers of the IESO and that the Agreement is a direct, unsecured obligation of the IESO enforceable against the IESO in form satisfactory to the OFA.

ARTICLE 4
COVENANTS OF THE IESO

Section 4.1 Repayment of Advances.

The IESO will duly and punctually pay all amounts owing under this Agreement in accordance with the terms and subject to the conditions of this Agreement.

Section 4.2 IESO will Maintain its Corporate Existence.

The IESO will at all times maintain its corporate existence.

Section 4.3 Maintenance of Properties.

The IESO will cause all property owned by the IESO or any Material Subsidiary to be maintained and kept in good condition, repair and working order, all as in the judgment of the IESO or any Material Subsidiary may be necessary for the proper operation of such property, except as and to the extent that the IESO or any Material Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 4.3 shall prevent the IESO or any Material Subsidiary from discontinuing the maintenance of any such property or decommissioning any such property if such discontinuance or decommissioning is, in the judgment of the IESO or any such Material Subsidiary, desirable in the conduct of its business or the business of any such Material Subsidiary, or has been directly or indirectly requested or required by the Province of Ontario.

Section 4.4 Insurance.

The IESO will cause all property owned by the IESO or any Material Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the mature and to the extent that such property is usually insured by companies operating similar businesses.

Section 4.5 Conduct of Business.

The IESO will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in accordance with good business practice.

Section 4.6 Negative Pledge.

The IESO will not, and will not permit any Material Subsidiary to, create, incur or assume any Lien, charging the interest of the IESO or any Material Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, all amounts owing under this Agreement are secured equally and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) the creation, incurrence or assumption of any Purchase Money Mortgage;

(b) the grant of any Lien in the normal course of business to any banks or financial institutions for present or future Indebtedness of the IESO or any Material Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) any extension, renewal or replacement of any of the Liens referred to in Sections 4.6(a), (b) or (c), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased; and

(e) any Lien charging the interest of the IESO or any Material Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 4.6(a), (b) or (c), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 4.6(e) which is outstanding at such time does not exceed 10% of Consolidated Assets at such time.

Section 4.7 Payment of OFA Expenses

In addition to any liability of the IESO to the OFA under any other provision of this Agreement, the IESO will, on demand, reimburse and indemnify OFA for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OFA in connection with the Agreement (including those services incurred in the preservation of rights under or enforcement of this Agreement at any time during the continuance of a Default or Event of Default and for any reasonable loss or expense incurred by OFA as a result of any failure by the IESO to fulfill any of its obligations under this Agreement). All such costs, charges and expenses shall bear interest at the Province of Ontario's cost of funds plus 0.25 percent per annum (as determined by the OFA) calculated and payable monthly not in advance from in each case from the date on which the OFA incurs the cost, charge or expense until the date on which the IESO reimbursement the OFA therefor. The OFA agrees, acting reasonably, to invoice the IESO for any such costs, charges and expense as they are incurred, together with interest at the aforesaid rate (with interest on overdue interest).

Section 4.8 Reporting.

The IESO will promptly provide to the OFA any reports or supporting documents that the OFA may request from time to time.

Section 4.9 Late Repayment of Advance.

In the event that the IESO fails to repay the principal amount of any Advance and all interest accrued thereon when due, the IESO shall pay interest on the unpaid amount of such Advance at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment.

ARTICLE 5
EVENTS OF DEFAULT AND REMEDIES

Section 5.1 Event of Default.

Wherever used in this Agreement, the term "Event of Default" means any of the following:

(a) the IESO's failure to pay any interest upon any Advance when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) failure to pay the principal amount of any Advance on the applicable Repayment Date or the Advances Outstanding, all interest accrued thereon and all other amounts owing under this Agreement on September 30, 2022;

(c) failure on the part of the IESO to observe or perform its obligations set forth in Section 4.1;

(d) failure on the part of the IESO to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 20 days after the date on which written notice of such failure shall have been given to the IESO by the OFA;

(e) any representation or warranty made by the IESO in this Agreement or in any certificate or other document at any time delivered hereunder to the OFA was incorrect or misleading in any material respect;

(f) one or more breaches by the IESO of its covenants under one or more evidences of Indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $5 million, which breaches:

(i) constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist, or

(ii) have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived or rescinded);

(g) the IESO or any Material Subsidiary:

(i) becomes unable to meet its obligations as they generally become due or has ceased paying its current obligations in the ordinary course of business as they generally become due;

(ii) admits in writing its inability to pay its debts generally or makes a general assignment for the benefit its creditors or files a proposal or other scheme

of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) institutes or has instituted against it any proceeding seeking:

(A) to adjudicate it as bankrupt or insolvent,

(B) liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors, or

(C) the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets,

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismissed or unstayed for a period of 30 days, or any remedy sought in any such proceeding (including the entry of order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

(iv) takes any corporate action to authorize any of the actions in Sections 5.1 (g)(i) to (iii); or

(h) if there shall be rendered against the IESO or any Material Subsidiary a final judgment or judgments for the payment of money in an aggregate amount in excess of $5 million by a court or courts of competent jurisdiction, and the IESO or any Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 5.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case the OFA may at its option, in addition to any other remedy available to the OFA at law, by written notice to the IESO, take any or all of the following actions:

(a) suspend the right of the IESO to request any further Advance until the Event of Default has been cured to the OFA's satisfaction or, if the Event of Default is not

cured within three (3) Business Days after the date on which written notice of such Event of Default shall have been given to the IESO by the OFA, declare all amounts owing hereunder including all interest accrued to be due and payable immediately, by a notice in writing to the IESO, and upon any such declaration all such amounts shall become immediately due and payable.

(b) invoke the Intercept pursuant to section 5.7 of this Agreement to require payment of any amount due and payable under this Agreement.

Section 5.3 Suits for Enforcement by the OFA.

If an Event of Default occurs and is continuing, the OFA may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in the OFA by this Agreement or by law.

Section 5.4 OFA May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of the IESO under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property of the IESO, or if any other judicial proceedings relative to the IESO, its creditors or its property are pending, the OFA shall be entitled and empowered, by intention in such proceeding or otherwise:

(a) to file and prove a claim for all amounts owing under this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of the OFA (including any claim for fees and disbursements of the OFA, its agents and counsel) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claim.

Section 5.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to the OFA is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.6 Delay or Omission not Waiver.

No delay or omission of the OFA to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right or remedy given by this Article 5 or by law to OFA may be exercised from time to time, and as often as may be deemed expedient, by the OFA.

Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of even date herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the *Capital Investment Plan Act, 1993* (the "**Intercept Letter**"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("**Appropriated Funds**"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("**Intercept**").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

(e) The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or

inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail.

ARTICLE 6
REPRESENTATIONS AND WARRANTIES OF IESO

Section 6.1 Representations and Warranties of IESO

The IESO represents and warrants to the OFA that:

(a) the borrowing of money (including principal and accrued interest) by the IESO and the execution, delivery and performance of this Agreement are within the powers and capacities of the IESO and have been duly authorized by all necessary legal action and proper proceedings;

(b) the execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the compliance with the terms and conditions of this Agreement will not conflict with or result in a breach of any of the terms or provisions of the constituting documents or by-laws of the IESO, laws of Ontario, including laws of Canada applicable therein, applicable to the IESO or any contractual or other obligation binding on the IESO;

(c) this Agreement will, when executed and delivered, constitute the legal, valid and binding obligation of the IESO enforceable against it in accordance with its terms; and

(d) the monies advanced under this Agreement shall be used only by the IESO for the purposes set out in Section 2.2.

Section 6.2 Continuation of Representation and Warranties

The representations and warranties set out in Section 6.1 herein shall survive the execution and delivery of this Agreement, the making of each Advance by the OFA, notwithstanding any investigations or examinations which may be made by counsel for the OFA.

ARTICLE 7
GENERAL

Section 7.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy or other means of electronic communication addressed:

If to the IESO, to it at:

Independent Electricity System Operator
120 Adelaide Street West, Suite 1600
Toronto, ON M5H 1T1

Attention: Chief Financial Officer
Telephone: (416)969-6232
Facsimile: (905)403-6913

If to the OFA, to it at:

Ontario Financing Authority 1 Dundas Street West
Suite 1400 Toronto, Ontario M7A 1Y7

Attention: Executive Director & Chief Investment Officer – Capital Markets Division
Telephone: (416)325-8930
Facsimile: (416)860-8346

provided that any Borrowing Notice or Election Notice shall be addressed as indicated on Schedule 1 or Schedule 2 respectively.

Any communication hereunder shall be deemed to have been validly and effectively given if (a) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p.m. (Toronto time), otherwise on the next Business Day, (b) transmitted by facsimile or other means of electronic communication, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice give in accordance with this Section 7.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 7.1.

Section 7.2 Successors and Assigns.

This Agreement shall be binding on and enure to the benefit of the OFA and the IESO and their respective successors and permitted assigns, except that the IESO shall not, without the

prior written consent of the OFA assign, pledge or hypothecate any rights or obligations with respect to this Agreement.

Section 7.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of the Parties.

Section 7.4 Waiver.

(1) No waiver of any provisions of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) of this Agreement nor shall such waiver be binding unless executed in writing by the party to be bound by the waiver.

(2) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude another or further exercise of such right or the exercise of any other right.

Section 7.5 Further Assurances.

Each of the IESO and the OFA shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement

Section 7.6 Severability.

In case any provision in this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement shall not in any way be affected or impaired thereby.

Section 7.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 7.8 Entire Agreement.

This Agreement, including the schedules hereto and any other agreements expressly referred to herein, constitutes the whole agreement between the Parties with respect to the matters dealt with in it, and it supersedes any prior agreement, undertakings, discussions and the like respecting the matters dealt with in this Agreement and entered into by the Parties before the date the OFA signs this Agreement.

Section 7.9 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Agreement.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first written above.

ONTARIO FINANCING AUTHORITY

Per: _____

Name:
Title:

I have authority to bind the corporation.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: K Marshall

Name: Kimberly Marshall
Title: Vice President, Corporate Services;
Chief Financial Officer; Treasurer

I have authority to bind the corporation.

SCHEDULE 1

FORM OF BORROWING NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The principal amount of the Proposed Advance is $_____;
(c) The Repayment Date of the Proposed Advance is _____. [Not earlier than 5 days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:

Authorized Signatory

SCHEDULE 2

FORM OF ELECTION NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is _____.

(b) The aggregate amount of the proposed Continued Advance is $_____, which is comprised of:

i. principal amount (or portion thereof) of Advance which is to be continued $_____; and
ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date $_____;

(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): $ _____

(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _____. [Insert date not earlier than 5 days and not later than 95 days after the current Repayment Date for the Advance.]

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: $_____
The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Name:

Authorized Signatory

SCHEDULE 3 – FORM OF GRID NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $2,000,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR (the "**IESO**"), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY** ("**OFA**") at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement (as defined below).

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the Revolving Credit Facility Agreement dated **[INSERT DATE]** as amended, supplemented or restated from time to time, between the Borrower and the OFA (the "Agreement"). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:
Authorized Signatory

Revolving Credit Facility Grid Note

Ontario Financing Authority
Line of Credit Grid Note

Entity : Independent Electricity System Operator
Loan Limit:

Project:
Schedule of loan transactions to:
Loan Advanced to:

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days

" Resolution of the Board of Directors
Independent Electricity System Operator

June 14, 2017

In Respect of the establishment of a new credit facility and revision of existing credit facilities in relation to the Fair Hydro Plan

---

WHEREAS, as further described in the memorandum to the Audit Committee entitled "Fair Hydro Plan Credit Facility" dated June 13, 2017 (the "**Memorandum**"), the Corporation has determined that in order to support the IESO's role in the Fair Hydro Plan it requires greater credit liquidity;

AND WHEREAS the Corporation proposes to enter into a new credit facility with the Ontario Financing Authority or Ontario Electricity Financial Corporation to support the Corporation's role in the Fair Hydro Plan in an amount yet to be determined of between $1,800 million and $2,500 million (the "**New Facility**");

AND WHEREAS, due to the structure of the Fair Hydro Plan, once the New Facility is established, the Corporation's existing credit facility with the Ontario Financing Authority in the amount of $975 million (the "**OFA Facility**") will include unnecessary and duplicative credit liquidity such that the OFA Facility may be reduced to an amount yet to be determined between $400 million and $500 million;

AND WHEREAS ...[Recital redacted]...

NOW THEREFORE BE IT RESOLVED THAT:

1. The Board of Directors hereby authorizes and approves the establishment of the New Facility and the amendment of the OFA Facility ...**[Redacted]**... on such terms and conditions as are generally outlined in the Memorandum (collectively, all facilities being the "**Credit Facilities**").

2. The Chief Financial Officer or her delegate is hereby authorized for and on behalf of the Corporation to:

(a) finalize, execute and deliver

(i) all relevant agreements, instruments and other documents required for the establishment or amendment, as applicable, of the Credit Facilities, and

(ii) all ancillary documents, deeds and instruments determined to be necessary or desirable in connection therewith (the execution of any such document, deed or instrument being conclusive evidence of such determination),

and to perform the Corporation's obligations thereunder, and to obtain the benefits thereof;

(b) draw upon or continue to draw upon, as applicable, the Credit Facilities from time to time in accordance with their terms; and

(c) do any and all such further acts as may be determined to be necessary or desirable to give effect to the foregoing transactions including, for further certainty, amending any other agreements as may be required as a consequence of such transactions. "

I certify that the above is a true, redacted copy of a resolution approved by the Board of Directors of the Independent Electricity System Operator on June 14, 2017.

John Rattray

General Counsel, Secretary and Chief Reliability Compliance Officer
Independent Electricity System Operator
November 6th, 2017

INCUMBENCY CERTIFICATE

To: Ontario Financing Authority ("**OFA**")

I, the undersigned, Secretary to the Independent Electricity System Operator (the "**IESO**"), in my capacity as an officer of the IESO, and not in my personal capacity, do hereby certify that:

1. Kimberly Marshall has been duly appointed as Vice President, Corporate Services; Chief Financial Officer and Treasurer of the IESO and holds, as at the date hereof, such offices.

2. Pursuant to a resolution of the board of directors of IESO dated June 14, 2017, Kimberly Marshall has the authority to finalize, execute and deliver: (i) Amending Agreement No. 10 to the Credit Agreement between OFA and IESO (as successor by amalgamation to Ontario Power Authority) made as of January 1, 2005, as amended; and (ii) the Revolving Credit Facility Agreement between IESO and the Ontario Financing Authority made in relation to the Fair Hydro Plan.

3. The following is the genuine signature of the following individual:

Kimberly Marshall K Marshall

DATED this 6th day of November, 2017.

John Rattray
General Counsel, Secretary and Chief
Reliability Compliance Officer

I, the undersigned, do hereby certify for and on behalf of the IESO in my capacity as an officer of the IESO, and not in my personal capacity, that: (i) John Rattray has been duly appointed to the office of General Counsel, Secretary and Chief Reliability Compliance Officer and (ii) John Rattray holds, as at the date hereof, such office.

DATED this 6th day of November, 2017.

K Marshall

Kimberly Marshall
Vice President, Corporate Services; Chief
Financial Officer and Treasurer

From:	William Tan
To:	Lisa Stein
Cc:	Sarah Harris
Subject:	RE: IESO $2B and $475M Credit Facilities
Date:	Thursday, May 17, 2018 2:51:26 PM
Attachments:	FHP Credit Agreement OFA IESO - Nov 6, 2017 - IESO Signed.pdf Certified IESO Brd Resol"n June 14_17 re Credit Facilities and Incumb Ce....pdf

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Hello Lisa,
As requested.
Thanks,
Will

From: Lisa Stein
Sent: Thursday, May 17, 2018 2:48 PM
To: William Tan
Cc: Sarah Harris
Subject: RE: IESO $2B and $475M Credit Facilities

Hi Will,
Please let me know when you are available for a call or meeting to discuss?
Thank you,
Lisa

From: William Tan
Sent: Thursday, May 17, 2018 2:06 PM
To: Sarah Neville <Sarah.Neville@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: IESO $2B and $475M Credit Facilities

Hello Lisa and Sarah N.,
On May 10, IESO notified us that Kimberly Marshall is no longer with the company (the only person we had documented to have signing authority). Anthony Martinello (IESO) was informed of the required documents to facilitate a new signatory. Yesterday, we received a Borrowing Notice with an advance date for tomorrow (May 18), signed by the their president and CEO. According to Anthony, their legal department is working on providing us with the required documents. However, he has informed us that there is a real possibility that the required documents may not be provided by today or tomorrow.
Could you provide some guidance as to how to proceed if the documents are not received in time or options available to us?
Thanks,
Will

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Thursday, May 17, 2018 6:34 AM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO $2B and $475M Credit Facilities

Will,
I have requested our legal group to address your request and prepare an updated cert….it is pending.

I'm not sure this cert will be ready by today or tomorrow…let me know if this is a problem.
As for the IESO CEO signing the draw, the resolution you already have notes that the CFO delegate can sign and thus the IESO CEO (CFO's boss) is now signing the draws.
Regards.

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: May 10, 2018 3:12 PM
To: Anthony Martinello
Cc: CASHP; SETTLEMENT; Carlos Yep; James Devine; Ricky Lai; Olga Whiteley; Sarah Harris
Subject: FW: IESO $2B and $475M Credit Facilities

Hello Anthony,
As per our earlier conversation, we would require updated signing authority documents.
Please provide the following:

1. Certified resolution of the board of directors for IESO authorizing both the Fair Hydro Plan Credit Agreement and for the Existing Credit Facility authorizing the signatory.
2. Updated Incumbency Certificate.

Attached is an example of the documents.
Thanks,
Will

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Thursday, May 10, 2018 11:47 AM
To: CASHP <CASHP@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>; Ricky Lai <Ricky.Lai@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>
Subject: IESO $2B and $475M Credit Facilities

Hi,
The IESO's CFO, Kim Marshall, is no longer with the IESO effective May-1-2018.
We are actively recruiting for a CFO, but no CFO and no acting CFO is yet named……the new CFO is not expected to be in place until July 2018.
For the $2B and $475MM facilities, we will be drawing on these next week……..are you ok if I sign the OFA notices or do you require the IESO CEO (remember no CFO is present).
Please advise.
Regards.

Anthony Martinello CPA CA, CFA
Director, Treasury & Pension Operations
Independent Electricity System Operator (IESO) | T: 905-403-6944
Station A, Box 4474, Toronto, ON, M5W 4E5
www.ieso.ca[ieso.ca][na01.safelinks.protection.outlook.com]

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including any attachments, without reading them, and destroy all copies. Thank you.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

as Borrower

and

ONTARIO FINANCING AUTHORITY

as Lender

REVOLVING CREDIT FACILITY AGREEMENT

Date: November 6, 2017

REVOLVING CREDIT FACILITY AGREEMENT

THIS AGREEMENT is made as of the 6th day of November 2017,

BETWEEN:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, a statutory corporation without share capital existing under Part II of the *Electricity Act, 1998* (the "**IESO**")
(as Borrower)

AND

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* (the "**OFA**" and together with the IESO, the "**Parties**")
(as Lender)

RECITALS:

WHEREAS the IESO has requested a revolving credit facility for up to a maximum principal amount of $2 billion from the OFA for the purpose of supporting the IESO's role in the implementation and administration of the *Ontario Fair Hydro Plan Act, 2017*.

THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the Parties agree as follows:

ARTICLE 1

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"Advances" means advances made by the OFA to the IESO under Article 3 and "Advance" means any one of such advances, and in the case of an election by the IESO under Section 3.3, includes a "Continued Advance", as defined in Section 3.3(1), as applicable.

"Advances Outstanding" means, at any time, an amount equal to the aggregate principal amount of all Advances outstanding at such time.

"Agreement", "herein", "hereby", "hereor', "hereunder" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression "Article" or "Section" followed by a number means the specified Article or Section of this Agreement.

"Borrowing Notice" has the meaning specified in Section 3.2(1).

"Business Day" means any day that is not a day on which banks are generally authorized or required by law or executive order to be closed in the City of Toronto.

"Clean Energy Adjustment" has the same meaning as that term is defined in the OFHP.

"Commitment" means, at any time, an amount equal to $2 billion.

"Consolidated Assets" means, at any time, the book value of the assets of the IESO and the Subsidiaries, determined as of such time on a consolidated basis in accordance with GAAP.

"Continued Advance" has the meaning specified in Section 3.3(1).

"Credit Facility" means the revolving credit facility to be made available to the IESO by the OFA under this Agreement for the purposes specified in Section 2.2.

"Current Repayment Date" has the meaning specified in Section 3.3(2).

"Default" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"Dollars" or **"$"** means lawful currency of Canada.

"Election Notice" has the meaning specified in Section 3.3(2).

"Event of Default" has the meaning specified in Section 5.1.

"First Advance" has the meaning specified in Section 3.2(3).

"GAAP" means accounting policies and standards as established by the Chartered Professional Accountants of Canada, at the relevant time and applied on a consistent basis.

"Grid Note" has the meaning specified in Section 3.2(2).

"Indebtedness" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) every obligation of such Person for borrowed money;

(b) every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments;

(c) every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) every capital lease obligation of such Person;

(f) the Swap Termination Value of each Swap Contract of such Person; and

(g) every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"Lien" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"Material Subsidiary" means, at any time, a Subsidiary which has consolidated assets with a book value of more than $25 million determined in accordance with GAAP.

"**New Repayment Date**" has the meaning specified in Section 3.3(2).

"**OFHP**" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

"Permitted Liens" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) any obligations or duties, affecting the property of the IESO to any municipality or governmental, statutory or public authority, with respect to any franchise, grant, license

or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by the IESO or such Material Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by the IESO or such Material Subsidiary;

(d) any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) the right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) any undetermined or inchoate Liens and charges incidental to the current operations of the IESO or a Material Subsidiary that have not at the time been filed against the IESO or such Material Subsidiary; provided, however, that if any such Lien or charge shall have been filed, the IESO or such Material Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) any Lien the validity of which is being contested at the time by the IESO or a Material Subsidiary in good faith and the enforcement of which has been stayed;

(h) any easements, rights-of-way and servitudes that in the opinion of the IESO will not in the aggregate materially and adversely impair the use or value of the land for the purpose for which it is held or occupied by the IESO or a Material Subsidiary;

(i) any Liens and privileges arising out of judgments or awards with respect to which the IESO or a Material Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall have secured a stay of execution pending such appeal or proceedings for review;

(j) any other Liens of a nature similar to the foregoing which do not in the opinion of the IESO, acting reasonably, materially impair the use of the property subject thereto or the operation of the business of the IESO or any Material Subsidiary or the value of such property for the purpose of any such business; and

(k) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other

lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

"Person" means any individual, corporation, partnership joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"Purchase Money Mortgage" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or part of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"Repayment Date" means, in respect of the repayment of Advances, the repayment date contained in the most recent Borrowing Notice or Election Notice.

"Stated Maturity" when used with respect to any Indebtedness or any installment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such installment of interest is due and payable.

"Subsidiary" means:

(a) a corporation more than 50% of the voting power or the outstanding Voting Shares of which is owned, directly or indirectly, by the IESO or by one or more other Subsidiaries or by the IESO and one or more other Subsidiaries; or

(b) any Person (other than a corporation) in which the IESO, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

"Swap Contract" means any agreement whether or not in writing, relating to any transaction or derivative transaction including a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction currency swap, cross-currency rate swap, swaption, currency option or other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.

"Swap Termination Value" means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap contracts:

(a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and

(b) for any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.

"Voting Shares" of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings.

The division of this Agreement into Articles and Sections and the insertion of headings are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and vice versa and words importing gender may include any gender. In this Agreement, (a) the words "including" and "includes" mean "including (or includes) without limitation", and (b) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" each mean "to but excluding".

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with GAAP.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the next succeeding Business Day.

ARTICLE 2
REVOLVING CREDIT FACILITY

Section 2.1 Availability.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO. The OFA shall make each Advance in Dollars.

Section 2.2 Use of Proceeds.

The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the *Electricity Act, 1998*, as such regulation may be amended or replaced from time to time, subject to the condition that proceeds of Advances may be used only for IESO's financing needs and requirements of any kind arising in connection with the IESO's role with respect to and obligations under the OFHP.

Section 2.3 Credit Facility Limit.

The Advances Outstanding shall not at any time exceed the Commitment. The Credit Facility shall revolve and no payment under the Credit Facility shall reduce the Commitment.

Section 2.4 Mandatory Repayment.

Subject to Sections 2.5 and 5.2, the IESO shall repay each Advance together with the interest accrued thereon on the applicable Repayment Date, and, in any event, shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder on September 30, 2022.

Section 2.5 Prepayments.

The IESO is not entitled to prepay any part of the Advances Outstanding or the interest accrued thereon without the prior written consent of the OFA.

Section 2.6 Payments under this Agreement.

(1) The OFA shall make Advances to the IESO under this Agreement to or to the order of the IESO by wire transfer of immediately available funds in accordance with wire transfer instructions given by the IESO to the OFA from time to time, or in such other manner as the IESO may specify to the OFA from time to time.

(2) The IESO shall make any payment required hereunder to be made by it to the OFA, to or to the order of the OFA, by wire transfer of immediately available funds in accordance with wire transfer instruction given by the OFA to the IESO from time to time, or in such other manner as the OFA may specify to the IESO from time to time. The IESO shall make each such payment in Canadian Dollars.

Section 2.7 Computations of Interest.

(1) All computations of interest shall be made by the OFA taking into account the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest is payable on the basis of a year of 365 days or 366 days, as the case may be.

(2) For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Agreement for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

Section 2.8 Limit on Rate of Interest.

(1) Notwithstanding any provision contained in this Agreement, the IESO shall not be obliged to make any payments of interest or other amounts payable to the OFA hereunder in excess of the amount or rate which would be prohibited by applicable law or would result in the receipt by the OFA of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada)).

(2) In the event that any such payments are limited or prohibited as provided in Section 2.8(1), the OFA shall have no further obligation to make any Advances available hereunder and the Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, shall become immediately due and payable.

Section 2.9 Application of Payments.

All payments made by the IESO under this Agreement shall be applied firstly to the payment of interest payable to the OFA on late payments of principal or interest hereunder, secondly, to the payment of accrued and unpaid interest payable to the OFA hereunder and thirdly, to the payment of the outstanding principal amount of any Advances payable to the OFA.

ARTICLE 3
ADVANCES

Section 3.1 Advances.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO under the Credit Facility from time to time on any Business Day prior to September 23, 2022.

Section 3.2 Procedure for Advances.

(1) Subject to Section 3.3(5), each Advance shall be made subject to two Business Days' prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each notice of an Advance (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1, other than a Borrowing Notice that is included in an Election Notice as permitted by Section 3.3(3). Each Borrowing Notice shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance; (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall not be earlier than 5 days and not later than 95 days after the date of the requested Advance. Each Borrowing Notice shall also certify the use of proceeds of the Advance which shall in any case be in accordance with Section 2.2. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, the IESO shall execute and deliver to the OFA a grid promissory note in respect of Advances substantially in the form of Schedule 3 (the "**Grid Note**"). The IESO authorizes the OFA to record on the Grid Note (a) the date and amount of each Advance or Continued Advance; (b) the applicable rate of interest for each Advance or Continued Advance; (c) the Repayment Date of each Advance or Continued Advance; (d) the date and amount of each payment of interest and each payment of principal or portion thereof in respect of each Advance or Continued Advance; and (e) Advances Outstanding. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such Advances and repayments; provided that the failure of the OFA to record any amount, rate or date shall not affect the obligation of the IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement.

(3) Respecting the first Advance to be made under this Agreement (the "**First Advance**"), a specified portion thereof (the "**Repayment Amount**") shall be used to repay a portion of the IESO's outstanding indebtedness to the OFA under the credit agreement between the Parties dated January 1, 2005, as amended (the "**Existing Credit Facility**"). The amount of the Repayment Amount shall be detailed in the Borrowing Notice issued in respect of the First Advance. Concurrently with the First Advance, OFA shall provide to IESO an updated grid in respect of the grid note issued under the Existing Credit Facility evidencing the repayment of the Repayment Amount thereunder.

Section 3.3 Elections Regarding Advances.

(1) The IESO may elect to continue all or a portion of the principal amount of any Advance and any amount of interest on such Advance (together, the "**Continued Advance**") for a further period of at least 5 days and up to a maximum of 95 days beginning on the then current Repayment Date in accordance with Section 3.3(2).

(2) Each notice to continue an Advance for a further period (an "**Election Notice**") shall be provided by the IESO to the OFA at least two Business Days prior to the Repayment Date of the Advance (the "**Current Repayment Date**"), and in each case, not later than

10:00 a.m. (Toronto time). Each such Election Notice shall be given substantially in the form of Schedule 2 and shall be irrevocable and binding upon the IESO and shall specify: (a) the Current Repayment Date; (b) the new aggregate total amount of the proposed Continued Advance; (c) the amount of interest or principal, if any, to be paid or re-paid by the IESO with respect to such Advance on the Current Repayment Date; and (d) the new Repayment Date of the proposed Continued Advance, which shall be no earlier than 5 days and not later than 95 days after the current Repayment Date (the "**New Repayment Date**"). If the IESO fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date.

(3) An Election Notice with respect to a proposed Continued Advance may include a Borrowing Notice for a further Advance proposed to be made on the Current Repayment Date. The Repayment Date of such further Advance shall be the New Repayment Date of the Continued Advance that is specified in the Election Notice. Such Borrowing Notice shall be given substantially in the form of Schedule 2.

(4) The calculation of interest on a Continued Advance shall be determined in the same manner as an Advance under Section 3.4 and shall be recorded on the Grid Note in accordance with Section 3.2(2).

(5) Any portion of an Advance not continued for a further period in accordance with Section 3.3(2) shall be repayable on the applicable Repayment Date.

(6) The Credit Facility shall at all times rank *pari passu* with all other unsubordinated and unsecured Indebtedness of the IESO, subject to the existence of any Liens that secure Indebtedness, as permitted by subections 4.6 (a) through (e) hereof.

(7) All amounts owing in respect of the Advances shall be paid without exercising any right of set off or counterclaim by the IESO.

Section 3.4 Interest on Advances.

(1) The IESO shall pay interest on the unpaid principal amount of each Advance in accordance with this Section 3.4 from and including the date of such Advance until the principal amount of such Advance is repaid in full.

(2) Interest shall accrue on the principal amount of each Advance from and including the date of the Advance to but excluding the Repayment Date of such Advance, at an annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum, before as well as after the date such principal amount or interest thereon becomes due hereunder and both before and after Default and shall be payable on the Repayment Date for such Advance. Any amount of interest arising hereunder which is not paid when due shall bear interest at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment. The amount of interest payable on an Advance will be calculated by the

OFA by dividing the interest rate applicable to the Advance by 365 or 366, as the case may be, and multiplying the result by the principal amount of the Advance and further multiplying the result by the number of days in the period from the date of the Advance to the Repayment Date of the Advance.

(3) If the IESO elects to continue an Advance in accordance with Section 3.3(2), the OFA shall determine the interest rate applicable after the original Repayment Date of the Advance and endorse the said rate on the grid forming part of the Grid Note in respect of Advances held by it.

Section 3.5 Conditions Precedent

The obligation of the OFA to make the Advances to the IESO pursuant to Section 2.1 is subject to the following conditions being satisfied to the OFA's satisfaction at the time of making each Advance:

(a) that the representations and warranties of the IESO contained in this Agreement are true and correct as at the date of making the Advance;

(b) that no Event of Default has occurred and is continuing;

(c) that there shall, in the reasonable opinion of the OFA, have been no material adverse change in the financial condition of the IESO or a Material Subsidiary; and

(d) that the OFA has received such other documentation which it has reasonably requested to ensure that the IESO is in compliance with the terms and conditions of this Agreement, including certified true copies of any necessary resolutions, a written legal opinion from counsel to the IESO confirming that the borrowing is within the legal powers of the IESO and that the Agreement is a direct, unsecured obligation of the IESO enforceable against the IESO in form satisfactory to the OFA.

ARTICLE 4
COVENANTS OF THE IESO

Section 4.1 Repayment of Advances.

The IESO will duly and punctually pay all amounts owing under this Agreement in accordance with the terms and subject to the conditions of this Agreement.

Section 4.2 IESO will Maintain its Corporate Existence.

The IESO will at all times maintain its corporate existence.

Section 4.3 Maintenance of Properties.

The IESO will cause all property owned by the IESO or any Material Subsidiary to be maintained and kept in good condition, repair and working order, all as in the judgment of the IESO or any Material Subsidiary may be necessary for the proper operation of such property, except as and to the extent that the IESO or any Material Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 4.3 shall prevent the IESO or any Material Subsidiary from discontinuing the maintenance of any such property or decommissioning any such property if such discontinuance or decommissioning is, in the judgment of the IESO or any such Material Subsidiary, desirable in the conduct of its business or the business of any such Material Subsidiary, or has been directly or indirectly requested or required by the Province of Ontario.

Section 4.4 Insurance.

The IESO will cause all property owned by the IESO or any Material Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the mature and to the extent that such property is usually insured by companies operating similar businesses.

Section 4.5 Conduct of Business.

The IESO will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in accordance with good business practice.

Section 4.6 Negative Pledge.

The IESO will not, and will not permit any Material Subsidiary to, create, incur or assume any Lien, charging the interest of the IESO or any Material Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, all amounts owing under this Agreement are secured equally and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) the creation, incurrence or assumption of any Purchase Money Mortgage;

(b) the grant of any Lien in the normal course of business to any banks or financial institutions for present or future Indebtedness of the IESO or any Material Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) any extension, renewal or replacement of any of the Liens referred to in Sections 4.6(a), (b) or (c), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased; and

(e) any Lien charging the interest of the IESO or any Material Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 4.6(a), (b) or (c), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 4.6(e) which is outstanding at such time does not exceed 10% of Consolidated Assets at such time.

Section 4.7 Payment of OFA Expenses

In addition to any liability of the IESO to the OFA under any other provision of this Agreement, the IESO will, on demand, reimburse and indemnify OFA for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OFA in connection with the Agreement (including those services incurred in the preservation of rights under or enforcement of this Agreement at any time during the continuance of a Default or Event of Default and for any reasonable loss or expense incurred by OFA as a result of any failure by the IESO to fulfill any of its obligations under this Agreement). All such costs, charges and expenses shall bear interest at the Province of Ontario's cost of funds plus 0.25 percent per annum (as determined by the OFA) calculated and payable monthly not in advance from in each case from the date on which the OFA incurs the cost, charge or expense until the date on which the IESO reimbursement the OFA therefor. The OFA agrees, acting reasonably, to invoice the IESO for any such costs, charges and expense as they are incurred, together with interest at the aforesaid rate (with interest on overdue interest).

Section 4.8 Reporting.

The IESO will promptly provide to the OFA any reports or supporting documents that the OFA may request from time to time.

Section 4.9 Late Repayment of Advance.

In the event that the IESO fails to repay the principal amount of any Advance and all interest accrued thereon when due, the IESO shall pay interest on the unpaid amount of such Advance at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment.

ARTICLE 5
EVENTS OF DEFAULT AND REMEDIES

Section 5.1 Event of Default.

Wherever used in this Agreement, the term "Event of Default" means any of the following:

(a) the IESO's failure to pay any interest upon any Advance when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) failure to pay the principal amount of any Advance on the applicable Repayment Date or the Advances Outstanding, all interest accrued thereon and all other amounts owing under this Agreement on September 30, 2022;

(c) failure on the part of the IESO to observe or perform its obligations set forth in Section 4.1;

(d) failure on the part of the IESO to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 20 days after the date on which written notice of such failure shall have been given to the IESO by the OFA;

(e) any representation or warranty made by the IESO in this Agreement or in any certificate or other document at any time delivered hereunder to the OFA was incorrect or misleading in any material respect;

(f) one or more breaches by the IESO of its covenants under one or more evidences of Indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $5 million, which breaches:

(i) constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist, or

(ii) have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived or rescinded);

(g) the IESO or any Material Subsidiary:

(i) becomes unable to meet its obligations as they generally become due or has ceased paying its current obligations in the ordinary course of business as they generally become due;

(ii) admits in writing its inability to pay its debts generally or makes a general assignment for the benefit its creditors or files a proposal or other scheme

of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) institutes or has instituted against it any proceeding seeking:

(A) to adjudicate it as bankrupt or insolvent,

(B) liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors, or

(C) the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets,

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismissed or unstayed for a period of 30 days, or any remedy sought in any such proceeding (including the entry of order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

(iv) takes any corporate action to authorize any of the actions in Sections 5.1 (g)(i) to (iii); or

(h) if there shall be rendered against the IESO or any Material Subsidiary a final judgment or judgments for the payment of money in an aggregate amount in excess of $5 million by a court or courts of competent jurisdiction, and the IESO or any Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 5.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case the OFA may at its option, in addition to any other remedy available to the OFA at law, by written notice to the IESO, take any or all of the following actions:

(a) suspend the right of the IESO to request any further Advance until the Event of Default has been cured to the OFA's satisfaction or, if the Event of Default is not

cured within three (3) Business Days after the date on which written notice of such Event of Default shall have been given to the IESO by the OFA, declare all amounts owing hereunder including all interest accrued to be due and payable immediately, by a notice in writing to the IESO, and upon any such declaration all such amounts shall become immediately due and payable.

(b) invoke the Intercept pursuant to section 5.7 of this Agreement to require payment of any amount due and payable under this Agreement.

Section 5.3 Suits for Enforcement by the OFA.

If an Event of Default occurs and is continuing, the OFA may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in the OFA by this Agreement or by law.

Section 5.4 OFA May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of the IESO under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property of the IESO, or if any other judicial proceedings relative to the IESO, its creditors or its property are pending, the OFA shall be entitled and empowered, by intention in such proceeding or otherwise:

(a) to file and prove a claim for all amounts owing under this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of the OFA (including any claim for fees and disbursements of the OFA, its agents and counsel) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claim.

Section 5.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to the OFA is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.6 Delay or Omission not Waiver.

No delay or omission of the OFA to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right or remedy given by this Article 5 or by law to OFA may be exercised from time to time, and as often as may be deemed expedient, by the OFA.

Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of even date herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the *Capital Investment Plan Act, 1993* (the "**Intercept Letter**"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("**Appropriated Funds**"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("**Intercept**").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

(e) The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or

inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail.

ARTICLE 6
REPRESENTATIONS AND WARRANTIES OF IESO

Section 6.1 Representations and Warranties of IESO

The IESO represents and warrants to the OFA that:

(a) the borrowing of money (including principal and accrued interest) by the IESO and the execution, delivery and performance of this Agreement are within the powers and capacities of the IESO and have been duly authorized by all necessary legal action and proper proceedings;

(b) the execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the compliance with the terms and conditions of this Agreement will not conflict with or result in a breach of any of the terms or provisions of the constituting documents or by-laws of the IESO, laws of Ontario, including laws of Canada applicable therein, applicable to the IESO or any contractual or other obligation binding on the IESO;

(c) this Agreement will, when executed and delivered, constitute the legal, valid and binding obligation of the IESO enforceable against it in accordance with its terms; and

(d) the monies advanced under this Agreement shall be used only by the IESO for the purposes set out in Section 2.2.

Section 6.2 Continuation of Representation and Warranties

The representations and warranties set out in Section 6.1 herein shall survive the execution and delivery of this Agreement, the making of each Advance by the OFA, notwithstanding any investigations or examinations which may be made by counsel for the OFA.

ARTICLE 7
GENERAL

Section 7.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy or other means of electronic communication addressed:

If to the IESO, to it at:

Independent Electricity System Operator
120 Adelaide Street West, Suite 1600
Toronto, ON M5H 1T1

Attention: Chief Financial Officer
Telephone: (416)969-6232
Facsimile: (905)403-6913

If to the OFA, to it at:

Ontario Financing Authority 1 Dundas Street West
Suite 1400 Toronto, Ontario M7A 1Y7

Attention: Executive Director & Chief Investment Officer – Capital Markets Division
Telephone: (416)325-8930
Facsimile: (416)860-8346

provided that any Borrowing Notice or Election Notice shall be addressed as indicated on Schedule 1 or Schedule 2 respectively.

Any communication hereunder shall be deemed to have been validly and effectively given if (a) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p.m. (Toronto time), otherwise on the next Business Day, (b) transmitted by facsimile or other means of electronic communication, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice give in accordance with this Section 7.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 7.1.

Section 7.2 Successors and Assigns.

This Agreement shall be binding on and enure to the benefit of the OFA and the IESO and their respective successors and permitted assigns, except that the IESO shall not, without the

prior written consent of the OFA assign, pledge or hypothecate any rights or obligations with respect to this Agreement.

Section 7.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of the Parties.

Section 7.4 Waiver.

(1) No waiver of any provisions of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) of this Agreement nor shall such waiver be binding unless executed in writing by the party to be bound by the waiver.

(2) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude another or further exercise of such right or the exercise of any other right.

Section 7.5 Further Assurances.

Each of the IESO and the OFA shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement

Section 7.6 Severability.

In case any provision in this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement shall not in any way be affected or impaired thereby.

Section 7.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 7.8 Entire Agreement.

This Agreement, including the schedules hereto and any other agreements expressly referred to herein, constitutes the whole agreement between the Parties with respect to the matters dealt with in it, and it supersedes any prior agreement, undertakings, discussions and the like respecting the matters dealt with in this Agreement and entered into by the Parties before the date the OFA signs this Agreement.

Section 7.9 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Agreement.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first written above.

ONTARIO FINANCING AUTHORITY

Per: _____

Name:
Title:

I have authority to bind the corporation.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: K Marshall

Name: Kimberly Marshall
Title: Vice President, Corporate Services;
Chief Financial Officer; Treasurer

I have authority to bind the corporation.

SCHEDULE 1

FORM OF BORROWING NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The principal amount of the Proposed Advance is $_____;
(c) The Repayment Date of the Proposed Advance is _____. [Not earlier than 5 days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:

Authorized Signatory

SCHEDULE 2

FORM OF ELECTION NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is _____.

(b) The aggregate amount of the proposed Continued Advance is $_____, which is comprised of:

i. principal amount (or portion thereof) of Advance which is to be continued $_____; and
ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date $_____;

(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): $ _____

(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _____. [Insert date not earlier than 5 days and not later than 95 days after the current Repayment Date for the Advance.]

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: $_____
The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Name:

Authorized Signatory

SCHEDULE 3 – FORM OF GRID NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $2,000,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR (the "**IESO**"), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY** ("**OFA**") at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement (as defined below).

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the Revolving Credit Facility Agreement dated **[INSERT DATE]** as amended, supplemented or restated from time to time, between the Borrower and the OFA (the "Agreement"). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:
Authorized Signatory

Revolving Credit Facility Grid Note

Ontario Financing Authority
Line of Credit Grid Note

Entity : Independent Electricity System Operator
Loan Limit:

Project:
Schedule of loan transactions to:
Loan Advanced to:

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days

" Resolution of the Board of Directors
Independent Electricity System Operator

June 14, 2017

In Respect of the establishment of a new credit facility and revision of existing credit facilities in relation to the Fair Hydro Plan

---

WHEREAS, as further described in the memorandum to the Audit Committee entitled "Fair Hydro Plan Credit Facility" dated June 13, 2017 (the "**Memorandum**"), the Corporation has determined that in order to support the IESO's role in the Fair Hydro Plan it requires greater credit liquidity;

AND WHEREAS the Corporation proposes to enter into a new credit facility with the Ontario Financing Authority or Ontario Electricity Financial Corporation to support the Corporation's role in the Fair Hydro Plan in an amount yet to be determined of between $1,800 million and $2,500 million (the "**New Facility**");

AND WHEREAS, due to the structure of the Fair Hydro Plan, once the New Facility is established, the Corporation's existing credit facility with the Ontario Financing Authority in the amount of $975 million (the "**OFA Facility**") will include unnecessary and duplicative credit liquidity such that the OFA Facility may be reduced to an amount yet to be determined between $400 million and $500 million;

AND WHEREAS ...[Recital redacted]...

NOW THEREFORE BE IT RESOLVED THAT:

1. The Board of Directors hereby authorizes and approves the establishment of the New Facility and the amendment of the OFA Facility ...**[Redacted]**... on such terms and conditions as are generally outlined in the Memorandum (collectively, all facilities being the "**Credit Facilities**").

2. The Chief Financial Officer or her delegate is hereby authorized for and on behalf of the Corporation to:

(a) finalize, execute and deliver

(i) all relevant agreements, instruments and other documents required for the establishment or amendment, as applicable, of the Credit Facilities, and

(ii) all ancillary documents, deeds and instruments determined to be necessary or desirable in connection therewith (the execution of any such document, deed or instrument being conclusive evidence of such determination),

and to perform the Corporation's obligations thereunder, and to obtain the benefits thereof;

(b) draw upon or continue to draw upon, as applicable, the Credit Facilities from time to time in accordance with their terms; and

(c) do any and all such further acts as may be determined to be necessary or desirable to give effect to the foregoing transactions including, for further certainty, amending any other agreements as may be required as a consequence of such transactions. "

I certify that the above is a true, redacted copy of a resolution approved by the Board of Directors of the Independent Electricity System Operator on June 14, 2017.

John Rattray

General Counsel, Secretary and Chief Reliability Compliance Officer
Independent Electricity System Operator
November 6th, 2017

INCUMBENCY CERTIFICATE

To: Ontario Financing Authority ("**OFA**")

I, the undersigned, Secretary to the Independent Electricity System Operator (the "**IESO**"), in my capacity as an officer of the IESO, and not in my personal capacity, do hereby certify that:

1. Kimberly Marshall has been duly appointed as Vice President, Corporate Services; Chief Financial Officer and Treasurer of the IESO and holds, as at the date hereof, such offices.

2. Pursuant to a resolution of the board of directors of IESO dated June 14, 2017, Kimberly Marshall has the authority to finalize, execute and deliver: (i) Amending Agreement No. 10 to the Credit Agreement between OFA and IESO (as successor by amalgamation to Ontario Power Authority) made as of January 1, 2005, as amended; and (ii) the Revolving Credit Facility Agreement between IESO and the Ontario Financing Authority made in relation to the Fair Hydro Plan.

3. The following is the genuine signature of the following individual:

Kimberly Marshall K Marshall

DATED this 6th day of November, 2017.

John Rattray
General Counsel, Secretary and Chief
Reliability Compliance Officer

I, the undersigned, do hereby certify for and on behalf of the IESO in my capacity as an officer of the IESO, and not in my personal capacity, that: (i) John Rattray has been duly appointed to the office of General Counsel, Secretary and Chief Reliability Compliance Officer and (ii) John Rattray holds, as at the date hereof, such office.

DATED this 6th day of November, 2017.

K Marshall

Kimberly Marshall
Vice President, Corporate Services; Chief
Financial Officer and Treasurer

From:	Sarah Harris
To:	"Olga Whiteley"; William Tan
Cc:	Anthony Martinello; Victor Buza
Subject:	RE: IESO $2B and $475M Credit Facilities
Date:	Friday, May 18, 2018 10:41:52 AM

Thank you, Olga.
This looks good.
Sarah

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]
Sent: Friday, May 18, 2018 10:29 AM
To: William Tan ; Sarah Harris
Cc: Anthony Martinello ; Victor Buza
Subject: RE: IESO $2B and $475M Credit Facilities

Hello Will and Sarah,
Please see attached borrowing notices with IESO's corporate seal applied to Peter Gregg's signature (CEO). I will forward the originals to you on Monday.
Thank you very much for your help with all this.
Regards.

Olga Whiteley | Treasury and Pension Operations
Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
Station A, Box 4474, Toronto, ON M5W 4E5
Web: www.ieso.ca[ieso.ca] | Email: olga.whiteley@ieso.ca

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: May 17, 2018 3:54 PM
To: Anthony Martinello; Olga Whiteley
Cc: Sarah Harris
Subject: RE: IESO $2B and $475M Credit Facilities

Hello Anthony and Olga,
I apologise for the multiple emails. I have additional solutions as I am having a fluid conversation with my legal department.

1. Certified resolution of the board of directors for IESO authorizing both the Fair Hydro Plan Credit Agreement and for the Existing Credit Facility authorizing the signatory and Updated Incumbency Certificate.
2. A delegation of authority from the (former) IESO CFO to the IESO CEO (or other authorized signatories).
3. A general signing authority resolution of the IESO Board of Directors.
4. By-law or other document in place providing authorization to the IESO CEO.
5. A certificate from the IESO Corporate Secretary stating that the IESO CEO has signing authority.
6. A signature under seal of the corporation.

Thanks,
Will

From: William Tan
Sent: Thursday, May 17, 2018 3:27 PM
To: 'Anthony Martinello' <Anthony.Martinello@ieso.ca>; 'Olga Whiteley' <Olga.Whiteley@ieso.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>

Subject: RE: IESO $2B and $475M Credit Facilities

Hello Anthony,

Can you please request the following documents from your legal department:

1. a delegation of authority from the (former) IESO CFO to the IESO CEO (or other authorized signatories); and/or,
2. a general signing authority resolution of the IESO Board of Directors

Thank you,

Will

From: William Tan
Sent: Thursday, May 17, 2018 2:10 PM
To: 'Anthony Martinello' <Anthony.Martinello@ieso.ca>; Olga Whiteley <Olga.Whiteley@ieso.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO $2B and $475M Credit Facilities

Hello Anthony,

Unfortunately the documents required are key documents. Could you please check on the status of the documents? I will seek any possible solutions from my end.

Thanks,

Will

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Thursday, May 17, 2018 6:34 AM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO $2B and $475M Credit Facilities

Will,

I have requested our legal group to address your request and prepare an updated cert….it is pending.

I'm not sure this cert will be ready by today or tomorrow…let me know if this is a problem.

As for the IESO CEO signing the draw, the resolution you already have notes that the CFO delegate can sign and thus the IESO CEO (CFO's boss) is now signing the draws.

Regards.

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: May 10, 2018 3:12 PM
To: Anthony Martinello
Cc: CASHP; SETTLEMENT; Carlos Yep; James Devine; Ricky Lai; Olga Whiteley; Sarah Harris
Subject: FW: IESO $2B and $475M Credit Facilities

Hello Anthony,

As per our earlier conversation, we would require updated signing authority documents.

Please provide the following:

1. Certified resolution of the board of directors for IESO authorizing both the Fair Hydro Plan Credit Agreement and for the Existing Credit Facility authorizing the signatory.
2. Updated Incumbency Certificate.

Attached is an example of the documents.

Thanks,

Will

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]

Sent: Thursday, May 10, 2018 11:47 AM
To: CASHP <CASHP@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>; Ricky Lai <Ricky.Lai@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>
Subject: IESO $2B and $475M Credit Facilities

Hi,

The IESO's CFO, Kim Marshall, is no longer with the IESO effective May-1-2018.

We are actively recruiting for a CFO, but no CFO and no acting CFO is yet named……the new CFO is not expected to be in place until July 2018.

For the $2B and $475MM facilities, we will be drawing on these next week……..are you ok if I sign the OFA notices or do you require the IESO CEO (remember no CFO is present).

Please advise.

Regards.

Anthony Martinello CPA CA, CFA
Director, Treasury & Pension Operations
Independent Electricity System Operator (IESO) | T: 905-403-6944
Station A, Box 4474, Toronto, ON, M5W 4E5
www.ieso.ca[ieso.ca][na01.safelinks.protection.outlook.com]

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This message, including any attachments, is meant only for the use of the individual(s) to whom it is intended and may contain information that is privileged/confidential. Any unauthorized use, copying or disclosure is strictly prohibited. If you are not the intended recipient or have received this message in error, please notify us immediately by reply e-mail and permanently delete this message, including any attachments, without reading them, and destroy all copies. Thank you.

From: Lisa Stein
To: William Tan
Cc: Sarah Harris
Subject: RE: IESO $2B and $475M Credit Facilities
Date: Thursday, May 17, 2018 2:47:46 PM

Hi Will,
Please let me know when you are available for a call or meeting to discuss?
Thank you,
Lisa

From: William Tan
Sent: Thursday, May 17, 2018 2:06 PM
To: Sarah Neville ; Lisa Stein
Cc: Sarah Harris
Subject: FW: IESO $2B and $475M Credit Facilities

Hello Lisa and Sarah N.,
On May 10, IESO notified us that Kimberly Marshall is no longer with the company (the only person we had documented to have signing authority). Anthony Martinello (IESO) was informed of the required documents to facilitate a new signatory. Yesterday, we received a Borrowing Notice with an advance date for tomorrow (May 18), signed by the their president and CEO. According to Anthony, their legal department is working on providing us with the required documents. However, he has informed us that there is a real possibility that the required documents may not be provided by today or tomorrow.
Could you provide some guidance as to how to proceed if the documents are not received in time or options available to us?
Thanks,
Will

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Thursday, May 17, 2018 6:34 AM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO $2B and $475M Credit Facilities

Will,
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I'm not sure this cert will be ready by today or tomorrow…let me know if this is a problem.
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Regards.

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: May 10, 2018 3:12 PM
To: Anthony Martinello
Cc: CASHP; SETTLEMENT; Carlos Yep; James Devine; Ricky Lai; Olga Whiteley; Sarah Harris
Subject: FW: IESO $2B and $475M Credit Facilities

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Please provide the following:

1. Certified resolution of the board of directors for IESO authorizing both the Fair Hydro Plan Credit Agreement and for the Existing Credit Facility authorizing the signatory.
2. Updated Incumbency Certificate.

Attached is an example of the documents.

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Sent: Thursday, May 10, 2018 11:47 AM

To: CASHP <CASHP@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>; Ricky Lai <Ricky.Lai@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>

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Please advise.

Regards.

Anthony Martinello CPA CA, CFA
Director, Treasury & Pension Operations
Independent Electricity System Operator (IESO) | T: 905-403-6944
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From: Lisa Stein
To: William Tan
Cc: Sarah Harris
Subject: RE: IESO $2B and $475M Credit Facilities
Date: Thursday, May 17, 2018 2:47:46 PM

Hi Will,
Please let me know when you are available for a call or meeting to discuss?
Thank you,
Lisa

From: William Tan
Sent: Thursday, May 17, 2018 2:06 PM
To: Sarah Neville ; Lisa Stein
Cc: Sarah Harris
Subject: FW: IESO $2B and $475M Credit Facilities

Hello Lisa and Sarah N.,
On May 10, IESO notified us that Kimberly Marshall is no longer with the company (the only person we had documented to have signing authority). Anthony Martinello (IESO) was informed of the required documents to facilitate a new signatory. Yesterday, we received a Borrowing Notice with an advance date for tomorrow (May 18), signed by the their president and CEO. According to Anthony, their legal department is working on providing us with the required documents. However, he has informed us that there is a real possibility that the required documents may not be provided by today or tomorrow.
Could you provide some guidance as to how to proceed if the documents are not received in time or options available to us?
Thanks,
Will

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
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From:	William Tan
To:	"Anthony Martinello"; Olga Whiteley
Cc:	Sarah Harris
Subject:	RE: IESO $2B and $475M Credit Facilities
Date:	Thursday, May 17, 2018 2:10:05 PM

Hello Anthony,

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Cc: Olga Whiteley; Sarah Harris
Subject: RE: IESO $2B and $475M Credit Facilities
Date: Thursday, May 17, 2018 6:34:08 AM

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From: Olga Whiteley
To: William Tan; Sarah Harris
Cc: Anthony Martinello; Victor Buza
Subject: RE: IESO $2B and $475M Credit Facilities
Date: Friday, May 18, 2018 10:29:44 AM
Attachments: SAMF170118051810190.pdf
SAMF170118051810200.pdf

Hello Will and Sarah,

Please see attached borrowing notices with IESO's corporate seal applied to Peter Gregg's signature (CEO). I will forward the originals to you on Monday.

Thank you very much for your help with all this.

Regards.

Olga Whiteley | Treasury and Pension Operations

Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
Station A, Box 4474, Toronto, ON M5W 4E5
Web: www.ieso.ca[ieso.ca] | Email: olga.whiteley@ieso.ca

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: May 17, 2018 3:54 PM
To: Anthony Martinello; Olga Whiteley
Cc: Sarah Harris
Subject: RE: IESO $2B and $475M Credit Facilities

Hello Anthony and Olga,

I apologise for the multiple emails. I have additional solutions as I am having a fluid conversation with my legal department.

1. Certified resolution of the board of directors for IESO authorizing both the Fair Hydro Plan Credit Agreement and for the Existing Credit Facility authorizing the signatory and Updated Incumbency Certificate.
2. A delegation of authority from the (former) IESO CFO to the IESO CEO (or other authorized signatories).
3. A general signing authority resolution of the IESO Board of Directors.
4. By-law or other document in place providing authorization to the IESO CEO.
5. A certificate from the IESO Corporate Secretary stating that the IESO CEO has signing authority.
6. A signature under seal of the corporation.

Thanks,

Will

From: William Tan
Sent: Thursday, May 17, 2018 3:27 PM
To: 'Anthony Martinello' ; 'Olga Whiteley'
Cc: Sarah Harris
Subject: RE: IESO $2B and $475M Credit Facilities

Hello Anthony,

Can you please request the following documents from your legal department:

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2. a general signing authority resolution of the IESO Board of Directors

Thank you,
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ieso
Connecting Today.
Powering Tomorrow.

Independent Electricity System Operator
Station A, Box 4474
Toronto, ON M5W 4E5
t 905.403.6900
www.ieso.ca

SCHEDULE 2
ELECTION NOTICE

May 16, 2018

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7
Delivered Via Email: CASHP@ofina.on.ca

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated November 21, 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is **May 18, 2018**.
(b) The aggregate amount of the proposed Continued Advance is **$852,203.09**, which is comprised of:
    i. principal amount of Advance which is to be continued **$852,203.09**; and
    ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date **$0.00**;
(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): **$0.00**;
(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is **June 20, 2018**. [Insert date not earlier than 5 days and not later than 95 days after the current Repayment Date for the Advance.]

IESO confirms it will also be paying interest in the amount of **$993.69**.

Such election shall be confirmed by IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: **$255,748,186.14**

The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: **$256,600,389.23**

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): **This transaction relates to the Fair Hydro Program**.

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Peter Gregg
President & CEO

ieso
Connecting Today.
Powering Tomorrow.

Independent Electricity System Operator
Station A, Box 4474
Toronto, ON M5W 4E5
t 905.403.6900
www.ieso.ca

SCHEDULE 2 TO AMENDING AGREEMENT NO. 10
ELECTION NOTICE

May 16, 2018

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7
Delivered Via Email: CASHP@ofina.on.ca

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is **May 18, 2018**;
(b) The aggregate amount of the proposed Continued Advance is **$14,118,028.50**, which is comprised of:
   i. principal amount of Advance which is to be continued **$14,118,028.50**; and
   ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date **$0.00**;
(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): **$0.00**;
(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is **June 20, 2018**. [Insert date no earlier than 28 days and not later than 95 days after the Current Repayment Date for the Advance].

IESO confirms it will also be paying interest in the amount of **$16,462.01**.

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: **$838,764.93**

The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: **$14,956,793.43**

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): **This transaction relates to the settlement of the Rural or Remote Electricity Rate Protection (RRRP) variance.**

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Peter Gregg
President & CEO

From: Olga Whiteley
To: William Tan; Sarah Harris
Cc: Anthony Martinello; Victor Buza
Subject: RE: IESO $2B and $475M Credit Facilities
Date: Friday, May 18, 2018 10:29:44 AM
Attachments: SAMF170118051810190.pdf
SAMF170118051810200.pdf

Hello Will and Sarah,

Please see attached borrowing notices with IESO's corporate seal applied to Peter Gregg's signature (CEO). I will forward the originals to you on Monday.

Thank you very much for your help with all this.

Regards.

Olga Whiteley | Treasury and Pension Operations

Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
Station A, Box 4474, Toronto, ON M5W 4E5
Web: www.ieso.ca[ieso.ca] | Email: olga.whiteley@ieso.ca

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: May 17, 2018 3:54 PM
To: Anthony Martinello; Olga Whiteley
Cc: Sarah Harris
Subject: RE: IESO $2B and $475M Credit Facilities

Hello Anthony and Olga,

I apologise for the multiple emails. I have additional solutions as I am having a fluid conversation with my legal department.

1. Certified resolution of the board of directors for IESO authorizing both the Fair Hydro Plan Credit Agreement and for the Existing Credit Facility authorizing the signatory and Updated Incumbency Certificate.
2. A delegation of authority from the (former) IESO CFO to the IESO CEO (or other authorized signatories).
3. A general signing authority resolution of the IESO Board of Directors.
4. By-law or other document in place providing authorization to the IESO CEO.
5. A certificate from the IESO Corporate Secretary stating that the IESO CEO has signing authority.
6. A signature under seal of the corporation.

Thanks,

Will

From: William Tan
Sent: Thursday, May 17, 2018 3:27 PM
To: 'Anthony Martinello' ; 'Olga Whiteley'
Cc: Sarah Harris
Subject: RE: IESO $2B and $475M Credit Facilities

Hello Anthony,

Can you please request the following documents from your legal department:

1. a delegation of authority from the (former) IESO CFO to the IESO CEO (or other authorized signatories); and/or,
2. a general signing authority resolution of the IESO Board of Directors

Thank you,
Will

From: William Tan
Sent: Thursday, May 17, 2018 2:10 PM
To: 'Anthony Martinello' <Anthony.Martinello@ieso.ca>; Olga Whiteley <Olga.Whiteley@ieso.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO $2B and $475M Credit Facilities

Hello Anthony,
Unfortunately the documents required are key documents. Could you please check on the status of the documents? I will seek any possible solutions from my end.
Thanks,
Will

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Thursday, May 17, 2018 6:34 AM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO $2B and $475M Credit Facilities

Will,
I have requested our legal group to address your request and prepare an updated cert….it is pending.
I'm not sure this cert will be ready by today or tomorrow…let me know if this is a problem.
As for the IESO CEO signing the draw, the resolution you already have notes that the CFO delegate can sign and thus the IESO CEO (CFO's boss) is now signing the draws.
Regards.

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: May 10, 2018 3:12 PM
To: Anthony Martinello
Cc: CASHP; SETTLEMENT; Carlos Yep; James Devine; Ricky Lai; Olga Whiteley; Sarah Harris
Subject: FW: IESO $2B and $475M Credit Facilities

Hello Anthony,
As per our earlier conversation, we would require updated signing authority documents.
Please provide the following:

1. Certified resolution of the board of directors for IESO authorizing both the Fair Hydro Plan Credit Agreement and for the Existing Credit Facility authorizing the signatory.
2. Updated Incumbency Certificate.

Attached is an example of the documents.
Thanks,
Will

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Thursday, May 10, 2018 11:47 AM
To: CASHP <CASHP@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>; Ricky Lai <Ricky.Lai@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>
Subject: IESO $2B and $475M Credit Facilities

Hi,
The IESO's CFO, Kim Marshall, is no longer with the IESO effective May-1-2018.
We are actively recruiting for a CFO, but no CFO and no acting CFO is yet named……the new CFO is not expected to be in place until July 2018.
For the $2B and $475MM facilities, we will be drawing on these next week……..are you ok if I sign the OFA notices or do you require the IESO CEO (remember no CFO is present).
Please advise.
Regards.

Anthony Martinello CPA CA, CFA
Director, Treasury & Pension Operations
Independent Electricity System Operator (IESO) | T: 905-403-6944
Station A, Box 4474, Toronto, ON, M5W 4E5
www.ieso.ca[ieso.ca][na01.safelinks.protection.outlook.com]

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ieso
Connecting Today.
Powering Tomorrow.

Independent Electricity System Operator
Station A, Box 4474
Toronto, ON M5W 4E5
t 905.403.6900
www.ieso.ca

SCHEDULE 2
ELECTION NOTICE

May 16, 2018

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7
Delivered Via Email: CASHP@ofina.on.ca

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated November 21, 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

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(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): **$0.00**;
(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is **June 20, 2018**. [Insert date not earlier than 5 days and not later than 95 days after the current Repayment Date for the Advance.]

IESO confirms it will also be paying interest in the amount of **$993.69**.

Such election shall be confirmed by IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

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Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Peter Gregg
President & CEO

ieso
Connecting Today.
Powering Tomorrow.

Independent Electricity System Operator
Station A, Box 4474
Toronto, ON M5W 4E5
t 905.403.6900
www.ieso.ca

SCHEDULE 2 TO AMENDING AGREEMENT NO. 10
ELECTION NOTICE

May 16, 2018

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7
Delivered Via Email: CASHP@ofina.on.ca

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

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Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Peter Gregg
President & CEO

From:	Olga Whiteley
To:	William Tan
Cc:	Sarah Harris; Anthony Martinello
Subject:	RE: IESO $2B and $475M Credit Facilities
Date:	Thursday, May 17, 2018 5:48:50 PM

Hi Will, we are looking at providing option number 6 (a signature under seal of the corporation). I will confirm tomorrow morning.

Regards.

Olga Whiteley | Treasury and Pension Operations

Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913

Station A, Box 4474, Toronto, ON M5W 4E5

Web: www.ieso.ca[ieso.ca] | Email: olga.whiteley@ieso.ca

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: May 17, 2018 3:54 PM
To: Anthony Martinello; Olga Whiteley
Cc: Sarah Harris
Subject: RE: IESO $2B and $475M Credit Facilities

Hello Anthony and Olga,

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3. A general signing authority resolution of the IESO Board of Directors.
4. By-law or other document in place providing authorization to the IESO CEO.
5. A certificate from the IESO Corporate Secretary stating that the IESO CEO has signing authority.
6. A signature under seal of the corporation.

Thanks,

Will

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Sent: Thursday, May 17, 2018 2:10 PM
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Subject: RE: IESO $2B and $475M Credit Facilities

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Thanks,

Will

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Sent: Thursday, May 17, 2018 6:34 AM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO $2B and $475M Credit Facilities

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To: CASHP <CASHP@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>; Ricky Lai <Ricky.Lai@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
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Please advise.
Regards.

Anthony Martinello CPA CA, CFA
Director, Treasury & Pension Operations
Independent Electricity System Operator (IESO) | T: 905-403-6944
Station A, Box 4474, Toronto, ON, M5W 4E5
www.ieso.ca[ieso.ca][na01.safelinks.protection.outlook.com]

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Station A, Box 4474, Toronto, ON M5W 4E5

Web: www.ieso.ca[ieso.ca] | Email: olga.whiteley@ieso.ca

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Sent: May 10, 2018 3:12 PM
To: Anthony Martinello
Cc: CASHP; SETTLEMENT; Carlos Yep; James Devine; Ricky Lai; Olga Whiteley; Sarah Harris
Subject: FW: IESO $2B and $475M Credit Facilities

Hello Anthony,

As per our earlier conversation, we would require updated signing authority documents.

Please provide the following:

1. Certified resolution of the board of directors for IESO authorizing both the Fair Hydro Plan Credit Agreement and for the Existing Credit Facility authorizing the signatory.
2. Updated Incumbency Certificate.

Attached is an example of the documents.

Thanks,

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To: CASHP <CASHP@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>; Ricky Lai <Ricky.Lai@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>
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Please advise.
Regards.

Anthony Martinello CPA CA, CFA
Director, Treasury & Pension Operations
Independent Electricity System Operator (IESO) | T: 905-403-6944
Station A, Box 4474, Toronto, ON, M5W 4E5
www.ieso.ca[ieso.ca][na01.safelinks.protection.outlook.com]

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From: William Tan
To: "Anthony Martinello"; "Olga Whiteley"
Cc: Sarah Harris
Subject: RE: IESO $2B and $475M Credit Facilities
Date: Thursday, May 17, 2018 3:54:10 PM

Hello Anthony and Olga,

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From: Sarah Harris
To: William Tan; Lisa Stein
Subject: RE: IESO $2B and $475M Credit Facilities
Date: Friday, May 18, 2018 11:06:16 AM

HI Will,
I am fine with what IESO has provided, have circulated the notices and have provided Lisa with the update. We're good to go.
Thanks,
Sarah

From: William Tan
Sent: Friday, May 18, 2018 11:03 AM
To: Lisa Stein
Cc: Sarah Harris
Subject: Fwd: IESO $2B and $475M Credit Facilities
Hello Lisa,
Olga (IESO) provided the borrowing notices with signature under company seal. Do you mind reviewing the attached and commenting if you have any concerns?
Thanks,
Will

Sent from my iPhone

Begin forwarded message:

> **From:** "Olga Whiteley" <Olga.Whiteley@ieso.ca>
> **To:** "William Tan" <William.Tan@ofina.on.ca>, "Sarah Harris" <Sarah.Harris@ofina.on.ca>
> **Cc:** "Anthony Martinello" <Anthony.Martinello@ieso.ca>, "Victor Buza" <Victor.Buza@ieso.ca>
> **Subject: RE: IESO $2B and $475M Credit Facilities**
>
> Hello Will and Sarah,
> Please see attached borrowing notices with IESO's corporate seal applied to Peter Gregg's signature (CEO). I will forward the originals to you on Monday.
> Thank you very much for your help with all this.
> Regards.
> **Olga Whiteley** | Treasury and Pension Operations
> Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
> Station A, Box 4474, Toronto, ON M5W 4E5
> Web: www.ieso.ca[ieso.ca] | Email: olga.whiteley@ieso.ca
>
> ---
>
> **From:** William Tan [mailto:William.Tan@ofina.on.ca]
> **Sent:** May 17, 2018 3:54 PM
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From: Anthony Martinello
To: Ryan Blackbyrne
Cc: Jean-Francois Beaupre; John Kim; Gavin He; Opal Kandelas; Sarah Harris; Lisa Stein; Victor Buza
Subject: RE: IESO - OEFC Drafts - IESO Comments Nov 29
Date: Thursday, December 07, 2017 4:08:28 PM

Thx.
Please courier to:
Victor Buza, Senior Counsel
IESO
120 Adelaide Street West
Suite 1600
Toronto, ON M5H 1T1
Regards.

From: Ryan Blackbyrne [mailto:Ryan.Blackbyrne@ofina.on.ca]
Sent: December 07, 2017 4:00 PM
To: Anthony Martinello
Cc: Jean-Francois Beaupre; John Kim; Gavin He; Opal Kandelas; Sarah Harris; Lisa Stein; Victor Buza
Subject: RE: IESO - OEFC Drafts - IESO Comments Nov 29

Hi Anthony,
Please find pdf versions of the fully executed agreements attached. I will courier you back 2 originals (1 for each agreement).
Please confirm this is the address I should use:
Anthony Martinello
IESO
2635 Lakeshore Rd W
Mississauga, ON
L5J 4R9
Thanks,
Ryan

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Tuesday, December 05, 2017 12:31 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>
Subject: RE: IESO - OEFC Drafts - IESO Comments Nov 29

Ryan – Kim Marshall has signed the 4 originals, and IESO has couriered them to you re:
Purolator #: 331249983072
Regards.

From: Anthony Martinello
Sent: December 04, 2017 2:44 PM
To: 'Ryan Blackbyrne'; Victor Buza
Cc: Jean-Francois Beaupre; John Kim; Gavin He; Opal Kandelas; Sarah Harris; Lisa Stein
Subject: RE: IESO - OEFC Drafts - IESO Comments Nov 29

Ryan – Good news, IESO has nothing further. Therefore, let's proceed to execution.
Call me to discuss.
Regards.

Anthony Martinello Director, Treasury & Pension Operations
Independent Electricity System Operator (IESO) | T: 905-403-6944
Station A, Box 4474, Toronto, ON, M5W 4E5
www.ieso.ca[ieso.ca][na01.safelinks.protection.outlook.com]

From: Ryan Blackbyrne [mailto:Ryan.Blackbyrne@ofina.on.ca]
Sent: November 30, 2017 4:37 PM
To: Victor Buza; Anthony Martinello
Cc: Jean-Francois Beaupre; John Kim; Gavin He; Opal Kandelas; Sarah Harris; Lisa Stein
Subject: RE: IESO - OEFC Drafts - IESO Comments Nov 29

Hi Victor,
We have reviewed and approved the changes you made to the drafts. We having nothing further to add. Are there any other revisions you wish to make before preparing execution copies?
Thank You,
Ryan

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Wednesday, November 29, 2017 6:50 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Cc: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: RE: IESO - OEFC Drafts - IESO Comments Nov 29

Hi Ryan – thanks for the drafts. Please see attached markups that include our comments – I haven't had an opportunity to discuss these changes/comments internally but thought I should forward these asap given the time pressure.
The main adders that I have included track the language in the recently executed FHP Credit Facility. Regarding the deletion of s.3.7 in the Note Agreement ("Other Indebtedness"), this is duplicative of s.3.8 ("Negative Pledge") but also conflicts with it in certain respects so may cause confusion and I believe the easiest way to deal with it is to delete it since I don't think it adds anything. (You will note that a similar clause is not included in the Revolving Credit Agreement.)
We may have more comments after we have a chance to discuss your draft and my comments internally tomorrow.
Regards,
Victor

Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079
1600-120 Adelaide Street West, Toronto, ON M5H 1T1
Web: www.ieso.ca[ieso.ca][na01.safelinks.protection.outlook.com] | Twitter: IESO_Tweets[twitter.com][na01.safelinks.protection.outlook.com] | LinkedIn: IESO[linkedin.com][na01.safelinks.protection.outlook.com]

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From: Ryan Blackbyrne [mailto:Ryan.Blackbyrne@ofina.on.ca]
Sent: November 29, 2017 4:50 PM
To: Anthony Martinello
Cc: Jean-Francois Beaupre; John Kim; Victor Buza; Gavin He; Opal Kandelas; Sarah Harris; Lisa Stein
Subject: RE: IESO - OEFC Nov 27

Hi Anthony,

Please find initial draft documents for your review. Please note terms of these documents are still subject to internal approval at the OFA. Please let us know your comments.

Regards,

Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M7A 1Y7
416-325-8143
ryan.blackbyrne@ofina.on.ca

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Monday, November 27, 2017 2:50 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>; Gavin He <Gavin.He@ofina.on.ca>
Subject: IESO - OEFC Nov 27

Ryan – are you able to send over draft documents for our review? I understand that we may start to work on them now.

Regards.

From: Anthony Martinello
Sent: November 07, 2017 4:07 PM
To: 'Ryan.Blackbyrne@ofina.on.ca'
Cc: 'Jean-Francois.Beaupre@ofina.on.ca'; William Tan; John Kim; Victor Buza
Subject: IESO - OEFC Nov 7

Ryan,

As discussed with Will today, I understand you will be co-ordinating the proposed 2 amendments to the existing IESO-OEFC credit facilities.

For starters, there are no expected changes being asked to the existing agreement's key business content (e.g. amounts, dates, interest, notices etc.), rather given that IESO-OFA have just finished two new agreements pertaining to the new fair hydro program, ….I suggest we just copy and paste the salient sections from these agreements that would now be relevant to the OEFC agreements for fair hydro namely;

1.DRAFT

The definition of "Permitted Liens" is amended by deleting the word "and" at the end of subsection (xx); replacing the "." at the end of subsection (xx) and replacing it with "; and" ; and adding the following subsection (xx):

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Cc:	Jean-Francois Beaupre; John Kim; Gavin He; Opal Kandelas; Sarah Harris; Lisa Stein
Subject:	RE: IESO - OEFC Drafts - IESO Comments Nov 29
Date:	Thursday, November 30, 2017 4:37:17 PM

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Documentation & Analysis Specialist

Capital Markets Division
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Subject:	RE: IESO - OEFC Drafts - IESO Comments Nov 29
Date:	Wednesday, November 29, 2017 6:49:51 PM
Attachments:	$160M revolving credit - amending agreement no.7 Nov29 IESO Legal Comments.docx $120M Note - amending agreement no.7 Nov29 IESO incl Legal Comments.docx

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AMENDING AGREEMENT NO. 7

This Amending Agreement is effective as of the • day of •, 2017.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011, Amending Agreement No. 3 dated April 30, 2013, Amending Agreement No. 4 dated April 30, 2014, Amending Agreement No. 5 dated December 19, 2014 and Amending Agreement No. 6 dated April 30, 2017 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $160 million;

AND WHEREAS the *Ontario Fair Hydro Plan Act, 2017* came into force on June 1, 2017;

AND WHEREAS at the request of the IESO the parties now wish to ~~now~~ amend the Agreement to accommodate IESO's role and obligations under the *Ontario Fair Hydro Plan Act, 2017*;

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. The following definitions are added to Section 1.1 (Definitions) of the Agreement:

   "**Clean Energy Adjustment**" has the same meaning as that term is defined in the OFHP.

   "**OFHP**" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

2. The definition of "Ontario's Fair Hydro Plan" is deleted in its entirety.

3. The definition of the term "Permitted Liens" in Section 1.1 (Definitions) of the Agreement is amended by deleting the word "and" at the end of paragraph ~~subsection~~

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~~1.1~~(j); deleting~~replacing~~ the "." at the end of paragraph~~subsection (1.1~~ (k) and replacing it with "; and"; and adding the following new paragraph ~~subsection 1.1~~(l):

(l) any~~Any~~ Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

4. Subsection 3.2(4) of the Agreement is deleted and replaced by the following:

(4) The Credit Facility shall at all times rank *pari passu* with all other unsubordinated and unsecured Indebtedness of the IESO, subject to the existence of any Liens that secure Indebtedness as permitted by subsections 4.7(a) through (e) hereof.

~~4.~~5. Paragraph 3.6(c) of the Agreement is deleted and replaced by the following:

(c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO, provided however that any adverse change in IESO's financial condition related to or resulting from the discharge by IESO of its responsibilities under OFHP shall be deemed not to be a material adverse change for the purposes of this section; and

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael D. Manning
Title: Executive Director and Chief Investment Officer

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AMENDING AGREEMENT NO. 7

This Amending Agreement is made as of the [DATE], 2017 between:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")

WHEREAS IESO and OEFC have entered into an agreement providing for the Issuance of a Note dated April 1, 1999 (the "Original Agreement");

AND WHEREAS pursuant to amending agreements dated March 23, 2000, April 23, 2009, May 1, 2011, May 1, 2013, April 30, 2014 and April 30, 2017 the parties amended the Original Agreement (as so amended, the "Agreement");

AND WHEREAS the *Ontario Fair Hydro Plan Act, 2017* came into force on June 1, 2017;

AND WHEREAS at the request of the IESO the parties now wish to ~~now~~ amend the Agreement to accommodate IESO's role and obligations under the *Ontario Fair Hydro Plan Act*, 2017;

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and sufficiency of which are hereby acknowledged by each party), the parties agree as follows:

1. The following definitions are added to Section 1.1 (Definitions) of the Agreement:

   "**Clean Energy Adjustment**" has the same meaning as that term is defined in the OFHP.

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   (l) any~~Any~~ Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without

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3. Subsection 2.2(2) of the Agreement is deleted and replaced by the following:

(2) The Note shall at all times rank *pari passu* with all other unsecured Senior Debt of the IESO, subject to the existence of any Liens that secure Indebtedness as permitted by subsections 3.8 (a) through (f) hereof.

4. Delete the paragraph following the heading "Section 3.7 Other Indebtedness" and replace with the words "Intentionally Left Blank".

IN WITNESS WHEREOF the parties have executed and delivered this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael D. Manning
Title: Executive Director and Chief Investment Officer

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From:	Victor Buza
To:	Ryan Blackbyrne; Anthony Martinello
Cc:	Jean-Francois Beaupre; John Kim; Gavin He; Opal Kandelas; Sarah Harris; Lisa Stein
Subject:	RE: IESO - OEFC Drafts - IESO Comments Nov 29
Date:	Wednesday, November 29, 2017 6:49:51 PM
Attachments:	$160M revolving credit - amending agreement no.7 Nov29 IESO Legal Comments.docx $120M Note - amending agreement no.7 Nov29 IESO incl Legal Comments.docx

Hi Ryan – thanks for the drafts. Please see attached markups that include our comments – I haven't had an opportunity to discuss these changes/comments internally but thought I should forward these asap given the time pressure.

The main adders that I have included track the language in the recently executed FHP Credit Facility. Regarding the deletion of s.3.7 in the Note Agreement ("Other Indebtedness"), this is duplicative of s.3.8 ("Negative Pledge") but also conflicts with it in certain respects so may cause confusion and I believe the easiest way to deal with it is to delete it since I don't think it adds anything. (You will note that a similar clause is not included in the Revolving Credit Agreement.)

We may have more comments after we have a chance to discuss your draft and my comments internally tomorrow.

Regards,

Victor

Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079
1600-120 Adelaide Street West, Toronto, ON M5H 1T1
Web: www.ieso.ca[ieso.ca] | Twitter: IESO_Tweets[twitter.com] | LinkedIn: IESO[linkedin.com]

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From: Ryan Blackbyrne [mailto:Ryan.Blackbyrne@ofina.on.ca]
Sent: November 29, 2017 4:50 PM
To: Anthony Martinello
Cc: Jean-Francois Beaupre; John Kim; Victor Buza; Gavin He; Opal Kandelas; Sarah Harris; Lisa Stein
Subject: RE: IESO - OEFC Nov 27

Hi Anthony,

Please find initial draft documents for your review. Please note terms of these documents are still subject to internal approval at the OFA. Please let us know your comments.

Regards,

Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M7A 1Y7
416-325-8143
ryan.blackbyrne@ofina.on.ca

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Monday, November 27, 2017 2:50 PM

To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>; Gavin He <Gavin.He@ofina.on.ca>
Subject: IESO - OEFC Nov 27

Ryan – are you able to send over draft documents for our review? I understand that we may start to work on them now.

Regards.

From: Anthony Martinello
Sent: November 07, 2017 4:07 PM
To: 'Ryan.Blackbyrne@ofina.on.ca'
Cc: 'Jean-Francois.Beaupre@ofina.on.ca'; William Tan; John Kim; Victor Buza
Subject: IESO - OEFC Nov 7

Ryan,

As discussed with Will today, I understand you will be co-ordinating the proposed 2 amendments to the existing IESO-OEFC credit facilities.

For starters, there are no expected changes being asked to the existing agreement's key business content (e.g. amounts, dates, interest, notices etc.), rather given that IESO-OFA have just finished two new agreements pertaining to the new fair hydro program, ….I suggest we just copy and paste the salient sections from these agreements that would now be relevant to the OEFC agreements for fair hydro namely;

1.DRAFT

The definition of "Permitted Liens" is amended by deleting the word "and" at the end of subsection (xx); replacing the "." at the end of subsection (xx) and replacing it with "; and" ; and adding the following subsection (xx):

"(xx) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

2.DRAFT

The OFA agreements had required an intercept provision, …..not sure if the same applies to OEFC if yes:

"Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of November 6th , 2017 herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the Capital Investment Plan Act, 1993 (the "Intercept Letter"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("Appropriated Funds"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("Intercept").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is

necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail."

3.

If any… other relevant updates that make sense to do now……I do not anticipate any material ones.

We need your support to expedite the above in order to avoid delays in the Fair Hydro implementation.

Regards.

This e-mail message and any files transmitted with it are intended only for the named recipient(s) above and may contain information that is privileged, confidential and/or exempt from disclosure under applicable law. If you are not the intended recipient(s), any dissemination, distribution or copying of this e-mail message or any files transmitted with it is strictly prohibited. If you have received this message in error, or are not the named recipient(s), please notify the sender immediately and delete this e-mail message.

This message, including any attachments, is meant only for the use of the individual(s) to whom it is intended and may contain information that is privileged/confidential. Any unauthorized use, copying or disclosure is strictly prohibited. If you are not the intended recipient or have received this message in error, please notify us immediately by reply e-mail and permanently delete this message, including any attachments, without reading them, and destroy all copies. Thank you.

AMENDING AGREEMENT NO. 7

This Amending Agreement is effective as of the • day of •, 2017.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011, Amending Agreement No. 3 dated April 30, 2013, Amending Agreement No. 4 dated April 30, 2014, Amending Agreement No. 5 dated December 19, 2014 and Amending Agreement No. 6 dated April 30, 2017 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $160 million;

AND WHEREAS the *Ontario Fair Hydro Plan Act, 2017* came into force on June 1, 2017;

AND WHEREAS at the request of the IESO the parties now wish to ~~now~~ amend the Agreement to accommodate IESO's role and obligations under the *Ontario Fair Hydro Plan Act, 2017*;

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. The following definitions are added to Section 1.1 (Definitions) of the Agreement:

   "**Clean Energy Adjustment**" has the same meaning as that term is defined in the OFHP.

   "**OFHP**" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

2. The definition of "Ontario's Fair Hydro Plan" is deleted in its entirety.

3. The definition of the term "Permitted Liens" in Section 1.1 (Definitions) of the Agreement is amended by deleting the word "and" at the end of paragraph ~~subsection~~

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(l) any~~Any~~ Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

4. Subsection 3.2(4) of the Agreement is deleted and replaced by the following:

(4) The Credit Facility shall at all times rank *pari passu* with all other unsubordinated and unsecured Indebtedness of the IESO, subject to the existence of any Liens that secure Indebtedness as permitted by subsections 4.7(a) through (e) hereof.

~~4.~~5. Paragraph 3.6(c) of the Agreement is deleted and replaced by the following:

(c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO, provided however that any adverse change in IESO's financial condition related to or resulting from the discharge by IESO of its responsibilities under OFHP shall be deemed not to be a material adverse change for the purposes of this section; and

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael D. Manning
Title: Executive Director and Chief Investment Officer

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(2) The Note shall at all times rank *pari passu* with all other unsecured Senior Debt of the IESO, subject to the existence of any Liens that secure Indebtedness as permitted by subsections 3.8 (a) through (f) hereof.

4. Delete the paragraph following the heading "Section 3.7 Other Indebtedness" and replace with the words "Intentionally Left Blank".

IN WITNESS WHEREOF the parties have executed and delivered this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael D. Manning
Title: Executive Director and Chief Investment Officer

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From:	Ryan Blackbyrne
To:	"Anthony Martinello"
Cc:	Jean-Francois Beaupre; John Kim; Gavin He; Opal Kandelas; Sarah Harris; Lisa Stein; Victor Buza
Subject:	RE: IESO - OEFC Drafts - IESO Comments Nov 29
Date:	Thursday, December 07, 2017 4:00:03 PM
Attachments:	$160M revolving credit - amending agreement no.7(Executed).pdf $120M Note - amending agreement no.7(Executed).pdf

Hi Anthony,

Please find pdf versions of the fully executed agreements attached. I will courier you back 2 originals (1 for each agreement).

Please confirm this is the address I should use:

Anthony Martinello

IESO

2635 Lakeshore Rd W

Mississauga, ON

L5J 4R9

Thanks,

Ryan

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]

Sent: Tuesday, December 05, 2017 12:31 PM

To: Ryan Blackbyrne

Cc: Jean-Francois Beaupre ; John Kim ; Gavin He ; Opal Kandelas ; Sarah Harris ; Lisa Stein ; Victor Buza

Subject: RE: IESO - OEFC Drafts - IESO Comments Nov 29

Ryan – Kim Marshall has signed the 4 originals, and IESO has couriered them to you re:

Purolator #: 331249983072

Regards.

From: Anthony Martinello
Sent: December 04, 2017 2:44 PM
To: 'Ryan Blackbyrne'; Victor Buza
Cc: Jean-Francois Beaupre; John Kim; Gavin He; Opal Kandelas; Sarah Harris; Lisa Stein
Subject: RE: IESO - OEFC Drafts - IESO Comments Nov 29

Ryan – Good news, IESO has nothing further. Therefore, let's proceed to execution.

Call me to discuss.

Regards.

Anthony Martinello Director, Treasury & Pension Operations
Independent Electricity System Operator (IESO) | T: 905-403-6944
Station A, Box 4474, Toronto, ON, M5W 4E5
www.ieso.ca[ieso.ca]

From: Ryan Blackbyrne [mailto:Ryan.Blackbyrne@ofina.on.ca]
Sent: November 30, 2017 4:37 PM
To: Victor Buza; Anthony Martinello
Cc: Jean-Francois Beaupre; John Kim; Gavin He; Opal Kandelas; Sarah Harris; Lisa Stein
Subject: RE: IESO - OEFC Drafts - IESO Comments Nov 29

Hi Victor,

We have reviewed and approved the changes you made to the drafts. We having nothing further to add. Are there any other revisions you wish to make before preparing execution copies?

Thank You,

Ryan

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Wednesday, November 29, 2017 6:50 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Cc: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: RE: IESO - OEFC Drafts - IESO Comments Nov 29

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We may have more comments after we have a chance to discuss your draft and my comments internally tomorrow.

Regards,

Victor

Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079
1600-120 Adelaide Street West, Toronto, ON M5H 1T1
Web: www.ieso.ca[ieso.ca][na01.safelinks.protection.outlook.com] | Twitter: IESO_Tweets[twitter.com][na01.safelinks.protection.outlook.com] | LinkedIn: IESO[linkedin.com][na01.safelinks.protection.outlook.com]

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From: Ryan Blackbyrne [mailto:Ryan.Blackbyrne@ofina.on.ca]
Sent: November 29, 2017 4:50 PM
To: Anthony Martinello
Cc: Jean-Francois Beaupre; John Kim; Victor Buza; Gavin He; Opal Kandelas; Sarah Harris; Lisa Stein
Subject: RE: IESO - OEFC Nov 27

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Regards,

Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400

Toronto, ON M7A 1Y7
416-325-8143
ryan.blackbyrne@ofina.on.ca

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Monday, November 27, 2017 2:50 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>; Gavin He <Gavin.He@ofina.on.ca>
Subject: IESO - OEFC Nov 27

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Subject: IESO - OEFC Nov 7

Ryan,
As discussed with Will today, I understand you will be co-ordinating the proposed 2 amendments to the existing IESO-OEFC credit facilities.
For starters, there are no expected changes being asked to the existing agreement's key business content (e.g. amounts, dates, interest, notices etc.), rather given that IESO-OFA have just finished two new agreements pertaining to the new fair hydro program, ….I suggest we just copy and paste the salient sections from these agreements that would now be relevant to the OEFC agreements for fair hydro namely;
1.DRAFT
The definition of "Permitted Liens" is amended by deleting the word "and" at the end of subsection (xx); replacing the "." at the end of subsection (xx) and replacing it with "; and" ; and adding the following subsection (xx):
"(xx) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."
2.DRAFT
The OFA agreements had required an intercept provision, …..not sure if the same applies to OEFC if yes:
"Section 5.7 Intercept
(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of November 6th , 2017 herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the Capital Investment Plan Act, 1993 (the "Intercept Letter"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("Appropriated Funds"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated

Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("Intercept").
(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.
(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.
(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.
The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail."
3.
If any… other relevant updates that make sense to do now……I do not anticipate any material ones.
We need your support to expedite the above in order to avoid delays in the Fair Hydro implementation.
Regards.

This e-mail message and any files transmitted with it are intended only for the named recipient(s) above and may contain information that is privileged, confidential and/or exempt from disclosure under applicable law. If you are not the intended recipient(s), any dissemination, distribution or copying of this e-mail message or any files transmitted with it is strictly prohibited. If you have received this message in error, or are not the named recipient(s), please notify the sender immediately and delete this e-mail message.

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AMENDING AGREEMENT NO. 7

This Amending Agreement is effective as of the 5th day of December, 2017.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011, Amending Agreement No. 3 dated April 30, 2013, Amending Agreement No. 4 dated April 30, 2014, Amending Agreement No. 5 dated December 19, 2014 and Amending Agreement No. 6 dated April 30, 2017 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $160 million;

AND WHEREAS the *Ontario Fair Hydro Plan Act, 2017* came into force on June 1, 2017;

AND WHEREAS at the request of the IESO the parties now wish to amend the Agreement to accommodate IESO's role and obligations under the *Ontario Fair Hydro Plan Act, 2017*;

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. The following definitions are added to Section 1.1 (Definitions) of the Agreement:

   "**Clean Energy Adjustment**" has the same meaning as that term is defined in the OFHP.

   "**OFHP**" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

2. The definition of "Ontario's Fair Hydro Plan" is deleted in its entirety.

3. The definition of the term "Permitted Liens" in Section 1.1 (Definitions) of the Agreement is amended by deleting the word "and" at the end of paragraph (j); deleting

lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

3. Subsection 2.2(2) of the Agreement is deleted and replaced by the following:

(2) The Note shall at all times rank *pari passu* with all other unsecured Senior Debt of the IESO, subject to the existence of any Liens that secure Indebtedness as permitted by subsections 3.8 (a) through (f) hereof.

4. Delete the paragraph following the heading "Section 3.7 Other Indebtedness" and replace with the words "Intentionally Left Blank".

IN ALL OTHER RESPECTS, the Agreement is confirmed by the parties.

IN WITNESS WHEREOF the parties have executed and delivered this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By: _____
Name: Michael D. Manning
Title: Executive Director and Chief Investment Officer

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This Amending Agreement is made as of the 5th day of December, 2017 between:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")

WHEREAS IESO and OEFC have entered into an agreement providing for the Issuance of a Note dated April 1, 1999 (the "Original Agreement");

AND WHEREAS pursuant to amending agreements dated March 23, 2000, April 23, 2009, May 1, 2011, May 1, 2013, April 30, 2014 and April 30, 2017 the parties amended the Original Agreement (as so amended, the "Agreement");

AND WHEREAS the *Ontario Fair Hydro Plan Act, 2017* came into force on June 1, 2017;

AND WHEREAS at the request of the IESO the parties now wish to amend the Agreement to accommodate IESO's role and obligations under the *Ontario Fair Hydro Plan Act*, 2017;

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and sufficiency of which are hereby acknowledged by each party), the parties agree as follows:

1. The following definitions are added to Section 1.1 (Definitions) of the Agreement:

   "**Clean Energy Adjustment**" has the same meaning as that term is defined in the OFHP.

   "**OFHP**" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

2. The definition of "Permitted Liens" in Section 1.1 (Definitions) of the Agreement is amended by deleting the word "and" at the end of paragraph (j); deleting the "." at the end of paragraph (k) and replacing it with "; and"; and adding the following new paragraph (l):

   (l) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other

lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

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By: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By: _____
Name: Michael D. Manning
Title: Executive Director and Chief Investment Officer

From:	Ryan Blackbyrne
To:	"Anthony Martinello"
Cc:	Jean-Francois Beaupre; John Kim; Gavin He; Opal Kandelas; Sarah Harris; Lisa Stein; Victor Buza
Subject:	RE: IESO - OEFC Drafts - IESO Comments Nov 29
Date:	Thursday, December 07, 2017 4:00:03 PM
Attachments:	$160M revolving credit - amending agreement no.7(Executed).pdf $120M Note - amending agreement no.7(Executed).pdf

Hi Anthony,

Please find pdf versions of the fully executed agreements attached. I will courier you back 2 originals (1 for each agreement).

Please confirm this is the address I should use:

Anthony Martinello

IESO

2635 Lakeshore Rd W

Mississauga, ON

L5J 4R9

Thanks,

Ryan

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]

Sent: Tuesday, December 05, 2017 12:31 PM

To: Ryan Blackbyrne

Cc: Jean-Francois Beaupre ; John Kim ; Gavin He ; Opal Kandelas ; Sarah Harris ; Lisa Stein ; Victor Buza

Subject: RE: IESO - OEFC Drafts - IESO Comments Nov 29

Ryan – Kim Marshall has signed the 4 originals, and IESO has couriered them to you re:

Purolator #: 331249983072

Regards.

From: Anthony Martinello
Sent: December 04, 2017 2:44 PM
To: 'Ryan Blackbyrne'; Victor Buza
Cc: Jean-Francois Beaupre; John Kim; Gavin He; Opal Kandelas; Sarah Harris; Lisa Stein
Subject: RE: IESO - OEFC Drafts - IESO Comments Nov 29

Ryan – Good news, IESO has nothing further. Therefore, let's proceed to execution.

Call me to discuss.

Regards.

Anthony Martinello Director, Treasury & Pension Operations
Independent Electricity System Operator (IESO) | T: 905-403-6944
Station A, Box 4474, Toronto, ON, M5W 4E5
www.ieso.ca[ieso.ca]

From: Ryan Blackbyrne [mailto:Ryan.Blackbyrne@ofina.on.ca]
Sent: November 30, 2017 4:37 PM
To: Victor Buza; Anthony Martinello
Cc: Jean-Francois Beaupre; John Kim; Gavin He; Opal Kandelas; Sarah Harris; Lisa Stein
Subject: RE: IESO - OEFC Drafts - IESO Comments Nov 29

Hi Victor,

We have reviewed and approved the changes you made to the drafts. We having nothing further to add. Are there any other revisions you wish to make before preparing execution copies?

Thank You,

Ryan

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Wednesday, November 29, 2017 6:50 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Cc: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: RE: IESO - OEFC Drafts - IESO Comments Nov 29

Hi Ryan – thanks for the drafts. Please see attached markups that include our comments – I haven't had an opportunity to discuss these changes/comments internally but thought I should forward these asap given the time pressure.

The main adders that I have included track the language in the recently executed FHP Credit Facility. Regarding the deletion of s.3.7 in the Note Agreement ("Other Indebtedness"), this is duplicative of s.3.8 ("Negative Pledge") but also conflicts with it in certain respects so may cause confusion and I believe the easiest way to deal with it is to delete it since I don't think it adds anything. (You will note that a similar clause is not included in the Revolving Credit Agreement.)

We may have more comments after we have a chance to discuss your draft and my comments internally tomorrow.

Regards,

Victor

Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079
1600-120 Adelaide Street West, Toronto, ON M5H 1T1
Web: www.ieso.ca[ieso.ca][na01.safelinks.protection.outlook.com] | Twitter: IESO_Tweets[twitter.com][na01.safelinks.protection.outlook.com] | LinkedIn: IESO[linkedin.com][na01.safelinks.protection.outlook.com]

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From: Ryan Blackbyrne [mailto:Ryan.Blackbyrne@ofina.on.ca]
Sent: November 29, 2017 4:50 PM
To: Anthony Martinello
Cc: Jean-Francois Beaupre; John Kim; Victor Buza; Gavin He; Opal Kandelas; Sarah Harris; Lisa Stein
Subject: RE: IESO - OEFC Nov 27

Hi Anthony,

Please find initial draft documents for your review. Please note terms of these documents are still subject to internal approval at the OFA. Please let us know your comments.

Regards,

Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400

Toronto, ON M7A 1Y7
416-325-8143
ryan.blackbyrne@ofina.on.ca

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Monday, November 27, 2017 2:50 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>; Gavin He <Gavin.He@ofina.on.ca>
Subject: IESO - OEFC Nov 27

Ryan – are you able to send over draft documents for our review? I understand that we may start to work on them now.
Regards.

From: Anthony Martinello
Sent: November 07, 2017 4:07 PM
To: 'Ryan.Blackbyrne@ofina.on.ca'
Cc: 'Jean-Francois.Beaupre@ofina.on.ca'; William Tan; John Kim; Victor Buza
Subject: IESO - OEFC Nov 7

Ryan,
As discussed with Will today, I understand you will be co-ordinating the proposed 2 amendments to the existing IESO-OEFC credit facilities.
For starters, there are no expected changes being asked to the existing agreement's key business content (e.g. amounts, dates, interest, notices etc.), rather given that IESO-OFA have just finished two new agreements pertaining to the new fair hydro program, ….I suggest we just copy and paste the salient sections from these agreements that would now be relevant to the OEFC agreements for fair hydro namely;
1.DRAFT
The definition of "Permitted Liens" is amended by deleting the word "and" at the end of subsection (xx); replacing the "." at the end of subsection (xx) and replacing it with "; and" ; and adding the following subsection (xx):
"(xx) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."
2.DRAFT
The OFA agreements had required an intercept provision, …..not sure if the same applies to OEFC if yes:
"Section 5.7 Intercept
(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of November 6th , 2017 herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the Capital Investment Plan Act, 1993 (the "Intercept Letter"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("Appropriated Funds"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated

Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("Intercept").
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(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.
(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.
The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail."
3.
If any… other relevant updates that make sense to do now……I do not anticipate any material ones.
We need your support to expedite the above in order to avoid delays in the Fair Hydro implementation.
Regards.

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as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**

as Lender

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AND WHEREAS at the request of the IESO the parties now wish to amend the Agreement to accommodate IESO's role and obligations under the *Ontario Fair Hydro Plan Act, 2017*;

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. The following definitions are added to Section 1.1 (Definitions) of the Agreement:

   "**Clean Energy Adjustment**" has the same meaning as that term is defined in the OFHP.

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2. The definition of "Ontario's Fair Hydro Plan" is deleted in its entirety.

3. The definition of the term "Permitted Liens" in Section 1.1 (Definitions) of the Agreement is amended by deleting the word "and" at the end of paragraph (j); deleting

lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

3. Subsection 2.2(2) of the Agreement is deleted and replaced by the following:

(2) The Note shall at all times rank *pari passu* with all other unsecured Senior Debt of the IESO, subject to the existence of any Liens that secure Indebtedness as permitted by subsections 3.8 (a) through (f) hereof.

4. Delete the paragraph following the heading "Section 3.7 Other Indebtedness" and replace with the words "Intentionally Left Blank".

IN ALL OTHER RESPECTS, the Agreement is confirmed by the parties.

IN WITNESS WHEREOF the parties have executed and delivered this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By: _____
Name: Michael D. Manning
Title: Executive Director and Chief Investment Officer

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By: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By: _____
Name: Michael D. Manning
Title: Executive Director and Chief Investment Officer

From:	Anthony Martinello
To:	Ryan Blackbyrne
Cc:	Jean-Francois Beaupre; John Kim; Gavin He; Opal Kandelas; Sarah Harris; Lisa Stein; Victor Buza
Subject:	RE: IESO - OEFC Drafts - IESO Comments Nov 29
Date:	Tuesday, December 05, 2017 12:31:30 PM
Attachments:	160M - Revolving Credit Amending Agreement No 7_signed Kim Marshall.pdf 120M Note - Amending Agreement No 7_signed Kim Marshall.pdf

Ryan – Kim Marshall has signed the 4 originals, and IESO has couriered them to you re:
Purolator #: 331249983072
Regards.

From: Anthony Martinello
Sent: December 04, 2017 2:44 PM
To: 'Ryan Blackbyrne'; Victor Buza
Cc: Jean-Francois Beaupre; John Kim; Gavin He; Opal Kandelas; Sarah Harris; Lisa Stein
Subject: RE: IESO - OEFC Drafts - IESO Comments Nov 29

Ryan – Good news, IESO has nothing further. Therefore, let's proceed to execution.
Call me to discuss.
Regards.

Anthony Martinello Director, Treasury & Pension Operations
Independent Electricity System Operator (IESO) | T: 905-403-6944
Station A, Box 4474, Toronto, ON, M5W 4E5
www.ieso.ca[ieso.ca]

From: Ryan Blackbyrne [mailto:Ryan.Blackbyrne@ofina.on.ca]
Sent: November 30, 2017 4:37 PM
To: Victor Buza; Anthony Martinello
Cc: Jean-Francois Beaupre; John Kim; Gavin He; Opal Kandelas; Sarah Harris; Lisa Stein
Subject: RE: IESO - OEFC Drafts - IESO Comments Nov 29

Hi Victor,
We have reviewed and approved the changes you made to the drafts. We having nothing further to add. Are there any other revisions you wish to make before preparing execution copies?
Thank You,
Ryan

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Wednesday, November 29, 2017 6:50 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Cc: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>
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s.3.8 (“Negative Pledge”) but also conflicts with it in certain respects so may cause confusion and I believe the easiest way to deal with it is to delete it since I don’t think it adds anything. (You will note that a similar clause is not included in the Revolving Credit Agreement.)
We may have more comments after we have a chance to discuss your draft and my comments internally tomorrow.
Regards,
Victor

Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079
1600-120 Adelaide Street West, Toronto, ON M5H 1T1
Web: www.ieso.ca[ieso.ca][na01.safelinks.protection.outlook.com] | Twitter: IESO_Tweets[twitter.com][na01.safelinks.protection.outlook.com] | LinkedIn: IESO[linkedin.com][na01.safelinks.protection.outlook.com]

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From: Ryan Blackbyrne [mailto:Ryan.Blackbyrne@ofina.on.ca]
Sent: November 29, 2017 4:50 PM
To: Anthony Martinello
Cc: Jean-Francois Beaupre; John Kim; Victor Buza; Gavin He; Opal Kandelas; Sarah Harris; Lisa Stein
Subject: RE: IESO - OEFC Nov 27

Hi Anthony,
Please find initial draft documents for your review. Please note terms of these documents are still subject to internal approval at the OFA. Please let us know your comments.
Regards,

Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M7A 1Y7
416-325-8143
ryan.blackbyrne@ofina.on.ca

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Monday, November 27, 2017 2:50 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>; Gavin He <Gavin.He@ofina.on.ca>
Subject: IESO - OEFC Nov 27

Ryan – are you able to send over draft documents for our review? I understand that we may start to work on them now.
Regards.

From: Anthony Martinello
Sent: November 07, 2017 4:07 PM

To: 'Ryan.Blackbyrne@ofina.on.ca'
Cc: 'Jean-Francois.Beaupre@ofina.on.ca'; William Tan; John Kim; Victor Buza
Subject: IESO - OEFC Nov 7

Ryan,

As discussed with Will today, I understand you will be co-ordinating the proposed 2 amendments to the existing IESO-OEFC credit facilities.

For starters, there are no expected changes being asked to the existing agreement's key business content (e.g. amounts, dates, interest, notices etc.), rather given that IESO-OFA have just finished two new agreements pertaining to the new fair hydro program, ….I suggest we just copy and paste the salient sections from these agreements that would now be relevant to the OEFC agreements for fair hydro namely;

1.DRAFT

The definition of "Permitted Liens" is amended by deleting the word "and" at the end of subsection (xx); replacing the "." at the end of subsection (xx) and replacing it with "; and" ; and adding the following subsection (xx):

"(xx) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

2.DRAFT

The OFA agreements had required an intercept provision, …..not sure if the same applies to OEFC if yes:

"Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of November 6th , 2017 herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the Capital Investment Plan Act, 1993 (the "Intercept Letter"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("Appropriated Funds"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("Intercept").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.
The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail."
3.
If any… other relevant updates that make sense to do now……I do not anticipate any material ones.
We need your support to expedite the above in order to avoid delays in the Fair Hydro implementation.
Regards.

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AMENDING AGREEMENT NO. 7

This Amending Agreement is effective as of the 5th day of December, 2017.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011, Amending Agreement No. 3 dated April 30, 2013, Amending Agreement No. 4 dated April 30, 2014, Amending Agreement No. 5 dated December 19, 2014 and Amending Agreement No. 6 dated April 30, 2017 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $160 million;

AND WHEREAS the *Ontario Fair Hydro Plan Act, 2017* came into force on June 1, 2017;

AND WHEREAS at the request of the IESO the parties now wish to amend the Agreement to accommodate IESO's role and obligations under the *Ontario Fair Hydro Plan Act, 2017*;

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. The following definitions are added to Section 1.1 (Definitions) of the Agreement:

   "**Clean Energy Adjustment**" has the same meaning as that term is defined in the OFHP.

   "**OFHP**" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

2. The definition of "Ontario's Fair Hydro Plan" is deleted in its entirety.

3. The definition of the term "Permitted Liens" in Section 1.1 (Definitions) of the Agreement is amended by deleting the word "and" at the end of paragraph (j); deleting

the "." at the end of paragraph (k) and replacing it with "; and"; and adding the following new paragraph (l):

(l) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

4. Subsection 3.2(4) of the Agreement is deleted and replaced by the following:

(4) The Credit Facility shall at all times rank *pari passu* with all other unsubordinated and unsecured Indebtedness of the IESO, subject to the existence of any Liens that secure Indebtedness as permitted by subsections 4.7(a) through (e) hereof.

5. Paragraph 3.6(c) of the Agreement is deleted and replaced by the following:

(c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO, provided however that any adverse change in IESO's financial condition related to or resulting from the discharge by IESO of its responsibilities under OFHP shall be deemed not to be a material adverse change for the purposes of this section; and

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By: K Marshall
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael D. Manning
Title: Executive Director and Chief Investment Officer

AMENDING AGREEMENT NO. 7

This Amending Agreement is made as of the 5th day of December, 2017 between:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")

WHEREAS IESO and OEFC have entered into an agreement providing for the Issuance of a Note dated April 1, 1999 (the "Original Agreement");

AND WHEREAS pursuant to amending agreements dated March 23, 2000, April 23, 2009, May 1, 2011, May 1, 2013, April 30, 2014 and April 30, 2017 the parties amended the Original Agreement (as so amended, the "Agreement");

AND WHEREAS the *Ontario Fair Hydro Plan Act, 2017* came into force on June 1, 2017;

AND WHEREAS at the request of the IESO the parties now wish to amend the Agreement to accommodate IESO's role and obligations under the *Ontario Fair Hydro Plan Act*, 2017;

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and sufficiency of which are hereby acknowledged by each party), the parties agree as follows:

1. The following definitions are added to Section 1.1 (Definitions) of the Agreement:

   "**Clean Energy Adjustment**" has the same meaning as that term is defined in the OFHP.

   "**OFHP**" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

2. The definition of "Permitted Liens" in Section 1.1 (Definitions) of the Agreement is amended by deleting the word "and" at the end of paragraph (j); deleting the "." at the end of paragraph (k) and replacing it with "; and"; and adding the following new paragraph (l):

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lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

3. Subsection 2.2(2) of the Agreement is deleted and replaced by the following:

(2) The Note shall at all times rank *pari passu* with all other unsecured Senior Debt of the IESO, subject to the existence of any Liens that secure Indebtedness as permitted by subsections 3.8 (a) through (f) hereof.

4. Delete the paragraph following the heading "Section 3.7 Other Indebtedness" and replace with the words "Intentionally Left Blank".

IN ALL OTHER RESPECTS, the Agreement is confirmed by the parties.

IN WITNESS WHEREOF the parties have executed and delivered this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By: K Marshall
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael D. Manning
Title: Executive Director and Chief Investment Officer

From:	Anthony Martinello
To:	Ryan Blackbyrne
Cc:	Jean-Francois Beaupre; John Kim; Gavin He; Opal Kandelas; Sarah Harris; Lisa Stein; Victor Buza
Subject:	RE: IESO - OEFC Drafts - IESO Comments Nov 29
Date:	Tuesday, December 05, 2017 12:31:30 PM
Attachments:	160M - Revolving Credit Amending Agreement No 7_signed Kim Marshall.pdf 120M Note - Amending Agreement No 7_signed Kim Marshall.pdf

Ryan – Kim Marshall has signed the 4 originals, and IESO has couriered them to you re:
Purolator #: 331249983072
Regards.

From: Anthony Martinello
Sent: December 04, 2017 2:44 PM
To: 'Ryan Blackbyrne'; Victor Buza
Cc: Jean-Francois Beaupre; John Kim; Gavin He; Opal Kandelas; Sarah Harris; Lisa Stein
Subject: RE: IESO - OEFC Drafts - IESO Comments Nov 29

Ryan – Good news, IESO has nothing further. Therefore, let's proceed to execution.
Call me to discuss.
Regards.

Anthony Martinello Director, Treasury & Pension Operations
Independent Electricity System Operator (IESO) | T: 905-403-6944
Station A, Box 4474, Toronto, ON, M5W 4E5
www.ieso.ca[ieso.ca]

From: Ryan Blackbyrne [mailto:Ryan.Blackbyrne@ofina.on.ca]
Sent: November 30, 2017 4:37 PM
To: Victor Buza; Anthony Martinello
Cc: Jean-Francois Beaupre; John Kim; Gavin He; Opal Kandelas; Sarah Harris; Lisa Stein
Subject: RE: IESO - OEFC Drafts - IESO Comments Nov 29

Hi Victor,
We have reviewed and approved the changes you made to the drafts. We having nothing further to add. Are there any other revisions you wish to make before preparing execution copies?
Thank You,
Ryan

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Wednesday, November 29, 2017 6:50 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Cc: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: RE: IESO - OEFC Drafts - IESO Comments Nov 29

Hi Ryan – thanks for the drafts. Please see attached markups that include our comments – I haven't had an opportunity to discuss these changes/comments internally but thought I should forward these asap given the time pressure.
The main adders that I have included track the language in the recently executed FHP Credit Facility. Regarding the deletion of s.3.7 in the Note Agreement ("Other Indebtedness"), this is duplicative of

s.3.8 (“Negative Pledge”) but also conflicts with it in certain respects so may cause confusion and I believe the easiest way to deal with it is to delete it since I don’t think it adds anything. (You will note that a similar clause is not included in the Revolving Credit Agreement.)
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Victor Buza | Senior Counsel
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Documentation & Analysis Specialist
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Ontario Financing Authority
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416-325-8143
ryan.blackbyrne@ofina.on.ca

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Monday, November 27, 2017 2:50 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>; Gavin He <Gavin.He@ofina.on.ca>
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Cc: 'Jean-Francois.Beaupre@ofina.on.ca'; William Tan; John Kim; Victor Buza
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(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.
The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail."
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If any… other relevant updates that make sense to do now……I do not anticipate any material ones.
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AMENDING AGREEMENT NO. 7

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BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011, Amending Agreement No. 3 dated April 30, 2013, Amending Agreement No. 4 dated April 30, 2014, Amending Agreement No. 5 dated December 19, 2014 and Amending Agreement No. 6 dated April 30, 2017 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $160 million;

AND WHEREAS the *Ontario Fair Hydro Plan Act, 2017* came into force on June 1, 2017;

AND WHEREAS at the request of the IESO the parties now wish to amend the Agreement to accommodate IESO's role and obligations under the *Ontario Fair Hydro Plan Act, 2017*;

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

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2. The definition of "Ontario's Fair Hydro Plan" is deleted in its entirety.

3. The definition of the term "Permitted Liens" in Section 1.1 (Definitions) of the Agreement is amended by deleting the word "and" at the end of paragraph (j); deleting

the "." at the end of paragraph (k) and replacing it with "; and"; and adding the following new paragraph (l):

(l) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

4. Subsection 3.2(4) of the Agreement is deleted and replaced by the following:

(4) The Credit Facility shall at all times rank *pari passu* with all other unsubordinated and unsecured Indebtedness of the IESO, subject to the existence of any Liens that secure Indebtedness as permitted by subsections 4.7(a) through (e) hereof.

5. Paragraph 3.6(c) of the Agreement is deleted and replaced by the following:

(c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO, provided however that any adverse change in IESO's financial condition related to or resulting from the discharge by IESO of its responsibilities under OFHP shall be deemed not to be a material adverse change for the purposes of this section; and

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By: K Marshall
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael D. Manning
Title: Executive Director and Chief Investment Officer

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and

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1. The following definitions are added to Section 1.1 (Definitions) of the Agreement:

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lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

3. Subsection 2.2(2) of the Agreement is deleted and replaced by the following:

(2) The Note shall at all times rank *pari passu* with all other unsecured Senior Debt of the IESO, subject to the existence of any Liens that secure Indebtedness as permitted by subsections 3.8 (a) through (f) hereof.

4. Delete the paragraph following the heading "Section 3.7 Other Indebtedness" and replace with the words "Intentionally Left Blank".

IN ALL OTHER RESPECTS, the Agreement is confirmed by the parties.

IN WITNESS WHEREOF the parties have executed and delivered this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By: K Marshall
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael D. Manning
Title: Executive Director and Chief Investment Officer

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To:	Ryan Blackbyrne; Victor Buza
Cc:	Jean-Francois Beaupre; John Kim; Gavin He; Opal Kandelas; Sarah Harris; Lisa Stein
Subject:	RE: IESO - OEFC Drafts - IESO Comments Nov 29
Date:	Monday, December 04, 2017 2:44:27 PM

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Call me to discuss.
Regards.

Anthony Martinello Director, Treasury & Pension Operations
Independent Electricity System Operator (IESO) | T: 905-403-6944
Station A, Box 4474, Toronto, ON, M5W 4E5
www.ieso.ca[ieso.ca]

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Subject:	RE: IESO - OEFC Drafts - IESO Comments Nov 29
Date:	Friday, December 01, 2017 10:32:07 AM

Thanks Ryan.
Victor is reviewing and will advise me later today or Monday.
The signing of the OPG Trust docs has been postponed until mid next week, and thus we do not need to sign our amendment docs today.
Regards.

From: Ryan Blackbyrne [mailto:Ryan.Blackbyrne@ofina.on.ca]
Sent: November 30, 2017 4:37 PM
To: Victor Buza; Anthony Martinello
Cc: Jean-Francois Beaupre; John Kim; Gavin He; Opal Kandelas; Sarah Harris; Lisa Stein
Subject: RE: IESO - OEFC Drafts - IESO Comments Nov 29

Hi Victor,
We have reviewed and approved the changes you made to the drafts. We having nothing further to add. Are there any other revisions you wish to make before preparing execution copies?
Thank You,
Ryan

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Wednesday, November 29, 2017 6:50 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Cc: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: RE: IESO - OEFC Drafts - IESO Comments Nov 29

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We may have more comments after we have a chance to discuss your draft and my comments internally tomorrow.
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Victor

Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079
1600-120 Adelaide Street West, Toronto, ON M5H 1T1
Web: www.ieso.ca[ieso.ca][na01.safelinks.protection.outlook.com] | Twitter: IESO_Tweets[twitter.com][na01.safelinks.protection.outlook.com] | LinkedIn: IESO[linkedin.com]

[na01.safelinks.protection.outlook.com]

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To: Anthony Martinello
Cc: Jean-Francois Beaupre; John Kim; Victor Buza; Gavin He; Opal Kandelas; Sarah Harris; Lisa Stein
Subject: RE: IESO - OEFC Nov 27

Hi Anthony,

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Regards,

Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M7A 1Y7
416-325-8143
ryan.blackbyrne@ofina.on.ca

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Monday, November 27, 2017 2:50 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>; Gavin He <Gavin.He@ofina.on.ca>
Subject: IESO - OEFC Nov 27

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Sent: November 07, 2017 4:07 PM
To: 'Ryan.Blackbyrne@ofina.on.ca'
Cc: 'Jean-Francois.Beaupre@ofina.on.ca'; William Tan; John Kim; Victor Buza
Subject: IESO - OEFC Nov 7

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As discussed with Will today, I understand you will be co-ordinating the proposed 2 amendments to the existing IESO-OEFC credit facilities.

For starters, there are no expected changes being asked to the existing agreement's key business content (e.g. amounts, dates, interest, notices etc.), rather given that IESO-OFA have just finished two new agreements pertaining to the new fair hydro program, ….I suggest we just copy and paste the salient sections from these agreements that would now be relevant to the OEFC agreements for fair hydro namely;

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“(xx) any Lien arising from the IESO’s role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.”
2.DRAFT
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“Section 5.7 Intercept
(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of November 6th , 2017 herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the Capital Investment Plan Act, 1993 (the “Intercept Letter”), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO (“Appropriated Funds”), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA’s compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA (“Intercept”).
(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO’s failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.
(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.
(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.
The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail.”
3.
If any… other relevant updates that make sense to do now……I do not anticipate any material ones.

We need your support to expedite the above in order to avoid delays in the Fair Hydro implementation.
Regards.

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From: Anthony Martinello
To: Ryan Blackbyrne
Cc: Jean-Francois Beaupre; John Kim; Gavin He; Opal Kandelas; Sarah Harris; Lisa Stein; Victor Buza
Subject: RE: IESO - OEFC Drafts - IESO Comments Nov 29
Date: Thursday, December 07, 2017 4:08:28 PM

Thx.
Please courier to:
Victor Buza, Senior Counsel
IESO
120 Adelaide Street West
Suite 1600
Toronto, ON M5H 1T1
Regards.

From: Ryan Blackbyrne [mailto:Ryan.Blackbyrne@ofina.on.ca]
Sent: December 07, 2017 4:00 PM
To: Anthony Martinello
Cc: Jean-Francois Beaupre; John Kim; Gavin He; Opal Kandelas; Sarah Harris; Lisa Stein; Victor Buza
Subject: RE: IESO - OEFC Drafts - IESO Comments Nov 29

Hi Anthony,
Please find pdf versions of the fully executed agreements attached. I will courier you back 2 originals (1 for each agreement).
Please confirm this is the address I should use:
Anthony Martinello
IESO
2635 Lakeshore Rd W
Mississauga, ON
L5J 4R9
Thanks,
Ryan

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Tuesday, December 05, 2017 12:31 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>
Subject: RE: IESO - OEFC Drafts - IESO Comments Nov 29

Ryan – Kim Marshall has signed the 4 originals, and IESO has couriered them to you re:
Purolator #: 331249983072
Regards.

From: Anthony Martinello
Sent: December 04, 2017 2:44 PM
To: 'Ryan Blackbyrne'; Victor Buza
Cc: Jean-Francois Beaupre; John Kim; Gavin He; Opal Kandelas; Sarah Harris; Lisa Stein
Subject: RE: IESO - OEFC Drafts - IESO Comments Nov 29

Ryan – Good news, IESO has nothing further. Therefore, let's proceed to execution.
Call me to discuss.
Regards.

Anthony Martinello Director, Treasury & Pension Operations
Independent Electricity System Operator (IESO) | T: 905-403-6944
Station A, Box 4474, Toronto, ON, M5W 4E5
www.ieso.ca[ieso.ca][na01.safelinks.protection.outlook.com]

From: Ryan Blackbyrne [mailto:Ryan.Blackbyrne@ofina.on.ca]
Sent: November 30, 2017 4:37 PM
To: Victor Buza; Anthony Martinello
Cc: Jean-Francois Beaupre; John Kim; Gavin He; Opal Kandelas; Sarah Harris; Lisa Stein
Subject: RE: IESO - OEFC Drafts - IESO Comments Nov 29

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Sent: November 29, 2017 4:50 PM
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Cc: Jean-Francois Beaupre; John Kim; Victor Buza; Gavin He; Opal Kandelas; Sarah Harris; Lisa Stein
Subject: RE: IESO - OEFC Nov 27

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Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M7A 1Y7
416-325-8143
ryan.blackbyrne@ofina.on.ca

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Subject: IESO - OEFC Nov 7

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From:	Ryan Blackbyrne
To:	"Anthony Martinello"
Cc:	Jean-Francois Beaupre; John Kim; Victor Buza; Gavin He; Opal Kandelas; Sarah Harris; Lisa Stein
Subject:	RE: IESO - OEFC Nov 27
Date:	Wednesday, November 29, 2017 4:50:05 PM
Attachments:	$120M Note - amending agreement no.7 Nov29.docx $160M revolving credit - amending agreement no.7 Nov29.docx

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Documentation & Analysis Specialist
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strictly prohibited. If you have received this message in error, or are not the named recipient(s), please notify the sender immediately and delete this e-mail message.

AMENDING AGREEMENT NO. 7

This Amending Agreement is made as of the [DATE], 2017 between:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")

WHEREAS IESO and OEFC have entered into an agreement providing for the Issuance of a Note dated April 1, 1999 (the "Original Agreement");

AND WHEREAS pursuant to amending agreements dated March 23, 2000, April 23, 2009, May 1, 2011, May 1, 2013, April 30, 2014 and April 30, 2017 the parties amended the Original Agreement (as so amended, the "Agreement");

AND WHEREAS the *Ontario Fair Hydro Plan Act, 2017* came into force on June 1, 2017;

AND WHEREAS at the request of the IESO the parties wish to now amend the Agreement to accommodate IESO's role and obligations under the *Ontario Fair Hydro Plan Act*, 2017;

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and sufficiency of which are hereby acknowledged by each party), the parties agree as follows:

1.
The following definitions are added to Section 1.1 (Definitions) of the Agreement:

"Clean Energy Adjustment" has the same meaning as that term is defined in the OFHP.

"OFHP" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

2. The definition of "Permitted Liens" in Section 1.1 (Definitions) of the Agreement is amended by deleting the word "and" at the end of subsection 1.1(j); replacing the "." at the end of subsection (1.1 (k) and replacing it with "and"; and adding the following subsection 1.1(l):

(l) Any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien,

whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

IN ALL OTHER RESPECTS, the Agreement is confirmed by the parties.

IN WITNESS WHEREOF the parties have executed and delivered this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael D. Manning
Title: Executive Director and Chief Investment Officer

AMENDING AGREEMENT NO. 7

This Amending Agreement is effective as of the • day of •, 2017.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIALCORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011, Amending Agreement No. 3 dated April 30, 2013, Amending Agreement No. 4 dated April 30, 2014, Amending Agreement No. 5 dated December 19, 2014 and Amending Agreement No. 6 dated April 30, 2017 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $160 million;

AND WHEREAS the *Ontario Fair Hydro Plan Act, 2017* came into force on June 1, 2017;

AND WHEREAS at the request of the IESO the parties wish to now amend the Agreement to accommodate IESO's role and obligations under the *Ontario Fair Hydro Plan Act, 2017*;

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. The following definitions are added to Section 1.1 (Definitions) of the Agreement:

   "Clean Energy Adjustment" has the same meaning as that term is defined in the OFHP.

   "OFHP" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

2. The definition of "Ontario's Fair Hydro Plan" is deleted in its entirety.

3. The definition of "Permitted Liens" in Section 1.1 (Definitions) of the Agreement is amended by deleting the word "and" at the end of subsection 1.1(j); replacing the "." at

the end of subsection (1.1 (k) and replacing it with “and”; and adding the following subsection 1.1(l):

(l) Any Lien arising from the IESO’s role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

4. Paragraph 3.6(c) of the Agreement is deleted and replaced by the following:

(c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO, provided however that any adverse change in IESO’s financial condition related to or resulting from the discharge by IESO of its responsibilities under OFHP shall be deemed not to be material adverse change for the purposes of this section; and

Commented [RB1]: See Amending Agreement No.6 dated April 1, 2017. The amendment to paragraph 3.6(c) at that time referenced “Ontario’s Fair Hydro Plan”. Since the Ontario Fair Hydro Plan Act, 2017 has since come into force on June 1, 2017 it is appropriate to update this paragraph with reference to the Act.

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael D. Manning
Title: Executive Director and Chief Investment Officer

From: Opal Kandelas
To: Sarah Harris
Cc: Lisa Stein
Subject: RE: IESO - OEFC Nov 27
Date: Monday, November 27, 2017 3:22:46 PM

Hi Sarah,
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Do we have sign-off on the final briefing note and/or authorization to proceed?
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To: 'Ryan.Blackbyrne@ofina.on.ca'
Cc: 'Jean-Francois.Beaupre@ofina.on.ca'; William Tan; John Kim; Victor Buza
Subject: IESO - OEFC Nov 7

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(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.
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From: Sarah Harris
To: Opal Kandelas
Cc: Lisa Stein
Subject: RE: IESO - OEFC Nov 27
Date: Tuesday, November 28, 2017 4:49:23 PM

Hi Opal,
I took a look and asked Carlos as well. There is nothing from a market perspective that is controversial, and I don't see anything in the provisions that concern me. I thought about the intercept provision, but I think it is fine since the legislation 'publicly' allows for that carve out.
Lisa, do you have any objections about IESO sharing any of the contents of the $2B facility with TD?
Sarah

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Date:	Monday, November 27, 2017 4:08:07 PM

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For starters, there are no expected changes being asked to the existing agreement's key business content (e.g. amounts, dates, interest, notices etc.), rather given that IESO-OFA have just finished two new agreements pertaining to the new fair hydro program, ….I suggest we just copy and paste the salient sections from these agreements that would now be relevant to the OEFC agreements for fair hydro namely;
1.DRAFT
The definition of "Permitted Liens" is amended by deleting the word "and" at the end of subsection (xx); replacing the "." at the end of subsection (xx) and replacing it with "; and" ; and adding the following subsection (xx):
"(xx) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."
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The OFA agreements had required an intercept provision, …..not sure if the same applies to OEFC if yes:
"Section 5.7 Intercept
(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of November 6th , 2017 herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the Capital Investment Plan Act, 1993 (the "Intercept Letter"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("Appropriated Funds"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the

Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("Intercept").
(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.
(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.
(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.
The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail."
3.
If any… other relevant updates that make sense to do now……I do not anticipate any material ones.
We need your support to expedite the above in order to avoid delays in the Fair Hydro implementation.
Regards.
This e-mail message and any files transmitted with it are intended only for the named recipient(s) above and may contain information that is privileged, confidential and/or exempt from disclosure under applicable law. If you are not the intended recipient(s), any dissemination, distribution or copying of this e-mail message or any files transmitted with it is strictly prohibited. If you have received this message in error, or are not the named recipient(s), please notify the sender immediately and delete this e-mail message.

From: Opal Kandelas
To: Sarah Harris
Cc: Lisa Stein
Subject: RE: IESO - OEFC Nov 27
Date: Monday, November 27, 2017 3:22:46 PM

Hi Sarah,

I was just in the midst of an email to you regarding this matter. John Kim has let IESO know they can move forward with working with CMO on the agreements, but also communicated that the inclusion of the requested language is pending approval. Its fine to work on amending the agreements, as from all sides the indication is that final signoff will occur.

Regarding IESO's request to share the OFA-IESO agreement with TD, since there's nothing in the agreement prohibiting it and neither Gadi nor OFA legal is concerned about it being shared, it seems unreasonable to withhold it. As there is no obligation for us to provide/deny permission, perhaps we can just point that out to IESO (in an email) and tell them we are leaving the decision as to whether or not to share the agreement to their discretion. Not sure if a more formal response needs to be provided to IESO, but I can discuss with John the best way to convey that info to IESO.

Thanks,
Opal.

From: Sarah Harris
Sent: Monday, November 27, 2017 3:02 PM
To: Opal Kandelas <Opal.Kandelas@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: FW: IESO - OEFC Nov 27

Hi Opal,

Anthony is reaching out to provide drafts of the agreements. While we have started to work on them here, we haven't received word on final sign-off from Ron/Gadi. Any word?

I'm cc'ing Lisa, as she also wasn't cc'd on IESO's request.

Thanks,
Sarah

From: Jean-Francois Beaupre
Sent: Monday, November 27, 2017 2:55 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Subject: FW: IESO - OEFC Nov 27

Hi Sarah,

Do we have sign-off on the final briefing note and/or authorization to proceed?

Thanks,
J-F

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Monday, November 27, 2017 2:50 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>; Gavin He <Gavin.He@ofina.on.ca>
Subject: IESO - OEFC Nov 27

Ryan – are you able to send over draft documents for our review? I understand that we may start to work on them now.

Regards.

From: Anthony Martinello
Sent: November 07, 2017 4:07 PM
To: 'Ryan.Blackbyrne@ofina.on.ca'
Cc: 'Jean-Francois.Beaupre@ofina.on.ca'; William Tan; John Kim; Victor Buza
Subject: IESO - OEFC Nov 7

Ryan,

As discussed with Will today, I understand you will be co-ordinating the proposed 2 amendments to the existing IESO-OEFC credit facilities.

For starters, there are no expected changes being asked to the existing agreement's key business content (e.g. amounts, dates, interest, notices etc.), rather given that IESO-OFA have just finished two new agreements pertaining to the new fair hydro program, ….I suggest we just copy and paste the salient sections from these agreements that would now be relevant to the OEFC agreements for fair hydro namely;

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action or inaction of IESO, that is created in connection with the OFHP."

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The OFA agreements had required an intercept provision, …..not sure if the same applies to OEFC if yes:

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(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

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We need your support to expedite the above in order to avoid delays in the Fair Hydro implementation.

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From:	Ryan Blackbyrne
To:	"Anthony Martinello"
Cc:	Jean-Francois Beaupre; John Kim; Victor Buza; Gavin He; Opal Kandelas; Sarah Harris; Lisa Stein
Subject:	RE: IESO - OEFC Nov 27
Date:	Wednesday, November 29, 2017 4:50:05 PM
Attachments:	$120M Note - amending agreement no.7 Nov29.docx $160M revolving credit - amending agreement no.7 Nov29.docx

Hi Anthony,

Please find initial draft documents for your review. Please note terms of these documents are still subject to internal approval at the OFA. Please let us know your comments.

Regards,

Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M7A 1Y7
416-325-8143
ryan.blackbyrne@ofina.on.ca

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Monday, November 27, 2017 2:50 PM
To: Ryan Blackbyrne
Cc: Jean-Francois Beaupre ; John Kim ; Victor Buza ; Gavin He
Subject: IESO - OEFC Nov 27

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To: 'Ryan.Blackbyrne@ofina.on.ca'
Cc: 'Jean-Francois.Beaupre@ofina.on.ca'; William Tan; John Kim; Victor Buza
Subject: IESO - OEFC Nov 7

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(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

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If any… other relevant updates that make sense to do now……I do not anticipate any material ones.

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strictly prohibited. If you have received this message in error, or are not the named recipient(s), please notify the sender immediately and delete this e-mail message.

AMENDING AGREEMENT NO. 7

This Amending Agreement is made as of the [DATE], 2017 between:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")

WHEREAS IESO and OEFC have entered into an agreement providing for the Issuance of a Note dated April 1, 1999 (the "Original Agreement");

AND WHEREAS pursuant to amending agreements dated March 23, 2000, April 23, 2009, May 1, 2011, May 1, 2013, April 30, 2014 and April 30, 2017 the parties amended the Original Agreement (as so amended, the "Agreement");

AND WHEREAS the *Ontario Fair Hydro Plan Act, 2017* came into force on June 1, 2017;

AND WHEREAS at the request of the IESO the parties wish to now amend the Agreement to accommodate IESO's role and obligations under the *Ontario Fair Hydro Plan Act*, 2017;

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and sufficiency of which are hereby acknowledged by each party), the parties agree as follows:

1.
The following definitions are added to Section 1.1 (Definitions) of the Agreement:

"Clean Energy Adjustment" has the same meaning as that term is defined in the OFHP.

"OFHP" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

2. The definition of "Permitted Liens" in Section 1.1 (Definitions) of the Agreement is amended by deleting the word "and" at the end of subsection 1.1(j); replacing the "." at the end of subsection (1.1 (k) and replacing it with "and"; and adding the following subsection 1.1(l):

(l) Any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien,

whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

IN ALL OTHER RESPECTS, the Agreement is confirmed by the parties.

IN WITNESS WHEREOF the parties have executed and delivered this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael D. Manning
Title: Executive Director and Chief Investment Officer

AMENDING AGREEMENT NO. 7

This Amending Agreement is effective as of the • day of •, 2017.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIALCORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011, Amending Agreement No. 3 dated April 30, 2013, Amending Agreement No. 4 dated April 30, 2014, Amending Agreement No. 5 dated December 19, 2014 and Amending Agreement No. 6 dated April 30, 2017 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $160 million;

AND WHEREAS the *Ontario Fair Hydro Plan Act, 2017* came into force on June 1, 2017;

AND WHEREAS at the request of the IESO the parties wish to now amend the Agreement to accommodate IESO's role and obligations under the *Ontario Fair Hydro Plan Act, 2017*;

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. The following definitions are added to Section 1.1 (Definitions) of the Agreement:

   "Clean Energy Adjustment" has the same meaning as that term is defined in the OFHP.

   "OFHP" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

2. The definition of "Ontario's Fair Hydro Plan" is deleted in its entirety.

3. The definition of "Permitted Liens" in Section 1.1 (Definitions) of the Agreement is amended by deleting the word "and" at the end of subsection 1.1(j); replacing the "." at

the end of subsection (1.1 (k) and replacing it with “and”; and adding the following subsection 1.1(l):

(l) Any Lien arising from the IESO’s role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

4. Paragraph 3.6(c) of the Agreement is deleted and replaced by the following:

(c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO, provided however that any adverse change in IESO’s financial condition related to or resulting from the discharge by IESO of its responsibilities under OFHP shall be deemed not to be material adverse change for the purposes of this section; and

Commented [RB1]: See Amending Agreement No.6 dated April 1, 2017. The amendment to paragraph 3.6(c) at that time referenced “Ontario’s Fair Hydro Plan”. Since the Ontario Fair Hydro Plan Act, 2017 has since come into force on June 1, 2017 it is appropriate to update this paragraph with reference to the Act.

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael D. Manning
Title: Executive Director and Chief Investment Officer

From:	Ryan Blackbyrne
To:	Lisa Stein
Cc:	Sarah Harris; Jean-Francois Beaupre
Subject:	RE: IESO - OEFC Nov 7
Date:	Wednesday, November 29, 2017 1:10:26 PM
Attachments:	Amending Agreement #1 (Executed).pdf (executed) Amending Agreement No. 2 14-Oct-11.pdf IESO $110 M credit facility Amending Agreement No. 3 (executed copy).PDF IESO Amending Agreement No. 4 (Execution Copy) April 2014.pdf IESO Amending Agreement No 5 (Amalgamation) (Draft).doc Amending Agrt no.6 - Revolving Credit Facility - OEFC_IESO_IESO Signed.pdf

Hi Lisa,

Please find attached all previous amending agreements for the original IESO-OEFC revolving credit facility agreement dated April 23, 2010.

Thank You,
Ryan

From: Lisa Stein
Sent: Wednesday, November 29, 2017 12:44 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Subject: RE: IESO - OEFC Nov 7

Hi Ryan,

Can you please send me all previous amending agreements? Have you confirmed that there were no changes made to the items we are currently amending?

Thank you,

Lisa

From: Ryan Blackbyrne
Sent: Wednesday, November 29, 2017 8:55 AM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Subject: RE: IESO - OEFC Nov 7

Hi Lisa,

Are the two original agreements I sent last night what you were looking for or did you also need the original of each amending agreement no. 6? I am attaching them here for you just in case. Please let me know if you need anything else.

Also, so you are aware, IESO had been looking to execute the amending agreements by tomorrow in line with execution with the security agreement - that would be very tight, but if we can get them drafts ASAP, today even, that would be the goal.

Thanks,
Ryan

From: Lisa Stein
Sent: Tuesday, November 28, 2017 5:06 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Subject: RE: IESO - OEFC Nov 7

Hi Ryan,

For ease of reference, can you please send me the original two agreements?

Thank you,

Lisa

Lisa N. Stein
Legal Counsel
Ontario Financing Authority
416-325-2320

****
This message, including any attachments, is intended only for the use of the individual(s) to which it is addressed and contains information that is privileged/confidential. Any other distribution, copying or disclosure is strictly prohibited. If you are not the intended recipient or have received this message in error, please notify the sender immediately by reply e-mail and permanently delete this message, including any attachments, without reading it or making a copy. Thank you.
****

From: Ryan Blackbyrne
Sent: Tuesday, November 28, 2017 1:30 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Subject: RE: IESO - OEFC Nov 7

Hi All,

Please let me know your comments.

Thank You,

Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M7A 1Y7
416-325-8143
ryan.blackbyrne@ofina.on.ca

From: Lisa Stein
Sent: Monday, November 27, 2017 5:23 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO - OEFC Nov 7

Thank you for clarifying this Ryan. I'll wait for your drafts for review.

Lisa

From: Ryan Blackbyrne
Sent: Monday, November 27, 2017 3:05 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: IESO - OEFC Nov 7

Hi Lisa,

Please see below the original email we received from Anthony at IESO in early November. As you can see at this time his suggestion was to "copy and paste the salient sections" from the IESO-OFA agreements that were updated for the fair hydro plan into the amendments to the IESO-OEFC agreements. In his email Anthony referenced both the 'Permitted Lien' and 'Intercept Provision' sections, but we have since agreed the intercept provision will not be included in the IESO-OEFC amending agreements. We are still waiting for final sign-off from Gadi, Ron and Mike on whether we can include the permitted-Lien language from the IESO-OFA amending agreements into the IESO-OEFC amending agreements.

Thank You,
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Sent: Tuesday, November 07, 2017 4:07 PM

To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>
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The OFA agreements had required an intercept provision, …..not sure if the same applies to OEFC if yes:

"Section 5.7 Intercept
(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of November 6th , 2017 herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the Capital Investment Plan Act, 1993 (the "Intercept Letter"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("Appropriated Funds"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("Intercept").
(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to

pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.
(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.
(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.
The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail."

3.
If any… other relevant updates that make sense to do now……I do not anticipate any material ones.

We need your support to expedite the above in order to avoid delays in the Fair Hydro implementation.
Regards.

This e-mail message and any files transmitted with it are intended only for the named recipient(s) above and may contain information that is privileged, confidential and/or exempt from disclosure under applicable law. If you are not the intended recipient(s), any dissemination, distribution or copying of this e-mail message or any files transmitted with it is strictly prohibited. If you have received this message in error, or are not the named recipient(s), please notify the sender immediately and delete this e-mail message.

AMENDING AGREEMENT NO.1

This Amending Agreement made as of the 21st day of July, 2010.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010 (the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $60 million.

AND WHEREAS IESO and OEFC now agree to amend the Agreement to allow IESO to repay all or a portion of Advances Outstanding prior to the Mandatory Repayment Date of April 30, 2013.

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. The Capitalised Terms used in this Amending Agreement which are not otherwise defined shall have the same meaning as established under Section 1.1 of the Agreement.

2. Section 2.2 of the Agreement is deleted and replaced by the following:

   "Section 2.2 Commitment and Facility Limits

   The Advances to IESO under the Credit Facility shall not at any time exceed the Commitment. The Credit Facility shall revolve and no payment under the Credit Facility shall reduce the Commitment. Subject to Section 2.7, on any stated Interest Payment Date, IESO shall have the right to repay in whole or in part the total amount outstanding to OEFC;"

3. The Agreement is amended by inserting after Section 2.6

   "Section 2.7 Repayments.

   (1) Upon four Business Days prior notice by IESO to OEFC (the "Repayment Notice"), IESO may repay all or a portion of the Advances Outstanding (the "Repayment Amount") on an Interest Payment Date; provided that the minimum Repayment Amount shall be $1,000,000.00;

   (2) Notwithstanding the provisions of Section 8.1 of this Agreement the Repayment Notice shall be deemed to have been validly and effectively given if (a) personally delivered, on the date of such delivery, if such date is a Business Day and such delivery was made prior to 10.00 a.m. (Toronto time), otherwise on the next Business Day, or if (b) transmitted by telecopier or other means of electronic communication, on the Business Day following the date of transmission provided that on the date of transmission, the addressee of such notice was notified by telephone of such transmission;

   (3) The Repayment Notice shall set out the Repayment Amount

(4) A Repayment Notice shall be irrevocable and binding on IESO and OEFC."

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Ted Leonard
Title: Vice President, Finance and Chief Financial Officer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

AMENDING AGREEMENT NO. 2

This Amending Agreement made as of the 14th day of October, 2011.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $60 million.

AND WHEREAS IESO and OEFC wish to amend the Agreement to increase the revolving line of credit from $60 million to $110 million;

AND WHEREAS IESO and OEFC wish to provide that the interest rate applicable to advances under the Agreement up to $60 million shall bear interest at a rate equal to the Province of Ontario's cost of funds plus 25 basis points and that the interest rate applicable to advances under the Agreement in excess of $60 million shall bear interest at a rate equal to the Province of Ontario's cost of funds plus 50 basis points;

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. Section 1.1 Definitions of the Agreement is amended as follows:

   The definition of Commitment is deleted and replaced with:

   "Commitment" means, at any time, an amount equal to the principal amount of One Hundred and Ten Million Dollars.

   The definition of Interest Rate is deleted and replaced with:

   "Interest Rate" means for any Advance or portion of an Advance which forms part of an amount of up to $60 million of Advances Outstanding the Province of Ontario's cost of borrowing for a 30 day term, as determined as of the first Business Day of each month by OEFC, plus 0.25 percent per annum, and means for any Advance or portion of an Advance which forms part of an amount of Advances Outstanding in excess of $60 million the Province of Ontario's cost of borrowing for a 30 day term, as determined as of the first Business Day of each month by OEFC, plus 0.50 percent per annum.

The definition of Note is deleted and replaced with:

"Note" means the $110 Million Note issued pursuant to Section 2 of the Amending Agreement dated as of the 14th day of October, 2011.

2. IESO shall execute and deliver to OEFC a grid promissory note in the form attached as Schedule I hereto which shall be in an aggregate principal amount of up to One Hundred and Ten Million Dollars (the "$110 Million Note") and on which shall be recorded the Advances Outstanding under the grid promissory note in the principal amount of up to $60 million dated April 23, 2010 delivered pursuant to the Agreement (the "$60 Million Note"). Upon receipt of the $110 Million Note by OEFC, the $60 Million Note shall be of no further force and effect and shall be returned to the IESO marked "cancelled".

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Ted Leonard
Title: Vice President, Finance and Chief Financial Officer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

AMENDING AGREEMENT NO. 3

This Amending Agreement made as of the 30 day of April, 2013.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010 and Amending Agreement No. 2 dated October 14, 2011 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $110 million.

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for a one year extension of the mandatory repayment date of the revolving line of credit ;

AND WHEREAS IESO and OEFC wish to provide that during the extension advances under the Agreement shall bear interest at a rate equal to the Province of Ontario's cost of funds plus 50 basis points;

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. Section 1.1 Definitions of the Agreement is amended as follows:

   The definition of Interest Rate is deleted and replaced with:

   "Interest Rate" means the Province of Ontario's cost of borrowing for a 30 day term, as determined as of the first Business Day of each month by OEFC, plus 0.50 percent per annum.

   The definition of Note is deleted and replaced with:

   "Note" means the $110 Million Note issued pursuant to Section 2 of Amending Agreement No. 3 dated as of the 30 day of April, 2013.

2. IESO shall execute and deliver to OEFC a grid promissory note in the form attached as Schedule I hereto which shall be in an aggregate principal amount of up to One Hundred and Ten Million Dollars (the "$110 Million Note") dated April 30, 2013 and on which shall be recorded the Advances Outstanding under the grid promissory note in the principal amount of up to $110 million dated October 14, 2011 delivered pursuant to the Agreement .Upon receipt by OEFC of the $110 Million Note dated April 30, 2013, the $110 Million Note dated October 14, 2011 shall be of no further force and effect and shall be returned to the IESO marked "cancelled".

3. Section 2.4 of the Agreement is deleted and replaced by the following:

   "Section 2.4 Mandatory Repayment.

   Subject to Sections 3.5 and 5.2, IESO shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, in full on or before April 30, 2014."

4. This Amending Agreement shall be effective as of April 30, 2013.

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Ted Leonard
Title: Vice President Finance, Chief Financial Officer and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

SCHEDULE 1

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $110,000,000 Date: 30 April, 2013

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("**IESO**"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid **("Grid")** attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No. 1 dated July 21, 2010, by Amending Agreement No. 2 dated October 14, 2011 and Amending Agreement No. 3 dated April 30, 2013 (collectively the "Agreement").

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before April 30, 2014.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance or part of an Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be p*rima facie* evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Agreement. All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment, demand, protest, notice of dishonour and notice

of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Ted Leonard
Vice President Finance, Chief Financial Officer, and Treasurer

AMENDING AGREEMENT NO. 4

This Amending Agreement made as of the 30 day of April, 2014.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011 and Amending Agreement No. 3 dated April 30, 2013 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $110 million.

AND WHEREAS IESO and OEFC wish to amend the Agreement to decrease the revolving line of credit from $110 million to $95 million;

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for a three year extension of the mandatory repayment date of the revolving line of credit;

AND WHEREAS IESO and OEFC wish to provide that during the extension advances under the Agreement shall bear interest at a rate equal to the Province of Ontario's cost of funds plus 50 basis points;

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. Section 1.1 Definitions of the Agreement is amended as follows:

   The definition of Commitment is deleted and replaced with:

   "Commitment" means, at any time, an amount equal to the principal amount of Ninety-Five Million Dollars.

   The definition of Interest Rate is deleted and replaced with:

   "Interest Rate" means the Province of Ontario's cost of borrowing for a 30 day term, as determined as of the first Business Day of each month by OEFC, plus 0.50 percent per annum.

   The definition of Note is deleted and replaced with:

   "Note" means the $95 Million Note issued pursuant to Section 2 of Amending Agreement No. 4 dated as of the 30 day of April, 2014.

2. IESO shall execute and deliver to OEFC a grid promissory note in the form attached as Schedule I hereto which shall be in an aggregate principal amount of up to Ninety-Five Million Dollars (the "$95 Million Note") dated April 30, 2014 and on which shall be recorded the Advances Outstanding under the grid promissory note in the principal amount of up to $110 million dated April 30, 2013 delivered pursuant to the Agreement .Upon receipt by OEFC of the $95 Million Note dated April 30, 2014, the $110 Million Note dated April 30, 2013 shall be of no further force and effect and shall be returned to the IESO marked "cancelled".

3. Section 2.4 of the Agreement is deleted and replaced by the following:

   "**Section 2.4 Mandatory Repayment.**

   Subject to Sections 3.5 and 5.2, IESO shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, in full on or before April 30, 2017."

4. This Amending Agreement shall be effective as of April 30, 2014.

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Ted Leonard
Title: Vice President Markets, Chief Financial Officer and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by:_____
Name: Michael D. Manning
Title: Chief Operating Officer

SCHEDULE 1

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $95,000,000 Date: 30 April, 2014

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("**IESO**"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid **("Grid")** attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No. 1 dated July 21, 2010, by Amending Agreement No. 2 dated October 14, 2011, by Amending Agreement No. 3 dated April 30, 2013 and Amending Agreement No. 4 dated April 30, 2014 (collectively the "Agreement").

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before April 30, 2017.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance or part of an Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be p*rima facie* evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Agreement. All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment, demand, protest, notice of dishonour and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Ted Leonard
Vice President Markets,
Chief Financial Officer,
and Treasurer

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID

(Revolving Credit Facility April 23, 2010)

DATE	PRINCIPAL ADVANCED	RATE	REPAYMENT DATE	INTEREST AMOUNT	AMOUNT OF PAYMENT		UNPAID BALANCE			NOTATION MADE BY
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	REFINANCED (AMOUNT & DATE)	

AMENDING AGREEMENT NO. 5

This Amending Agreement made as of the X day of December, 2014.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010.

AND WHEREAS pursuant to Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011, Amending Agreement No. 3 dated April 30, 2013 and Amending Agreement No. 4 dated April 30, 2014 the parties amended the Original Agreement (as so amended, the "Agreement").

AND WHEREAS IESO and OEFC wish to amend the Agreement pursuant to the direction prescribed in Schedule 7 of Bill 14, the Building Opportunity and Securing Our Future Act (the "Act") which received Royal Assent on July 24, 2014 and provides direction for the amalgamation of IESO with the Ontario Power Authority (OPA) to be effective as of January 1, 2015.

Per section 5. (1) of the Act, the predecessor Independent Electricity System Operator and the Ontario Power Authority are amalgamated and shall continue as one corporation.

Per section 5. (2) of the Act, the name of the corporation formed under subsection (1) is the Independent Electricity System Operator.

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. Section 2.3 Use of Proceeds – of the Agreement is deleted and replaced by the following:

   IESO or the continuing post amalgamation successor entity the "new" IESO shall use the proceeds of Advances for the same original intended purposes for which the predecessor IESO is authorized to borrow funds:

   (a) To repay the revolving line of credit with the Toronto Dominion Bank;

(b) For liquidity purposes; and
(c) To fund corporate requirements.

2. Schedule 1 of the Agreement, Form of Borrowing Notice, is deleted and replaced by the Form of Borrowing Notice attached hereto as Schedule 1.

3. Upon amalgamation, the borrower agrees to execute and deliver an Amendment and Restatement of the IESO Credit Facility Agreement (the "Amended and Restated IESO Credit Facility Agreement").

4. Upon amalgamation, the borrower agrees to deliver to OEFC a certificate of an officer certifying that on the date of the amalgamation:

(i) all the representations and warranties of the borrower (the new IESO) in the amended and restated IESO Credit Facility Agreement are true and correct;

(ii) no Default or event of default shall have occurred and be continuing;

(iii) a certificate of incumbency of the officers of the new IESO;

(iv) any such other documents as the OEFC may reasonable request.

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by:_____
Name:
Title:

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by:_____
Name: Michael D. Manning
Title: Chief Operating Officer

AMENDING AGREEMENT NO. 6

This Amending Agreement is effective as of the 30 day of April, 2017.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011, Amending Agreement No. 3 dated April 30, 2013, Amending Agreement No. 4 dated April 30, 2014 and Amending Agreement No. 5 dated December 19, 2014 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $95 million.

AND WHEREAS IESO and OEFC wish to amend the Agreement to increase the revolving line of credit from a principal amount of CDN $95 million to a principal amount of up to CDN $160 million to provide funding for IESO Corporate Requirements (as defined herein);

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for an extension of the mandatory repayment date established in the Agreement to June 30, 2020;

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for the ability for Advances to be made on any business day up to a maximum of 12 times per year;

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. Section 1.1 Definitions of the Agreement is amended as follows:

   i) The definition of "Amalgamation" is deleted.

   ii) The definition of "Commitment" is deleted and replaced with:

   "Commitment" means, at any time, an amount equal to the principal amount of One Hundred and Sixty Million Dollars.

   iii) A definition of "IESO Corporate Requirements" is added as follows:

   "IESO Corporate Requirements" means any borrowing purposes authorized by O. Reg. 280/14 made under the *Electricity Act, 1998* (as such regulation may be amended or

replaced from time to time), other than for funding liquidity requirements relating to the settlement of the Ontario wholesale electricity markets.

iv) A definition of "Ontario's Fair Hydro Plan" is added as follows:

"Ontario's Fair Hydro Plan" means the plan announced March 2, 2017 by the Government of Ontario to affect the Ontario Energy Board's setting of electricity prices for certain Ontario consumers of electricity, which plan is referred to in the Ontario Energy Board's report dated April 20, 2017 and titled "Regulated Price Plan Price Report – May 1, 2017 to April 30, 2018", and including all relevant developments in or changes to such plan from time to time.

v) The definition of "New IESO" is deleted.

vi) The definition of "Note" is deleted and replaced with:

"Note" means the $160 Million Note issued pursuant to Section 2 of Amending Agreement No. 6 dated as of the 30th day of April, 2017.

vii) The definition of "OPA" is deleted.

viii) The definition of "Pre-Amalgamation IESO" is deleted.

2. IESO shall execute and deliver to OEFC a grid promissory note in the form attached as Schedule I hereto which shall be in an aggregate principal amount of up to One Hundred and Sixty Million Dollars (the "$160 Million Note") dated April 30, 2017 and on which shall be recorded the Advances Outstanding under the grid promissory note delivered pursuant to Amending Agreement No. 4. Upon receipt by OEFC of the $160 Million Note dated April 30, 2017, the $95 Million Note dated April 30, 2014 shall be of no further force and effect and shall be returned to the IESO marked "cancelled".

3. Section 2.3 of the Agreement is deleted and replaced by the following:

Section 2.3 Use of Proceeds

IESO shall use the proceeds of Advances for the funding of IESO Corporate Requirements.

4. Section 2.4 of the Agreement is deleted and replaced by the following:

Section 2.4 Mandatory Repayment.

Subject to Sections 3.5 and 5.2 of this Agreement, IESO shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, in full on or before June 30, 2020.

5. Section 3.1 of the Agreement is deleted and replaced by the following:

Section 3.1 Advances.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO under the Credit Facility on any Business Day in a month up to twelve (12) times per annum from and including May 1, 2017 to and including May 29, 2020

6. Paragraph 3.6(c) of the Agreement is deleted and replaced by the following:
   (c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO, provided however that any adverse change in IESO's financial condition related to or resulting from the discharge by IESO of its responsibilities under Ontario's Fair Hydro Plan shall be deemed not to be a material adverse change for the purposes of this Section; and

7. The Form of Borrowing Notice is deleted and replaced with the Form of Borrowing Notice attached hereto as Schedule 1.

8. This Amending Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

SCHEDULE 1

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $160,000,000 Date: 30 April, 2017

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("**IESO**"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid **("Grid")** attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No. 1 dated July 21, 2010, by Amending Agreement No. 2 dated October 14, 2011, by Amending Agreement No. 3 dated April 30, 2013, by Amending Agreement No. 4 dated April 30, 2014, by Amending Agreement No. 5 dated December 19, 2014, and by Amending Agreement No. 6 dated April 30, 2017 (collectively the "Agreement").

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before June 30, 2020.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance or part of an Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be p*rima facie* evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Agreement. All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment, demand, protest, notice of dishonour and notice

of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

(Revolving Credit Facility April 30, 2017)

DATE	PRINCIPAL ADVANCED	RATE	REPAYMENT DATE	INTEREST AMOUNT	AMOUNT OF PAYMENT		UNPAID BALANCE			NOTATION MADE BY
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	REFINANCED (AMOUNT & DATE)	

From:	Lisa Stein
To:	Ryan Blackbyrne
Cc:	Sarah Harris
Subject:	RE: IESO - OEFC Nov 7
Date:	Monday, November 27, 2017 5:22:42 PM

Thank you for clarifying this Ryan. I'll wait for your drafts for review.

Lisa

From: Ryan Blackbyrne
Sent: Monday, November 27, 2017 3:05 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: IESO - OEFC Nov 7

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From:	Sarah Harris
To:	Opal Kandelas
Subject:	RE: IESO - OEFC Nov 7
Date:	Wednesday, November 08, 2017 8:46:30 AM

Thank you , Opal.
SArah

From: Opal Kandelas
Sent: Wednesday, November 08, 2017 8:24 AM
To: Sarah Harris
Subject: FW: IESO - OEFC Nov 7

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Subject:	RE: IESO - OEFC Nov 7
Date:	Wednesday, November 08, 2017 7:47:17 AM

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From:	John Kim
To:	William Tan
Cc:	Ryan Blackbyrne; Sarah Harris; Jean-Francois Beaupre; Opal Kandelas; Gavin He
Subject:	RE: IESO - OEFC Nov 7
Date:	Tuesday, November 07, 2017 4:41:52 PM

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From: Lisa Stein
To: Ryan Blackbyrne
Cc: Sarah Harris; Jean-Francois Beaupre
Subject: RE: IESO - OEFC Nov 7
Date: Wednesday, November 29, 2017 12:43:46 PM

Hi Ryan,

Can you please send me all previous amending agreements? Have you confirmed that there were no changes made to the items we are currently amending?

Thank you,

Lisa

From: Ryan Blackbyrne
Sent: Wednesday, November 29, 2017 8:55 AM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Subject: RE: IESO - OEFC Nov 7

Hi Lisa,

Are the two original agreements I sent last night what you were looking for or did you also need the original of each amending agreement no. 6? I am attaching them here for you just in case. Please let me know if you need anything else.

Also, so you are aware, IESO had been looking to execute the amending agreements by tomorrow in line with execution with the security agreement - that would be very tight, but if we can get them drafts ASAP, today even, that would be the goal.

Thanks,
Ryan

From: Lisa Stein
Sent: Tuesday, November 28, 2017 5:06 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Subject: RE: IESO - OEFC Nov 7

Hi Ryan,

For ease of reference, can you please send me the original two agreements?

Thank you,

Lisa

Lisa N. Stein
Legal Counsel
Ontario Financing Authority
416-325-2320

****
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Sent: Tuesday, November 28, 2017 1:30 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Subject: RE: IESO - OEFC Nov 7

Hi All,

Please let me know your comments.

Thank You,

Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M7A 1Y7
416-325-8143
ryan.blackbyrne@ofina.on.ca

From: Lisa Stein
Sent: Monday, November 27, 2017 5:23 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO - OEFC Nov 7

Thank you for clarifying this Ryan. I'll wait for your drafts for review.

Lisa

From: Ryan Blackbyrne
Sent: Monday, November 27, 2017 3:05 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: IESO - OEFC Nov 7

Hi Lisa,

Please see below the original email we received from Anthony at IESO in early November. As you can see at this time his suggestion was to "copy and paste the salient sections" from the IESO-OFA agreements that were updated for the fair hydro plan into the amendments to the IESO-OEFC agreements. In his email Anthony referenced both the 'Permitted Lien' and 'Intercept Provision' sections, but we have since agreed the intercept provision will not be included in the IESO-OEFC amending agreements. We are still waiting for final sign-off from Gadi, Ron and Mike on whether we can include the permitted-Lien language from the IESO-OFA amending agreements into the IESO-OEFC amending agreements.

Thank You,
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action or inaction of IESO, that is created in connection with the OFHP."

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The OFA agreements had required an intercept provision, …..not sure if the same applies to OEFC if yes:

"Section 5.7 Intercept

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From:	John Kim
To:	Ryan Blackbyrne; William Tan
Cc:	Sarah Harris; Jean-Francois Beaupre; Opal Kandelas; Gavin He
Subject:	RE: IESO - OEFC Nov 7
Date:	Tuesday, November 07, 2017 4:15:27 PM

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Sent: Tuesday, November 07, 2017 4:07 PM
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Subject: IESO - OEFC Nov 7

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From:	Lisa Stein
To:	Ryan Blackbyrne
Cc:	Sarah Harris; Jean-Francois Beaupre
Subject:	RE: IESO - OEFC Nov 7
Date:	Wednesday, November 29, 2017 12:43:46 PM

Hi Ryan,

Can you please send me all previous amending agreements? Have you confirmed that there were no changes made to the items we are currently amending?

Thank you,

Lisa

From: Ryan Blackbyrne
Sent: Wednesday, November 29, 2017 8:55 AM
To: Lisa Stein
Cc: Sarah Harris ; Jean-Francois Beaupre
Subject: RE: IESO - OEFC Nov 7

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Also, so you are aware, IESO had been looking to execute the amending agreements by tomorrow in line with execution with the security agreement - that would be very tight, but if we can get them drafts ASAP, today even, that would be the goal.

Thanks,

Ryan

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Sent: Tuesday, November 28, 2017 5:06 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Subject: RE: IESO - OEFC Nov 7

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Lisa N. Stein
Legal Counsel
Ontario Financing Authority
416-325-2320

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Subject: RE: IESO - OEFC Nov 7
Hi All,
Please let me know your comments.
Thank You,
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Documentation & Analysis Specialist
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M7A 1Y7
416-325-8143
ryan.blackbyrne@ofina.on.ca

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To:	Lisa Stein
Cc:	Sarah Harris; Jean-Francois Beaupre
Subject:	RE: IESO - OEFC Nov 7
Date:	Wednesday, November 29, 2017 8:54:48 AM
Attachments:	$120M note - Amending Agreementt no.6 - April 30, 2017.pdf $160M revolving credit - Amending Agreement no.6 - April 30, 2017.pdf

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(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.
(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.
The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail."

3.
If any… other relevant updates that make sense to do now……I do not anticipate any material ones.

We need your support to expedite the above in order to avoid delays in the Fair Hydro implementation.
Regards.

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AMENDING AGREEMENT NO. 6

This Amending Agreement is made as of the 30th day of April, 2017

between:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR
("IESO")

- and -

ONTARIO ELECTRICITY FINANCIAL CORPORATION
("OEFC")

WHEREAS IESO and OEFC have entered into an agreement Providing for the Issuance of a Note dated April 1, 1999 (the "Original Agreement");

AND WHEREAS pursuant to amending agreements dated March 23, 2000, April 23, 2009, May 1, 2011, May 1, 2013, and April 30, 2014 the parties amended the Original Agreement (as so amended, the "Agreement");

AND WHEREAS the parties wish to further amend the Agreement to increase the loan advanced to IESO from a principal amount of C$90 million to a principal amount of up to C$120 million and to extend the maturity date of the loan to June 30, 2020, all of which is to be evidenced through the the issuance of a Fifth Refinancing Note.

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and sufficiency of which are hereby acknowledged by each party), the parties agree as follows:

1. **Defined Terms**

Capitalized terms used in this Amending Agreement and not otherwise defined herein have the meanings specified in the Agreement.

2. **Amendments to Agreement**

(a) Definition of "Loan" in the Agreement is deleted.

(b) Article 1a (The Loan) of the Agreement is deleted in its entirety and replaced with the following:

Article 1a $30 Million Advance

Section 1a.1

Effective April 30, 2017, OEFC will make an advance to IESO in the amount of $30 million (the "$30 Million Advance"). IESO directs OEFC to apply, and OEFC agrees to apply, the $30 Million Advance, first to repay Advances Outstanding (as such term is defined in the Revolving Credit Facility Agreement), if any, under the Revolving Credit Facility Agreement, with any amount remaining out of the $30 Million Advance after repaying all Advances Outstanding to be used by IESO for the purpose of funding new IESO capital expenditures.

(c) The following sections are added to the Agreement following Section 2.15:

" Section 2.16 Fifth Refinancing Note

On April 30, 2017, IESO shall execute and deliver to OEFC a promissory note in the form attached as Schedule 1 (the "Fifth Refinancing Note") which shall be in an aggregate principal amount equal to $120 million, dated as of April 30, 2017 and maturing on June 30, 2020 and bearing interest at a per annum rate equal to the Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020, as determined by the Chief Executive Officer of OEFC or the Chief Operating Officer of OEFC, or by a person designated by either of them, plus fifty basis points (0.50%) (after as well as before default or judgment, with interest on the amounts in default at the same rate). Upon receipt of the Fifth Refinancing Note by OEFC, the Fourth Refinancing Note dated April 30, 2014 shall be of no further force or effect and shall be returned by OEFC to IESO marked "cancelled".

For greater clarity, the Fifth Refinancing Note shall evidence the indebtedness of IESO to OEFC in respect of the principal amount of $90 million under the Fourth Refinancing Note ("Part A") and the additional $30 Million Advance ("Part B"), for a total aggregate principal amount of $120 million.

Notwithstanding Section 1.5 herein, the interest rate on the Fifth Refinancing Note shall be set on Monday, May 1, 2017, with interest accruing on Part A commencing on Sunday, April 30, 2017, and interest accruing on Part B commencing on Monday, May 1, 2017.

Section 2.17 Interest on Fifth Refinancing Note

Notwithstanding Section 1.5 herein, interest on the Fifth Refinancing Note at the rate specified in Section 2.16 shall accrue daily and shall be payable in equal semi-annual instalments on June 30 and December 31(each an "Interest Payment Date"), provided however that the calculation of the amount of the first such interest payment for Part A shall be in respect only of the period from and including April 30, 2017 to but excluding June 30, 2017, and for Part B in respect only of the period from May 1, 2017 to but excluding June 30, 2017.

For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under the Fifth Refinancing Note for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period."

3. **Reference to and Effect on the Agreement.**

On and after this date, each reference in the Agreement to "this Agreement" and each reference to the Agreement in any and all other agreements, documents and instruments delivered by IESO and OEFC shall mean and be a reference to the Agreement as amended by this Amending Agreement. On and after this date, each reference in the Agreement to either "the Note" or "the New Note" and each reference to either "the Note" or "the New Note" in any and all other agreements, documents and instruments delivered by IESO and OEFC shall mean and be a reference to the Fifth Refinancing Note.

4. **Governing Law**

This Amending Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

5. **Counterparts**

This Amending Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.

6. **Enurement**

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

IN ALL OTHER RESPECTS, the Agreement is confirmed by the parties.

IN WITNESS WHEREOF the parties have executed and delivered this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

SCHEDULE 1
FORM OF FIFTH REFINANCING NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

NOTE

Aggregate Principal Amount: $120 million, consisting of: a Part A amount of $90 million ("Part A"), whereon interest accrues commencing on April 30, 2017, and a Part B amount of $30 million ("Part B"), whereon interest accrues commencing on May 1, 2017.

Date: April 30, 2017

Interest Rate: (Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020 + 50 basis points)

Due: June 30, 2020

FOR VALUE RECEIVED, the INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO") existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, PROMISES TO PAY to or to the order of ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC") at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of $120 million in lawful money of Canada, with interest on such amount at the rate, calculated in the manner and payable at the times specified in this Note.

The principal amount of this Note together with all interest accrued thereon shall become due and payable on June 30, 2020.

The principal amount of this Note remaining from time to time unpaid and outstanding shall bear interest from the date of this Note both before and after maturity and both before and after default at the rate per annum equal to the Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020, as determined by the Chief Executive Officer of OEFC or the Chief Operating Officer of OEFC, or by a person designated by either of them, plus fifty basis points (0.50%). Interest at such rate shall accrue daily and shall be payable in arrears in equal semi-annual instalments on June 30 and December 31 (each an "Interest Payment Date") commencing June 30, 2017, provided however that the calculation of the amount of the first such interest payment for Part A shall be in respect only of the period from and including April 30, 2017 to but excluding June 30, 2017, and for Part B in respect only of the period from and including May 1, 2017 to but excluding June 30, 2017.

For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Note for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of an agreement providing for the issuance of a note dated April 1, 1999 between the IESO and OEFC and amended by an amending agreement dated March 23, 2000, an amending agreement dated April 23, 2009, an amending agreement dated May 1, 2011, an amending agreement dated May 1, 2013, an amending agreement dated April 30, 2014, and an amending agreement dated April 30, 2017 (as so amended, the "Agreement"), which Agreement provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

AMENDING AGREEMENT NO. 6

This Amending Agreement is effective as of the 30 day of April, 2017.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011, Amending Agreement No. 3 dated April 30, 2013, Amending Agreement No. 4 dated April 30, 2014 and Amending Agreement No. 5 dated December 19, 2014 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $95 million.

AND WHEREAS IESO and OEFC wish to amend the Agreement to increase the revolving line of credit from a principal amount of CDN $95 million to a principal amount of up to CDN $160 million to provide funding for IESO Corporate Requirements (as defined herein);

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for an extension of the mandatory repayment date established in the Agreement to June 30, 2020;

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for the ability for Advances to be made on any business day up to a maximum of 12 times per year;

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. Section 1.1 Definitions of the Agreement is amended as follows:

   i) The definition of "Amalgamation" is deleted.

   ii) The definition of "Commitment" is deleted and replaced with:

   "Commitment" means, at any time, an amount equal to the principal amount of One Hundred and Sixty Million Dollars.

   iii) A definition of "IESO Corporate Requirements" is added as follows:

   "IESO Corporate Requirements" means any borrowing purposes authorized by O. Reg. 280/14 made under the *Electricity Act, 1998* (as such regulation may be amended or

replaced from time to time), other than for funding liquidity requirements relating to the settlement of the Ontario wholesale electricity markets.

iv) A definition of "Ontario's Fair Hydro Plan" is added as follows:

"Ontario's Fair Hydro Plan" means the plan announced March 2, 2017 by the Government of Ontario to affect the Ontario Energy Board's setting of electricity prices for certain Ontario consumers of electricity, which plan is referred to in the Ontario Energy Board's report dated April 20, 2017 and titled "Regulated Price Plan Price Report – May 1, 2017 to April 30, 2018", and including all relevant developments in or changes to such plan from time to time.

v) The definition of "New IESO" is deleted.

vi) The definition of "Note" is deleted and replaced with:

"Note" means the $160 Million Note issued pursuant to Section 2 of Amending Agreement No. 6 dated as of the 30th day of April, 2017.

vii) The definition of "OPA" is deleted.

viii) The definition of "Pre-Amalgamation IESO" is deleted.

2. IESO shall execute and deliver to OEFC a grid promissory note in the form attached as Schedule I hereto which shall be in an aggregate principal amount of up to One Hundred and Sixty Million Dollars (the "$160 Million Note") dated April 30, 2017 and on which shall be recorded the Advances Outstanding under the grid promissory note delivered pursuant to Amending Agreement No. 4. Upon receipt by OEFC of the $160 Million Note dated April 30, 2017, the $95 Million Note dated April 30, 2014 shall be of no further force and effect and shall be returned to the IESO marked "cancelled".

3. Section 2.3 of the Agreement is deleted and replaced by the following:

Section 2.3 Use of Proceeds

IESO shall use the proceeds of Advances for the funding of IESO Corporate Requirements.

4. Section 2.4 of the Agreement is deleted and replaced by the following:

Section 2.4 Mandatory Repayment.

Subject to Sections 3.5 and 5.2 of this Agreement, IESO shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, in full on or before June 30, 2020.

5. Section 3.1 of the Agreement is deleted and replaced by the following:

Section 3.1 Advances.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO under the Credit Facility on any Business Day in a month up to twelve (12) times per annum from and including May 1, 2017 to and including May 29, 2020

6. Paragraph 3.6(c) of the Agreement is deleted and replaced by the following:
   (c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO, provided however that any adverse change in IESO's financial condition related to or resulting from the discharge by IESO of its responsibilities under Ontario's Fair Hydro Plan shall be deemed not to be a material adverse change for the purposes of this Section; and

7. The Form of Borrowing Notice is deleted and replaced with the Form of Borrowing Notice attached hereto as Schedule 1.

8. This Amending Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

SCHEDULE 1

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $160,000,000 Date: 30 April, 2017

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("**IESO**"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid **("Grid")** attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No. 1 dated July 21, 2010, by Amending Agreement No. 2 dated October 14, 2011, by Amending Agreement No. 3 dated April 30, 2013, by Amending Agreement No. 4 dated April 30, 2014, by Amending Agreement No. 5 dated December 19, 2014, and by Amending Agreement No. 6 dated April 30, 2017 (collectively the "Agreement").

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before June 30, 2020.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance or part of an Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be p*rima facie* evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Agreement. All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment, demand, protest, notice of dishonour and notice

of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

(Revolving Credit Facility April 30, 2017)

DATE	PRINCIPAL ADVANCED	RATE	REPAYMENT DATE	INTEREST AMOUNT	AMOUNT OF PAYMENT		UNPAID BALANCE			NOTATION MADE BY
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	REFINANCED (AMOUNT & DATE)	

From:	Ryan Blackbyrne
To:	Lisa Stein
Cc:	Sarah Harris; Jean-Francois Beaupre
Subject:	RE: IESO - OEFC Nov 7
Date:	Wednesday, November 29, 2017 8:54:48 AM
Attachments:	$120M note - Amending Agreementt no.6 - April 30, 2017.pdf $160M revolving credit - Amending Agreement no.6 - April 30, 2017.pdf

---

Hi Lisa,

Are the two original agreements I sent last night what you were looking for or did you also need the original of each amending agreement no. 6? I am attaching them here for you just in case. Please let me know if you need anything else.

Also, so you are aware, IESO had been looking to execute the amending agreements by tomorrow in line with execution with the security agreement - that would be very tight, but if we can get them drafts ASAP, today even, that would be the goal.

Thanks,

Ryan

From: Lisa Stein
Sent: Tuesday, November 28, 2017 5:06 PM
To: Ryan Blackbyrne
Cc: Sarah Harris ; Jean-Francois Beaupre
Subject: RE: IESO - OEFC Nov 7

Hi Ryan,

For ease of reference, can you please send me the original two agreements?

Thank you,

Lisa

Lisa N. Stein
Legal Counsel
Ontario Financing Authority
416-325-2320

****
This message, including any attachments, is intended only for the use of the individual(s) to which it is addressed and contains information that is privileged/confidential. Any other distribution, copying or disclosure is strictly prohibited. If you are not the intended recipient or have received this message in error, please notify the sender immediately by reply e-mail and permanently delete this message, including any attachments, without reading it or making a copy. Thank you.
****

From: Ryan Blackbyrne
Sent: Tuesday, November 28, 2017 1:30 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Subject: RE: IESO - OEFC Nov 7

Hi All,

Please let me know your comments.

Thank You,

Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400

Toronto, ON M7A 1Y7
416-325-8143
ryan.blackbyrne@ofina.on.ca

From: Lisa Stein
Sent: Monday, November 27, 2017 5:23 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO - OEFC Nov 7

Thank you for clarifying this Ryan. I'll wait for your drafts for review.
Lisa

From: Ryan Blackbyrne
Sent: Monday, November 27, 2017 3:05 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: IESO - OEFC Nov 7

Hi Lisa,
Please see below the original email we received from Anthony at IESO in early November. As you can see at this time his suggestion was to "copy and paste the salient sections" from the IESO-OFA agreements that were updated for the fair hydro plan into the amendments to the IESO-OEFC agreements. In his email Anthony referenced both the 'Permitted Lien' and 'Intercept Provision' sections, but we have since agreed the intercept provision will not be included in the IESO-OEFC amending agreements. We are still waiting for final sign-off from Gadi, Ron and Mike on whether we can include the permitted-Lien language from the IESO-OFA amending agreements into the IESO-OEFC amending agreements.
Thank You,
Ryan

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Tuesday, November 07, 2017 4:07 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>
Subject: IESO - OEFC Nov 7

Ryan,
As discussed with Will today, I understand you will be co-ordinating the proposed 2 amendments to the existing IESO-OEFC credit facilities.
For starters, there are no expected changes being asked to the existing agreement's key business content (e.g. amounts, dates, interest, notices etc.), rather given that IESO-OFA have just finished two new agreements pertaining to the new fair hydro program, ….I suggest we just copy and paste the salient sections from these agreements that would now be relevant to the OEFC agreements for fair hydro namely;
1.DRAFT
The definition of "Permitted Liens" is amended by deleting the word "and" at the end of subsection (xx); replacing the "." at the end of subsection (xx) and replacing it with "; and" ; and adding the following subsection (xx):

"(xx) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

2.DRAFT

The OFA agreements had required an intercept provision, …..not sure if the same applies to OEFC if yes:

"Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of November 6th , 2017 herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the Capital Investment Plan Act, 1993 (the "Intercept Letter"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("Appropriated Funds"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("Intercept").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail."

3.

If any… other relevant updates that make sense to do now……I do not anticipate any material ones.

We need your support to expedite the above in order to avoid delays in the Fair Hydro implementation.

Regards.

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AMENDING AGREEMENT NO. 6

This Amending Agreement is made as of the 30th day of April, 2017

between:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR
("IESO")

- and -

ONTARIO ELECTRICITY FINANCIAL CORPORATION
("OEFC")

WHEREAS IESO and OEFC have entered into an agreement Providing for the Issuance of a Note dated April 1, 1999 (the "Original Agreement");

AND WHEREAS pursuant to amending agreements dated March 23, 2000, April 23, 2009, May 1, 2011, May 1, 2013, and April 30, 2014 the parties amended the Original Agreement (as so amended, the "Agreement");

AND WHEREAS the parties wish to further amend the Agreement to increase the loan advanced to IESO from a principal amount of C$90 million to a principal amount of up to C$120 million and to extend the maturity date of the loan to June 30, 2020, all of which is to be evidenced through the the issuance of a Fifth Refinancing Note.

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and sufficiency of which are hereby acknowledged by each party), the parties agree as follows:

1. **Defined Terms**

Capitalized terms used in this Amending Agreement and not otherwise defined herein have the meanings specified in the Agreement.

2. **Amendments to Agreement**

(a) Definition of "Loan" in the Agreement is deleted.

(b) Article 1a (The Loan) of the Agreement is deleted in its entirety and replaced with the following:

Article 1a $30 Million Advance

Section 1a.1

Effective April 30, 2017, OEFC will make an advance to IESO in the amount of $30 million (the "$30 Million Advance"). IESO directs OEFC to apply, and OEFC agrees to apply, the $30 Million Advance, first to repay Advances Outstanding (as such term is defined in the Revolving Credit Facility Agreement), if any, under the Revolving Credit Facility Agreement, with any amount remaining out of the $30 Million Advance after repaying all Advances Outstanding to be used by IESO for the purpose of funding new IESO capital expenditures.

(c) The following sections are added to the Agreement following Section 2.15:

" Section 2.16 Fifth Refinancing Note

On April 30, 2017, IESO shall execute and deliver to OEFC a promissory note in the form attached as Schedule 1 (the "Fifth Refinancing Note") which shall be in an aggregate principal amount equal to $120 million, dated as of April 30, 2017 and maturing on June 30, 2020 and bearing interest at a per annum rate equal to the Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020, as determined by the Chief Executive Officer of OEFC or the Chief Operating Officer of OEFC, or by a person designated by either of them, plus fifty basis points (0.50%) (after as well as before default or judgment, with interest on the amounts in default at the same rate). Upon receipt of the Fifth Refinancing Note by OEFC, the Fourth Refinancing Note dated April 30, 2014 shall be of no further force or effect and shall be returned by OEFC to IESO marked "cancelled".

For greater clarity, the Fifth Refinancing Note shall evidence the indebtedness of IESO to OEFC in respect of the principal amount of $90 million under the Fourth Refinancing Note ("Part A") and the additional $30 Million Advance ("Part B"), for a total aggregate principal amount of $120 million.

Notwithstanding Section 1.5 herein, the interest rate on the Fifth Refinancing Note shall be set on Monday, May 1, 2017, with interest accruing on Part A commencing on Sunday, April 30, 2017, and interest accruing on Part B commencing on Monday, May 1, 2017.

Section 2.17 Interest on Fifth Refinancing Note

Notwithstanding Section 1.5 herein, interest on the Fifth Refinancing Note at the rate specified in Section 2.16 shall accrue daily and shall be payable in equal semi-annual instalments on June 30 and December 31(each an "Interest Payment Date"), provided however that the calculation of the amount of the first such interest payment for Part A shall be in respect only of the period from and including April 30, 2017 to but excluding June 30, 2017, and for Part B in respect only of the period from May 1, 2017 to but excluding June 30, 2017.

For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under the Fifth Refinancing Note for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period."

3. **Reference to and Effect on the Agreement.**

On and after this date, each reference in the Agreement to "this Agreement" and each reference to the Agreement in any and all other agreements, documents and instruments delivered by IESO and OEFC shall mean and be a reference to the Agreement as amended by this Amending Agreement. On and after this date, each reference in the Agreement to either "the Note" or "the New Note" and each reference to either "the Note" or "the New Note" in any and all other agreements, documents and instruments delivered by IESO and OEFC shall mean and be a reference to the Fifth Refinancing Note.

4. **Governing Law**

This Amending Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

5. **Counterparts**

This Amending Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.

6. **Enurement**

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

IN ALL OTHER RESPECTS, the Agreement is confirmed by the parties.

IN WITNESS WHEREOF the parties have executed and delivered this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

SCHEDULE 1
FORM OF FIFTH REFINANCING NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

NOTE

Aggregate Principal Amount: $120 million, consisting of: a Part A amount of $90 million ("Part A"), whereon interest accrues commencing on April 30, 2017, and a Part B amount of $30 million ("Part B"), whereon interest accrues commencing on May 1, 2017.

Date: April 30, 2017

Interest Rate: (Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020 + 50 basis points)

Due: June 30, 2020

FOR VALUE RECEIVED, the INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO") existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, PROMISES TO PAY to or to the order of ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC") at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of $120 million in lawful money of Canada, with interest on such amount at the rate, calculated in the manner and payable at the times specified in this Note.

The principal amount of this Note together with all interest accrued thereon shall become due and payable on June 30, 2020.

The principal amount of this Note remaining from time to time unpaid and outstanding shall bear interest from the date of this Note both before and after maturity and both before and after default at the rate per annum equal to the Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020, as determined by the Chief Executive Officer of OEFC or the Chief Operating Officer of OEFC, or by a person designated by either of them, plus fifty basis points (0.50%). Interest at such rate shall accrue daily and shall be payable in arrears in equal semi-annual instalments on June 30 and December 31 (each an "Interest Payment Date") commencing June 30, 2017, provided however that the calculation of the amount of the first such interest payment for Part A shall be in respect only of the period from and including April 30, 2017 to but excluding June 30, 2017, and for Part B in respect only of the period from and including May 1, 2017 to but excluding June 30, 2017.

For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Note for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of an agreement providing for the issuance of a note dated April 1, 1999 between the IESO and OEFC and amended by an amending agreement dated March 23, 2000, an amending agreement dated April 23, 2009, an amending agreement dated May 1, 2011, an amending agreement dated May 1, 2013, an amending agreement dated April 30, 2014, and an amending agreement dated April 30, 2017 (as so amended, the "Agreement"), which Agreement provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

AMENDING AGREEMENT NO. 6

This Amending Agreement is effective as of the 30 day of April, 2017.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011, Amending Agreement No. 3 dated April 30, 2013, Amending Agreement No. 4 dated April 30, 2014 and Amending Agreement No. 5 dated December 19, 2014 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $95 million.

AND WHEREAS IESO and OEFC wish to amend the Agreement to increase the revolving line of credit from a principal amount of CDN $95 million to a principal amount of up to CDN $160 million to provide funding for IESO Corporate Requirements (as defined herein);

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for an extension of the mandatory repayment date established in the Agreement to June 30, 2020;

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for the ability for Advances to be made on any business day up to a maximum of 12 times per year;

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. Section 1.1 Definitions of the Agreement is amended as follows:

   i) The definition of "Amalgamation" is deleted.

   ii) The definition of "Commitment" is deleted and replaced with:

   "Commitment" means, at any time, an amount equal to the principal amount of One Hundred and Sixty Million Dollars.

   iii) A definition of "IESO Corporate Requirements" is added as follows:

   "IESO Corporate Requirements" means any borrowing purposes authorized by O. Reg. 280/14 made under the *Electricity Act, 1998* (as such regulation may be amended or

replaced from time to time), other than for funding liquidity requirements relating to the settlement of the Ontario wholesale electricity markets.

iv) A definition of "Ontario's Fair Hydro Plan" is added as follows:

"Ontario's Fair Hydro Plan" means the plan announced March 2, 2017 by the Government of Ontario to affect the Ontario Energy Board's setting of electricity prices for certain Ontario consumers of electricity, which plan is referred to in the Ontario Energy Board's report dated April 20, 2017 and titled "Regulated Price Plan Price Report – May 1, 2017 to April 30, 2018", and including all relevant developments in or changes to such plan from time to time.

v) The definition of "New IESO" is deleted.

vi) The definition of "Note" is deleted and replaced with:

"Note" means the $160 Million Note issued pursuant to Section 2 of Amending Agreement No. 6 dated as of the 30th day of April, 2017.

vii) The definition of "OPA" is deleted.

viii) The definition of "Pre-Amalgamation IESO" is deleted.

2. IESO shall execute and deliver to OEFC a grid promissory note in the form attached as Schedule I hereto which shall be in an aggregate principal amount of up to One Hundred and Sixty Million Dollars (the "$160 Million Note") dated April 30, 2017 and on which shall be recorded the Advances Outstanding under the grid promissory note delivered pursuant to Amending Agreement No. 4. Upon receipt by OEFC of the $160 Million Note dated April 30, 2017, the $95 Million Note dated April 30, 2014 shall be of no further force and effect and shall be returned to the IESO marked "cancelled".

3. Section 2.3 of the Agreement is deleted and replaced by the following:

Section 2.3 Use of Proceeds

IESO shall use the proceeds of Advances for the funding of IESO Corporate Requirements.

4. Section 2.4 of the Agreement is deleted and replaced by the following:

Section 2.4 Mandatory Repayment.

Subject to Sections 3.5 and 5.2 of this Agreement, IESO shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, in full on or before June 30, 2020.

5. Section 3.1 of the Agreement is deleted and replaced by the following:

Section 3.1 Advances.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO under the Credit Facility on any Business Day in a month up to twelve (12) times per annum from and including May 1, 2017 to and including May 29, 2020

6. Paragraph 3.6(c) of the Agreement is deleted and replaced by the following:
   (c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO, provided however that any adverse change in IESO's financial condition related to or resulting from the discharge by IESO of its responsibilities under Ontario's Fair Hydro Plan shall be deemed not to be a material adverse change for the purposes of this Section; and

7. The Form of Borrowing Notice is deleted and replaced with the Form of Borrowing Notice attached hereto as Schedule 1.

8. This Amending Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

SCHEDULE 1

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $160,000,000 Date: 30 April, 2017

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("**IESO**"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid **("Grid")** attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No. 1 dated July 21, 2010, by Amending Agreement No. 2 dated October 14, 2011, by Amending Agreement No. 3 dated April 30, 2013, by Amending Agreement No. 4 dated April 30, 2014, by Amending Agreement No. 5 dated December 19, 2014, and by Amending Agreement No. 6 dated April 30, 2017 (collectively the "Agreement").

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before June 30, 2020.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance or part of an Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be p*rima facie* evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Agreement. All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment, demand, protest, notice of dishonour and notice

of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

(Revolving Credit Facility April 30, 2017)

DATE	PRINCIPAL ADVANCED	RATE	REPAYMENT DATE	INTEREST AMOUNT	AMOUNT OF PAYMENT		UNPAID BALANCE			NOTATION MADE BY
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	REFINANCED (AMOUNT & DATE)	

From: Lisa Stein
To: Ryan Blackbyrne
Cc: Sarah Harris; Jean-Francois Beaupre
Subject: RE: IESO - OEFC Nov 7
Date: Tuesday, November 28, 2017 5:05:48 PM

Hi Ryan,

For ease of reference, can you please send me the original two agreements?

Thank you,

Lisa

Lisa N. Stein
Legal Counsel
Ontario Financing Authority
416-325-2320

****
This message, including any attachments, is intended only for the use of the individual(s) to which it is addressed and contains information that is privileged/confidential. Any other distribution, copying or disclosure is strictly prohibited. If you are not the intended recipient or have received this message in error, please notify the sender immediately by reply e-mail and permanently delete this message, including any attachments, without reading it or making a copy. Thank you.
****

From: Ryan Blackbyrne
Sent: Tuesday, November 28, 2017 1:30 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Subject: RE: IESO - OEFC Nov 7

Hi All,

Please let me know your comments.

Thank You,

Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M7A 1Y7
416-325-8143
ryan.blackbyrne@ofina.on.ca

From: Lisa Stein
Sent: Monday, November 27, 2017 5:23 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO - OEFC Nov 7

Thank you for clarifying this Ryan. I'll wait for your drafts for review.

Lisa

From: Ryan Blackbyrne
Sent: Monday, November 27, 2017 3:05 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: IESO - OEFC Nov 7

Hi Lisa,

Please see below the original email we received from Anthony at IESO in early November. As you can see at this time his suggestion was to "copy and paste the salient sections" from the IESO-OFA agreements that were updated for the fair hydro plan into the amendments to the IESO-OEFC agreements. In his email Anthony referenced both the 'Permitted Lien' and 'Intercept Provision' sections, but we have since agreed the intercept provision will not be included in the IESO-OEFC amending agreements. We are still waiting for final sign-off from Gadi, Ron and Mike on whether we can include the permitted-Lien language from the IESO-OFA amending agreements into the IESO-OEFC amending agreements.

Thank You,
Ryan

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Tuesday, November 07, 2017 4:07 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>
Subject: IESO - OEFC Nov 7

Ryan,

As discussed with Will today, I understand you will be co-ordinating the proposed 2 amendments to the existing IESO-OEFC credit facilities.

For starters, there are no expected changes being asked to the existing agreement's key business content (e.g. amounts, dates, interest, notices etc.), rather given that IESO-OFA have just finished

two new agreements pertaining to the new fair hydro program, ….I suggest we just copy and paste the salient sections from these agreements that would now be relevant to the OEFC agreements for fair hydro namely;

1.DRAFT
The definition of "Permitted Liens" is amended by deleting the word "and" at the end of subsection (xx); replacing the "." at the end of subsection (xx) and replacing it with "; and" ; and adding the following subsection (xx):
"(xx) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

2.DRAFT
The OFA agreements had required an intercept provision, …..not sure if the same applies to OEFC if yes:

"Section 5.7 Intercept
(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of November 6th , 2017 herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the Capital Investment Plan Act, 1993 (the "Intercept Letter"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("Appropriated Funds"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("Intercept").
(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.
(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.
(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail."

3.
If any… other relevant updates that make sense to do now……I do not anticipate any material ones.

We need your support to expedite the above in order to avoid delays in the Fair Hydro implementation.
Regards.

This e-mail message and any files transmitted with it are intended only for the named recipient(s) above and may contain information that is privileged, confidential and/or exempt from disclosure under applicable law. If you are not the intended recipient(s), any dissemination, distribution or copying of this e-mail message or any files transmitted with it is strictly prohibited. If you have received this message in error, or are not the named recipient(s), please notify the sender immediately and delete this e-mail message.

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Date: Tuesday, November 28, 2017 5:05:48 PM

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Lisa N. Stein
Legal Counsel
Ontario Financing Authority
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Thank You,

Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M7A 1Y7
416-325-8143
ryan.blackbyrne@ofina.on.ca

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Ryan

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Sent: Tuesday, November 07, 2017 4:07 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
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Subject: IESO - OEFC Nov 7

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1.DRAFT

The definition of "Permitted Liens" is amended by deleting the word "and" at the end of subsection (xx); replacing the "." at the end of subsection (xx) and replacing it with "; and" ; and adding the following subsection (xx):

"(xx) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

2.DRAFT

The OFA agreements had required an intercept provision, …..not sure if the same applies to OEFC if yes:

"Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of November 6th , 2017 herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the Capital Investment Plan Act, 1993 (the "Intercept Letter"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("Appropriated Funds"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated

Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("Intercept").
(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.
(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.
(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.
The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail."
3.
If any… other relevant updates that make sense to do now……I do not anticipate any material ones.
We need your support to expedite the above in order to avoid delays in the Fair Hydro implementation.
Regards.
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From:	Ryan Blackbyrne
To:	Lisa Stein
Cc:	Sarah Harris; Jean-Francois Beaupre
Subject:	RE: IESO - OEFC Nov 7
Date:	Tuesday, November 28, 2017 1:29:41 PM
Attachments:	$120M Note - amending agreement no.7 (blackline to no.6).docx $120M Note - amending agreement no.7 (clean).docx $160M revolving credit - amending agreement no.7 (blackline to no.6).docx $160M revolving credit - amending agreement no.7 (clean).docx

---

Hi All,
Please let me know your comments.
Thank You,
Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M7A 1Y7
416-325-8143
ryan.blackbyrne@ofina.on.ca

From: Lisa Stein
Sent: Monday, November 27, 2017 5:23 PM
To: Ryan Blackbyrne
Cc: Sarah Harris
Subject: RE: IESO - OEFC Nov 7
Thank you for clarifying this Ryan. I'll wait for your drafts for review.
Lisa

From: Ryan Blackbyrne
Sent: Monday, November 27, 2017 3:05 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: IESO - OEFC Nov 7
Hi Lisa,
Please see below the original email we received from Anthony at IESO in early November. As you can see at this time his suggestion was to "copy and paste the salient sections" from the IESO-OFA agreements that were updated for the fair hydro plan into the amendments to the IESO-OEFC agreements. In his email Anthony referenced both the 'Permitted Lien' and 'Intercept Provision' sections, but we have since agreed the intercept provision will not be included in the IESO-OEFC amending agreements. We are still waiting for final sign-off from Gadi, Ron and Mike on whether we can include the permitted-Lien language from the IESO-OFA amending agreements into the IESO-OEFC amending agreements.
Thank You,
Ryan

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Tuesday, November 07, 2017 4:07 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>

Cc: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>
Subject: IESO - OEFC Nov 7

Ryan,

As discussed with Will today, I understand you will be co-ordinating the proposed 2 amendments to the existing IESO-OEFC credit facilities.

For starters, there are no expected changes being asked to the existing agreement's key business content (e.g. amounts, dates, interest, notices etc.), rather given that IESO-OFA have just finished two new agreements pertaining to the new fair hydro program, ….I suggest we just copy and paste the salient sections from these agreements that would now be relevant to the OEFC agreements for fair hydro namely;

1.DRAFT

The definition of "Permitted Liens" is amended by deleting the word "and" at the end of subsection (xx); replacing the "." at the end of subsection (xx) and replacing it with "; and" ; and adding the following subsection (xx):

"(xx) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

2.DRAFT

The OFA agreements had required an intercept provision, …..not sure if the same applies to OEFC if yes:

"Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of November 6th , 2017 herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the Capital Investment Plan Act, 1993 (the "Intercept Letter"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("Appropriated Funds"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("Intercept").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall

be deducted from the Appropriated Funds and paid to the OFA.
(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.
The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail."
3.
If any… other relevant updates that make sense to do now……I do not anticipate any material ones.
We need your support to expedite the above in order to avoid delays in the Fair Hydro implementation.
Regards.
This e-mail message and any files transmitted with it are intended only for the named recipient(s) above and may contain information that is privileged, confidential and/or exempt from disclosure under applicable law. If you are not the intended recipient(s), any dissemination, distribution or copying of this e-mail message or any files transmitted with it is strictly prohibited. If you have received this message in error, or are not the named recipient(s), please notify the sender immediately and delete this e-mail message.

AMENDING AGREEMENT NO. 6

This Amending Agreement is made as of the 30th day of April, 2017 between:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")

WHEREAS IESO and OEFC have entered into an agreement providing for the Issuance of a Note dated April 1, 1999 (the "Original Agreement");

AND WHEREAS pursuant to amending agreements dated March 23, 2000, April 23, 2009, May 1, 2011, May 1, 2013, ~~and~~ April 30, 2014 and April 30, 2017 the parties amended the Original Agreement (as so amended, the "Agreement");

~~**AND WHEREAS** the parties wish to further amend the Agreement to increase the loan advanced to IESO from a principal amount of C$90 million to a principal amount of up to C$120 million and to extend the maturity date of the loan to June 30, 2020, all of which is to be evidenced through the the issuance of a Fifth Refinancing Note.~~

AND WHEREAS the parties wish to now amend the Agreement to change the definition of "Permitted Liens" to accommodate IESO's role and obligations under the Ontario Fair Hydro Plan (OFHP).

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and sufficiency of which are hereby acknowledged by each party), the parties agree as follows:

1. Section 1.1 Definitions of the Agreement is amended as follows:

The definition of Ontario Fair Hydro Plan "OFHP" is added under Section 1.1:

"OFHP" means the Ontario Fair Hydro Plan Act, 2017, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

The definition of "Permitted Liens" is amended by deleting the word "and" at the end of subsection (1.1.J); replacing the "." at the end of subsection (1.1.K) and replacing it with "and"; and adding the following subsection (1.1.L):

"(1.1.L) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts

received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

IN ALL OTHER RESPECTS, the Agreement is confirmed by the parties.

IN WITNESS WHEREOF the parties have executed and delivered this Amending Agreement as of the date first written above.

~~**1. Defined Terms**~~

~~Capitalized terms used in this Amending Agreement and not otherwise defined herein have the meanings specified in the Agreement.~~

~~**2. Amendments to Agreement**~~

~~(a) Definition of "Loan" in the Agreement is deleted.~~

~~(b) Article 1a (The Loan) of the Agreement is deleted in its entirety and replaced with the following:~~

~~**Article 1a $30 Million Advance**~~

~~Section 1a.1~~

~~Effective April 30, 2017, OEFC will make an advance to IESO in the amount of $30 million (the "$30 Million Advance"). IESO directs OEFC to apply, and OEFC agrees to apply, the $30 Million Advance, first to repay Advances Outstanding (as such term is defined in the Revolving Credit Facility Agreement), if any, under the Revolving Credit Facility Agreement, with any amount remaining out of the $30 Million Advance after repaying all Advances Outstanding to be used by IESO for the purpose of funding new IESO capital expenditures.~~

~~(c) The following sections are added to the Agreement following Section 2.15:~~

~~**Section 2.16 Fifth Refinancing Note**~~

~~On April 30, 2017, IESO shall execute and deliver to OEFC a promissory note in the form attached as Schedule 1 (the "Fifth Refinancing Note") which shall be in an aggregate principal amount equal to $120 million, dated as of April 30, 2017 and maturing on June 30, 2020 and bearing interest at a per annum rate equal to the Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020, as determined by the Chief Executive Officer of OEFC or the Chief Operating Officer of OEFC, or by a person designated by either of them, plus fifty basis points (0.50%) (after~~

as well as before default or judgment, with interest on the amounts in default at the same rate). Upon receipt of the Fifth Refinancing Note by OEFC, the Fourth Refinancing Note dated April 30, 2014 shall be of no further force or effect and shall be returned by OEFC to IESO marked "cancelled".

For greater clarity, the Fifth Refinancing Note shall evidence the indebtedness of IESO to OEFC in respect of the principal amount of $90 million under the Fourth Refinancing Note ("Part A") and the additional
$30 Million Advance ("Part B"), for a total aggregate principal amount of
$120 million.
Notwithstanding Section 1.5 herein, the interest rate on the Fifth Refinancing Note shall be set on Monday, May 1, 2017, with interest accruing on Part A commencing on Sunday, April 30, 2017, and interest accruing on Part B commencing on Monday, May 1, 2017.

Section 2.17 Interest on Fifth Refinancing Note

Notwithstanding Section 1.5 herein, interest on the Fifth Refinancing Note at the rate specified in Section 2.16 shall accrue daily and shall be payable in equal semi-annual instalments on June 30 and December 31(each an "Interest Payment Date"), provided however that the calculation of the amount of the first such interest payment for Part A shall be in respect only of the period from and including April 30, 2017 to but excluding June 30, 2017, and for Part B in respect only of the period from May 1, 2017 to but excluding June 30, 2017.

For the purposes of disclosure pursuant to the Interest Act (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under the Fifth Refinancing Note for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period."

2. Reference to and Effect on the Agreement.

On and after this date, each reference in the Agreement to "this Agreement" and each reference to the Agreement in any and all other agreements, documents and instruments delivered by IESO and OEFC shall mean and be a reference to the Agreement as amended by this Amending Agreement. On and after this date, each reference in the Agreement to either "the Note" or "the New Note" and each reference to either "the Note" or "the New Note" in any and all other agreements, documents and instruments delivered by IESO and OEFC shall mean and be a reference to the Fifth Refinancing Note.

4. Governing Law

This Amending Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

~~5. Counterparts~~

~~This Amending Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.~~

~~**6. Enurement**~~

~~This Amending Agreement shall be binding upon and shall enure to the benefit of the parties and their respective successors and permitted assigns.~~

IN ALL OTHER RESPECTS, the Agreement is confirmed by the parties.

IN WITNESS WHEREOF the parties have executed and delivered this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael Manning
Title: Chief Operating Officer

SCHEDULE 1

FORM OF FIFTH REFINANCING NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

NOTE

Aggregate Principal Amount: $120 million, consisting of: a Part A amount of $90 million ("Part A"), whereon interest accrues commencing on April 30, 2017, and a Part B amount of $30 million ("Part B"), whereon interest accrues commencing on May 1, 2017.

Date: April 30, 2017

Interest Rate: (Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020 + 50 basis points)

Due: June 30, 2020

FOR VALUERECEIVED, the INDEPENDENT ELECTRICITY SYSTEMOPERATOR ("IESO") existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, PROMISES TO PAY to or to the order of ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC") at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of $120 million in lawful money of Canada, with interest on such amount at the rate, calculated in the manner and payable at the times specified in this Note.

The principal amount of this Note together with all interest accrued thereon shall become due and payable on June 30, 2020.

The principal amount of this Note remaining from time to time unpaid and outstanding shall bear interest from the date of this Note both before and after maturity and both before and after default at the rate per annum equal to the Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020, as determined by the Chief Executive Officer of OEFC or the Chief Operating Officer of OEFC, or by a person designated by either of them, plus fifty basis points (0.50%). Interest at such rate shall accrue daily and shall be payable in arrears in equal semi-annual instalments on June 30 and December 31 (each an "Interest Payment Date") commencing June 30, 2017, provided however that the calculation of the amount of the first such interest payment for Part A shall be in respect only of the period from and including April 30, 2017 to but excluding June 30, 2017, and for Part B in respect only of the period from and including May 1, 2017 to but excluding June 30, 2017.

For the purposes of disclosure pursuant to the Interest Act (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Note for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of an agreement providing for the issuance of a note dated April 1, 1999 between the IESO and OEFC and amended by an amending agreement dated March 23, 2000, an amending agreement dated April 23, 2009, an amending agreement dated May 1, 2011, an amending agreement dated May 1, 2013, an amending agreement dated April 30, 2014, and an amending agreement dated April 30, 2017 (as so amended, the "Agreement"), which Agreement provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESQ waives presentment for payment and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

AMENDING AGREEMENT NO. 7

This Amending Agreement is made as of the • day of •, 2017 between:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")

WHEREAS IESO and OEFC have entered into an agreement providing for the issuance of a Note dated April 1, 1999 (the "Original Agreement");

AND WHEREAS pursuant to amending agreements dated March 23, 2000, April 23, 2009, May 1, 2011, May 1, 2013, April 30, 2014 and April 30, 2017 the parties amended the Original Agreement (as so amended, the "Agreement");

AND WHEREAS the parties wish to now amend the Agreement to change the definition of “Permitted Liens” to accommodate IESO’s role and obligations under the Ontario Fair Hydro Plan (OFHP).

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and sufficiency of which are hereby acknowledged by each party), the parties agree as follows:

1. Section 1.1 Definitions of the Agreement is amended as follows:

The definition of Ontario Fair Hydro Plan “OFHP” is added under Section 1.1:

“OFHP” means the Ontario Fair Hydro Plan Act, 2017, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

The definition of “Permitted Liens” is amended by deleting the word “and” at the end of subsection (1.1.J); replacing the “.” at the end of subsection (1.1.K) and replacing it with “and”; and adding the following subsection (1.1.L):

“(1.1.L) any Lien arising from the IESO’s role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.”

IN ALL OTHER RESPECTS, the Agreement is confirmed by the parties.

IN WITNESS WHEREOF the parties have executed and delivered this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael Manning
Title: Chief Operating Officer

SCHEDULE 1

FORM OF FIFTH REFINANCING NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

NOTE

Aggregate Principal Amount: $120 million, consisting of: a Part A amount of $90 million ("Part A"), whereon interest accrues commencing on April 30, 2017, and a Part B amount of $30 million ("Part B"), whereon interest accrues commencing on May 1, 2017.

Date: April 30, 2017

Interest Rate: (Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020 + 50 basis points)

Due: June 30, 2020

FOR VALUE RECEIVED, the INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO") existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, PROMISES TO PAY to or to the order of ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC") at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of $120 million in lawful money of Canada, with interest on such amount at the rate, calculated in the manner and payable at the times specified in this Note.

The principal amount of this Note together with all interest accrued thereon shall become due and payable on June 30, 2020.

The principal amount of this Note remaining from time to time unpaid and outstanding shall bear interest from the date of this Note both before and after maturity and both before and after default at the rate per annum equal to the Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020, as determined by the Chief Executive Officer of OEFC or the Chief Operating Officer of OEFC, or by a person designated by either of them, plus fifty basis points (0.50%). Interest at such rate shall accrue daily and shall be payable in arrears in equal semi-annual instalments on June 30 and December 31 (each an "Interest Payment Date") commencing June 30, 2017, provided however that the calculation of the amount of the first such interest payment for Part A shall be in respect only of the period from and including April 30, 2017 to but excluding June 30, 2017, and for Part B in respect only of the period from and including May 1, 2017 to but excluding June 30, 2017.

For the purposes of disclosure pursuant to the Interest Act (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Note for any period of less than a year

may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of an agreement providing for the issuance of a note dated April 1, 1999 between the IESO and OEFC and amended by an amending agreement dated March 23, 2000, an amending agreement dated April 23, 2009, an amending agreement dated May 1, 2011, an amending agreement dated May 1, 2013, an amending agreement dated April 30, 2014, and an amending agreement dated April 30, 2017 (as so amended, the "Agreement"), which Agreement provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESQ waives presentment for payment and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

AMENDING AGREEMENT NO. ~~6~~7

This Amending Agreement is effective as of the •~~30~~ day of •~~April~~, 2017.

BETWEEN: INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")

as Borrower

AND: ONTARIO ELECTRICITY FINANCIAL ~~–~~CORPORATION ("OEFC")

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011, Amending Agreement No. 3 dated April 30, 2013, Amending Agreement No. 4 dated April 30, 2014, ~~and~~ Amending Agreement No. 5 dated December 19, 2014 and Amending Agreement No. 6 dated April 30, 2017 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $~~95~~ 160 million.

~~**AND WHEREAS** IESO and OEFC wish to amend the Agreement to increase the revolving line of credit from a principal amount of CDN $95 million to a principal amount of up to CDN $160 million to provide funding for IESO Corporate Requirements (as defined herein);~~

~~**AND WHEREAS** IESO and OEFC wish to amend the Agreement to provide for an extension of the mandatory repayment date established in the Agreement to June 30, 2020;~~

~~**AND WHEREAS** IESO and OEFC wish to amend the Agreement to provide for the ability for Advances to be made on any business day up to a maximum of 12 times per year;~~

AND WHEREAS the parties wish to now amend the Agreement to change the definition of "Permitted Liens" to accommodate IESO's role and obligations under the Ontario Fair Hydro Plan (OFHP).

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as ~~–~~follows:

1. Section 1.1 Definitions of the Agreement is amended as follows:

The definition of Ontario Fair Hydro Plan "OFHP" is added under Section 1.1:

"OFHP" means the Ontario Fair Hydro Plan Act, 2017, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

The definition of "Permitted Liens" is amended by deleting the word "and" at the end of subsection (1.1.J); replacing the "." at the end of subsection (1.1.J) and replacing it with "and"; and adding the following subsection (1.1.L):

"(1.1.L) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

~~i) The definition of "Amalgamation" is deleted.~~

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael Manning
Title: Chief Operating Officer

SCHEDULE 1

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $160,000,000 Date: 30 April, 2017

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the

order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid ("Grid") attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement dated April 23,2010, as amended by Amending Agreement No. 1 dated July 21, 2010, by Amending Agreement No. 2 dated October 14, 2011, by Amending Agreement No. 3 dated April 30, 2013, by Amending Agreement No. 4 dated April 30, 2014, by Amending Agreement No. 5 dated December 19, 2014, ~~and~~ by Amending Agreement No. 6 dated April 30, 2017, and by Amending Agreement No. 7 dated •, •, 2017 (collectively the "Agreement").

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before June 30, 2020.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance or part of an Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be prima facie evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Agreement. All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO. IESO waives presentment for payment, demand, protest, notice of dishonour and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall

Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

(Revolving Credit Facility April 30, 2017)

DATE	PRINCIPAL ADVANCED	RATE	REPAYMENT DATE	INTEREST AMOUNT	AMOUNT OF PAYMENT		UNPAID BALANCE			NOTATION MADE BY
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	REFINANCED (AMOUNT & DATE)	

AMENDING AGREEMENT NO. 7

This Amending Agreement is effective as of the • day of •, 2017.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011, Amending Agreement No. 3 dated April 30, 2013, Amending Agreement No. 4 dated April 30, 2014, Amending Agreement No. 5 dated December 19, 2014 and Amending Agreement No. 6 dated April 30, 2017 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $160 million.

AND WHEREAS the parties wish to now amend the Agreement to change the definition of “Permitted Liens” to accommodate IESO’s role and obligations under the Ontario Fair Hydro Plan “OFHP”.

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. Section 1.1 Definitions of the Agreement is amended as follows:

The definition of Ontario Fair Hydro Plan “OFHP” is added under Section 1.1:

“OFHP” means the Ontario Fair Hydro Plan Act, 2017, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

The definition of “Permitted Liens” is amended by deleting the word “and” at the end of subsection (1.1.J); replacing the “.” at the end of subsection (1.1.K) and replacing it with “and”; and adding the following subsection (1.1.L):

“(1.1.L) any Lien arising from the IESO’s role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.”

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael Manning
Title: Chief Operating Officer

SCHEDULE 1

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $160,000,000 Date: 30 April, 2017

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid **("Grid")** attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No. 1 dated July 21, 2010, by Amending Agreement No. 2 dated October 14, 2011, by Amending Agreement No. 3 dated April 30, 2013, by Amending Agreement No. 4 dated April 30, 2014, by Amending Agreement No. 5 dated December 19, 2014, by Amending Agreement No. 6 dated April 30, 2017, and by Amending Agreement No. 7 dated •, •, 2017 (collectively the "Agreement").

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before June 30, 2020.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance or part of an Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be prima facie evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Agreement. All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO. IESO waives presentment for payment, demand, protest, notice of dishonour and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

(Revolving Credit Facility April 30, 2017)

DATE	PRINCIPAL ADVANCED	RATE	REPAYMENT DATE	INTEREST AMOUNT	AMOUNT OF PAYMENT		UNPAID BALANCE			NOTATION MADE BY
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	REFINANCED (AMOUNT & DATE)	

From:	Ryan Blackbyrne
To:	Lisa Stein
Cc:	Sarah Harris; Jean-Francois Beaupre
Subject:	RE: IESO - OEFC Nov 7
Date:	Tuesday, November 28, 2017 1:29:41 PM
Attachments:	$120M Note - amending agreement no.7 (blackline to no.6).docx $120M Note - amending agreement no.7 (clean).docx $160M revolving credit - amending agreement no.7 (blackline to no.6).docx $160M revolving credit - amending agreement no.7 (clean).docx

Hi All,

Please let me know your comments.

Thank You,

Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M7A 1Y7
416-325-8143
ryan.blackbyrne@ofina.on.ca

From: Lisa Stein
Sent: Monday, November 27, 2017 5:23 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO - OEFC Nov 7

Thank you for clarifying this Ryan. I'll wait for your drafts for review.

Lisa

From: Ryan Blackbyrne
Sent: Monday, November 27, 2017 3:05 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: IESO - OEFC Nov 7

Hi Lisa,

Please see below the original email we received from Anthony at IESO in early November. As you can see at this time his suggestion was to "copy and paste the salient sections" from the IESO-OFA agreements that were updated for the fair hydro plan into the amendments to the IESO-OEFC agreements. In his email Anthony referenced both the 'Permitted Lien' and 'Intercept Provision'

sections, but we have since agreed the intercept provision will not be included in the IESO-OEFC amending agreements. We are still waiting for final sign-off from Gadi, Ron and Mike on whether we can include the permitted-Lien language from the IESO-OFA amending agreements into the IESO-OEFC amending agreements.

Thank You,
Ryan

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Tuesday, November 07, 2017 4:07 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>
Subject: IESO - OEFC Nov 7

Ryan,

As discussed with Will today, I understand you will be co-ordinating the proposed 2 amendments to the existing IESO-OEFC credit facilities.

For starters, there are no expected changes being asked to the existing agreement's key business content (e.g. amounts, dates, interest, notices etc.), rather given that IESO-OFA have just finished two new agreements pertaining to the new fair hydro program, ….I suggest we just copy and paste the salient sections from these agreements that would now be relevant to the OEFC agreements for fair hydro namely;

1.DRAFT
The definition of "Permitted Liens" is amended by deleting the word "and" at the end of subsection (xx); replacing the "." at the end of subsection (xx) and replacing it with "; and" ; and adding the following subsection (xx):
"(xx) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

2.DRAFT
The OFA agreements had required an intercept provision, …..not sure if the same applies to OEFC if yes:

"Section 5.7 Intercept
(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of November 6th , 2017 herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the Capital Investment Plan Act, 1993 (the "Intercept Letter"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("Appropriated Funds"), amounts equal to any amounts

that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("Intercept").
(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.
(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.
(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.
The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail."

3.
If any… other relevant updates that make sense to do now……I do not anticipate any material ones.

We need your support to expedite the above in order to avoid delays in the Fair Hydro implementation.
Regards.

This e-mail message and any files transmitted with it are intended only for the named recipient(s) above and may contain information that is privileged, confidential and/or exempt from disclosure under applicable law. If you are not the intended recipient(s), any dissemination, distribution or copying of this e-mail message or any files transmitted with it is strictly prohibited. If you have received this message in error, or are not the named recipient(s), please notify the sender immediately and delete this e-mail message.

AMENDING AGREEMENT NO. 6

This Amending Agreement is made as of the 30th day of April, 2017 between:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")

WHEREAS IESO and OEFC have entered into an agreement providing for the Issuance of a Note dated April 1, 1999 (the "Original Agreement");

AND WHEREAS pursuant to amending agreements dated March 23, 2000, April 23, 2009, May 1, 2011, May 1, 2013, ~~and~~ April 30, 2014 and April 30, 2017 the parties amended the Original Agreement (as so amended, the "Agreement");

~~**AND WHEREAS** the parties wish to further amend the Agreement to increase the loan advanced to IESO from a principal amount of C$90 million to a principal amount of up to C$120 million and to extend the maturity date of the loan to June 30, 2020, all of which is to be evidenced through the the issuance of a Fifth Refinancing Note.~~

AND WHEREAS the parties wish to now amend the Agreement to change the definition of "Permitted Liens" to accommodate IESO's role and obligations under the Ontario Fair Hydro Plan (OFHP).

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and sufficiency of which are hereby acknowledged by each party), the parties agree as follows:

1. Section 1.1 Definitions of the Agreement is amended as follows:

The definition of Ontario Fair Hydro Plan "OFHP" is added under Section 1.1:

"OFHP" means the Ontario Fair Hydro Plan Act, 2017, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

The definition of "Permitted Liens" is amended by deleting the word "and" at the end of subsection (1.1.J); replacing the "." at the end of subsection (1.1.K) and replacing it with "and"; and adding the following subsection (1.1.L):

"(1.1.L) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts

received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

IN ALL OTHER RESPECTS, the Agreement is confirmed by the parties.

IN WITNESS WHEREOF the parties have executed and delivered this Amending Agreement as of the date first written above.

~~**1. Defined Terms**~~

~~Capitalized terms used in this Amending Agreement and not otherwise defined herein have the meanings specified in the Agreement.~~

~~**2. Amendments to Agreement**~~

~~(a) Definition of "Loan" in the Agreement is deleted.~~

~~(b) Article 1a (The Loan) of the Agreement is deleted in its entirety and replaced with the following:~~

~~**Article 1a $30 Million Advance**~~

~~Section 1a.1~~

~~Effective April 30, 2017, OEFC will make an advance to IESO in the amount of $30 million (the "$30 Million Advance"). IESO directs OEFC to apply, and OEFC agrees to apply, the $30 Million Advance, first to repay Advances Outstanding (as such term is defined in the Revolving Credit Facility Agreement), if any, under the Revolving Credit Facility Agreement, with any amount remaining out of the $30 Million Advance after repaying all Advances Outstanding to be used by IESO for the purpose of funding new IESO capital expenditures.~~

~~(c) The following sections are added to the Agreement following Section 2.15:~~

~~**Section 2.16 Fifth Refinancing Note**~~

~~On April 30, 2017, IESO shall execute and deliver to OEFC a promissory note in the form attached as Schedule 1 (the "Fifth Refinancing Note") which shall be in an aggregate principal amount equal to $120 million, dated as of April 30, 2017 and maturing on June 30, 2020 and bearing interest at a per annum rate equal to the Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020, as determined by the Chief Executive Officer of OEFC or the Chief Operating Officer of OEFC, or by a person designated by either of them, plus fifty basis points (0.50%) (after~~

as well as before default or judgment, with interest on the amounts in default at the same rate). Upon receipt of the Fifth Refinancing Note by OEFC, the Fourth Refinancing Note dated April 30, 2014 shall be of no further force or effect and shall be returned by OEFC to IESO marked "cancelled".

For greater clarity, the Fifth Refinancing Note shall evidence the indebtedness of IESO to OEFC in respect of the principal amount of $90 million under the Fourth Refinancing Note ("Part A") and the additional
$30 Million Advance ("Part B"), for a total aggregate principal amount of
$120 million.
Notwithstanding Section 1.5 herein, the interest rate on the Fifth Refinancing Note shall be set on Monday, May 1, 2017, with interest accruing on Part A commencing on Sunday, April 30, 2017, and interest accruing on Part B commencing on Monday, May 1, 2017.

Section 2.17 Interest on Fifth Refinancing Note

Notwithstanding Section 1.5 herein, interest on the Fifth Refinancing Note at the rate specified in Section 2.16 shall accrue daily and shall be payable in equal semi-annual instalments on June 30 and December 31(each an "Interest Payment Date"), provided however that the calculation of the amount of the first such interest payment for Part A shall be in respect only of the period from and including April 30, 2017 to but excluding June 30, 2017, and for Part B in respect only of the period from May 1, 2017 to but excluding June 30, 2017.

For the purposes of disclosure pursuant to the Interest Act (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under the Fifth Refinancing Note for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period."

2. Reference to and Effect on the Agreement.

On and after this date, each reference in the Agreement to "this Agreement" and each reference to the Agreement in any and all other agreements, documents and instruments delivered by IESO and OEFC shall mean and be a reference to the Agreement as amended by this Amending Agreement. On and after this date, each reference in the Agreement to either "the Note" or "the New Note" and each reference to either "the Note" or "the New Note" in any and all other agreements, documents and instruments delivered by IESO and OEFC shall mean and be a reference to the Fifth Refinancing Note.

4. Governing Law

This Amending Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

~~5. Counterparts~~

~~This Amending Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.~~

~~**6. Enurement**~~

~~This Amending Agreement shall be binding upon and shall enure to the benefit of the parties and their respective successors and permitted assigns.~~

IN ALL OTHER RESPECTS, the Agreement is confirmed by the parties.

IN WITNESS WHEREOF the parties have executed and delivered this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael Manning
Title: Chief Operating Officer

SCHEDULE 1

FORM OF FIFTH REFINANCING NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

NOTE

Aggregate Principal Amount: $120 million, consisting of: a Part A amount of $90 million ("Part A"), whereon interest accrues commencing on April 30, 2017, and a Part B amount of $30 million ("Part B"), whereon interest accrues commencing on May 1, 2017.

Date: April 30, 2017

Interest Rate: (Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020 + 50 basis points)

Due: June 30, 2020

FOR VALUERECEIVED, the INDEPENDENT ELECTRICITY SYSTEMOPERATOR ("IESO") existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, PROMISES TO PAY to or to the order of ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC") at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of $120 million in lawful money of Canada, with interest on such amount at the rate, calculated in the manner and payable at the times specified in this Note.

The principal amount of this Note together with all interest accrued thereon shall become due and payable on June 30, 2020.

The principal amount of this Note remaining from time to time unpaid and outstanding shall bear interest from the date of this Note both before and after maturity and both before and after default at the rate per annum equal to the Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020, as determined by the Chief Executive Officer of OEFC or the Chief Operating Officer of OEFC, or by a person designated by either of them, plus fifty basis points (0.50%). Interest at such rate shall accrue daily and shall be payable in arrears in equal semi-annual instalments on June 30 and December 31 (each an "Interest Payment Date") commencing June 30, 2017, provided however that the calculation of the amount of the first such interest payment for Part A shall be in respect only of the period from and including April 30, 2017 to but excluding June 30, 2017, and for Part B in respect only of the period from and including May 1, 2017 to but excluding June 30, 2017.

For the purposes of disclosure pursuant to the Interest Act (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Note for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of an agreement providing for the issuance of a note dated April 1, 1999 between the IESO and OEFC and amended by an amending agreement dated March 23, 2000, an amending agreement dated April 23, 2009, an amending agreement dated May 1, 2011, an amending agreement dated May 1, 2013, an amending agreement dated April 30, 2014, and an amending agreement dated April 30, 2017 (as so amended, the "Agreement"), which Agreement provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESQ waives presentment for payment and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

AMENDING AGREEMENT NO. 7

This Amending Agreement is made as of the • day of •, 2017 between:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")

WHEREAS IESO and OEFC have entered into an agreement providing for the issuance of a Note dated April 1, 1999 (the "Original Agreement");

AND WHEREAS pursuant to amending agreements dated March 23, 2000, April 23, 2009, May 1, 2011, May 1, 2013, April 30, 2014 and April 30, 2017 the parties amended the Original Agreement (as so amended, the "Agreement");

AND WHEREAS the parties wish to now amend the Agreement to change the definition of “Permitted Liens” to accommodate IESO’s role and obligations under the Ontario Fair Hydro Plan (OFHP).

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and sufficiency of which are hereby acknowledged by each party), the parties agree as follows:

1. Section 1.1 Definitions of the Agreement is amended as follows:

The definition of Ontario Fair Hydro Plan “OFHP” is added under Section 1.1:

“OFHP” means the Ontario Fair Hydro Plan Act, 2017, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

The definition of “Permitted Liens” is amended by deleting the word “and” at the end of subsection (1.1.J); replacing the “.” at the end of subsection (1.1.K) and replacing it with “and”; and adding the following subsection (1.1.L):

“(1.1.L) any Lien arising from the IESO’s role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.”

IN ALL OTHER RESPECTS, the Agreement is confirmed by the parties.

IN WITNESS WHEREOF the parties have executed and delivered this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael Manning
Title: Chief Operating Officer

SCHEDULE 1

FORM OF FIFTH REFINANCING NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

NOTE

Aggregate Principal Amount: $120 million, consisting of: a Part A amount of $90 million ("Part A"), whereon interest accrues commencing on April 30, 2017, and a Part B amount of $30 million ("Part B"), whereon interest accrues commencing on May 1, 2017.

Date: April 30, 2017

Interest Rate: (Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020 + 50 basis points)

Due: June 30, 2020

FOR VALUE RECEIVED, the INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO") existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, PROMISES TO PAY to or to the order of ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC") at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of $120 million in lawful money of Canada, with interest on such amount at the rate, calculated in the manner and payable at the times specified in this Note.

The principal amount of this Note together with all interest accrued thereon shall become due and payable on June 30, 2020.

The principal amount of this Note remaining from time to time unpaid and outstanding shall bear interest from the date of this Note both before and after maturity and both before and after default at the rate per annum equal to the Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020, as determined by the Chief Executive Officer of OEFC or the Chief Operating Officer of OEFC, or by a person designated by either of them, plus fifty basis points (0.50%). Interest at such rate shall accrue daily and shall be payable in arrears in equal semi-annual instalments on June 30 and December 31 (each an "Interest Payment Date") commencing June 30, 2017, provided however that the calculation of the amount of the first such interest payment for Part A shall be in respect only of the period from and including April 30, 2017 to but excluding June 30, 2017, and for Part B in respect only of the period from and including May 1, 2017 to but excluding June 30, 2017.

For the purposes of disclosure pursuant to the Interest Act (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Note for any period of less than a year

may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of an agreement providing for the issuance of a note dated April 1, 1999 between the IESO and OEFC and amended by an amending agreement dated March 23, 2000, an amending agreement dated April 23, 2009, an amending agreement dated May 1, 2011, an amending agreement dated May 1, 2013, an amending agreement dated April 30, 2014, and an amending agreement dated April 30, 2017 (as so amended, the "Agreement"), which Agreement provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESQ waives presentment for payment and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

AMENDING AGREEMENT NO. ~~6~~7

This Amending Agreement is effective as of the •~~30~~ day of •~~April~~, 2017.

BETWEEN: INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")

as Borrower

AND: ONTARIO ELECTRICITY FINANCIAL ~~–~~CORPORATION ("OEFC")

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011, Amending Agreement No. 3 dated April 30, 2013, Amending Agreement No. 4 dated April 30, 2014, ~~and~~ Amending Agreement No. 5 dated December 19, 2014 and Amending Agreement No. 6 dated April 30, 2017 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $~~95~~ 160 million.

~~**AND WHEREAS** IESO and OEFC wish to amend the Agreement to increase the revolving line of credit from a principal amount of CDN $95 million to a principal amount of up to CDN $160 million to provide funding for IESO Corporate Requirements (as defined herein);~~

~~**AND WHEREAS** IESO and OEFC wish to amend the Agreement to provide for an extension of the mandatory repayment date established in the Agreement to June 30, 2020;~~

~~**AND WHEREAS** IESO and OEFC wish to amend the Agreement to provide for the ability for Advances to be made on any business day up to a maximum of 12 times per year;~~

AND WHEREAS the parties wish to now amend the Agreement to change the definition of "Permitted Liens" to accommodate IESO's role and obligations under the Ontario Fair Hydro Plan (OFHP).

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as ~~–~~follows:

1. Section 1.1 Definitions of the Agreement is amended as follows:

The definition of Ontario Fair Hydro Plan "OFHP" is added under Section 1.1:

"OFHP" means the Ontario Fair Hydro Plan Act, 2017, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

The definition of "Permitted Liens" is amended by deleting the word "and" at the end of subsection (1.1.J); replacing the "." at the end of subsection (1.1.J) and replacing it with "and"; and adding the following subsection (1.1.L):

"(1.1.L) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

~~i) The definition of "Amalgamation" is deleted.~~

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael Manning
Title: Chief Operating Officer

SCHEDULE 1

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $160,000,000 Date: 30 April, 2017

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the

order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid ("Grid") attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement dated April 23,2010, as amended by Amending Agreement No. 1 dated July 21, 2010, by Amending Agreement No. 2 dated October 14, 2011, by Amending Agreement No. 3 dated April 30, 2013, by Amending Agreement No. 4 dated April 30, 2014, by Amending Agreement No. 5 dated December 19, 2014, ~~and~~ by Amending Agreement No. 6 dated April 30, 2017, and by Amending Agreement No. 7 dated •, •, 2017 (collectively the "Agreement").

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before June 30, 2020.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance or part of an Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be prima facie evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Agreement. All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO. IESO waives presentment for payment, demand, protest, notice of dishonour and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall

Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

(Revolving Credit Facility April 30, 2017)

DATE	PRINCIPAL ADVANCED	RATE	REPAYMENT DATE	INTEREST AMOUNT	AMOUNT OF PAYMENT		UNPAID BALANCE			NOTATION MADE BY
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	REFINANCED (AMOUNT & DATE)	

AMENDING AGREEMENT NO. 7

This Amending Agreement is effective as of the • day of •, 2017.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011, Amending Agreement No. 3 dated April 30, 2013, Amending Agreement No. 4 dated April 30, 2014, Amending Agreement No. 5 dated December 19, 2014 and Amending Agreement No. 6 dated April 30, 2017 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $160 million.

AND WHEREAS the parties wish to now amend the Agreement to change the definition of “Permitted Liens” to accommodate IESO’s role and obligations under the Ontario Fair Hydro Plan “OFHP”.

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. Section 1.1 Definitions of the Agreement is amended as follows:

The definition of Ontario Fair Hydro Plan “OFHP” is added under Section 1.1:

“OFHP” means the Ontario Fair Hydro Plan Act, 2017, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

The definition of “Permitted Liens” is amended by deleting the word “and” at the end of subsection (1.1.J); replacing the “.” at the end of subsection (1.1.K) and replacing it with “and”; and adding the following subsection (1.1.L):

“(1.1.L) any Lien arising from the IESO’s role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.”

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael Manning
Title: Chief Operating Officer

SCHEDULE 1

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $160,000,000 Date: 30 April, 2017

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid **("Grid")** attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No. 1 dated July 21, 2010, by Amending Agreement No. 2 dated October 14, 2011, by Amending Agreement No. 3 dated April 30, 2013, by Amending Agreement No. 4 dated April 30, 2014, by Amending Agreement No. 5 dated December 19, 2014, by Amending Agreement No. 6 dated April 30, 2017, and by Amending Agreement No. 7 dated •, •, 2017 (collectively the "Agreement").

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before June 30, 2020.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance or part of an Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be prima facie evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Agreement. All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO. IESO waives presentment for payment, demand, protest, notice of dishonour and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By:_____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

(Revolving Credit Facility April 30, 2017)

DATE	PRINCIPAL ADVANCED	RATE	REPAYMENT DATE	INTEREST AMOUNT	AMOUNT OF PAYMENT		UNPAID BALANCE			NOTATION MADE BY
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	REFINANCED (AMOUNT & DATE)	

From:	Ryan Blackbyrne
To:	Lisa Stein
Cc:	Sarah Harris; Jean-Francois Beaupre
Subject:	RE: IESO - OEFC Nov 7
Date:	Wednesday, November 29, 2017 1:10:26 PM
Attachments:	Amending Agreement #1 (Executed).pdf (executed) Amending Agreement No. 2 14-Oct-11.pdf IESO $110 M credit facility Amending Agreement No. 3 (executed copy).PDF IESO Amending Agreement No. 4 (Execution Copy) April 2014.pdf IESO Amending Agreement No 5 (Amalgamation) (Draft).doc Amending Agrt no.6 - Revolving Credit Facility - OEFC_IESO_IESO Signed.pdf

---

Hi Lisa,
Please find attached all previous amending agreements for the original IESO-OEFC revolving credit facility agreement dated April 23, 2010.
Thank You,
Ryan

From: Lisa Stein
Sent: Wednesday, November 29, 2017 12:44 PM
To: Ryan Blackbyrne
Cc: Sarah Harris ; Jean-Francois Beaupre
Subject: RE: IESO - OEFC Nov 7

Hi Ryan,
Can you please send me all previous amending agreements? Have you confirmed that there were no changes made to the items we are currently amending?
Thank you,
Lisa

From: Ryan Blackbyrne
Sent: Wednesday, November 29, 2017 8:55 AM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Subject: RE: IESO - OEFC Nov 7

Hi Lisa,
Are the two original agreements I sent last night what you were looking for or did you also need the original of each amending agreement no. 6? I am attaching them here for you just in case. Please let me know if you need anything else.
Also, so you are aware, IESO had been looking to execute the amending agreements by tomorrow in line with execution with the security agreement - that would be very tight, but if we can get them drafts ASAP, today even, that would be the goal.
Thanks,
Ryan

From: Lisa Stein
Sent: Tuesday, November 28, 2017 5:06 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Subject: RE: IESO - OEFC Nov 7

Hi Ryan,

For ease of reference, can you please send me the original two agreements?

Thank you,

Lisa

Lisa N. Stein
Legal Counsel
Ontario Financing Authority
416-325-2320
****
This message, including any attachments, is intended only for the use of the individual(s) to which it is addressed and contains information that is privileged/confidential. Any other distribution, copying or disclosure is strictly prohibited. If you are not the intended recipient or have received this message in error, please notify the sender immediately by reply e-mail and permanently delete this message, including any attachments, without reading it or making a copy. Thank you.
****

From: Ryan Blackbyrne
Sent: Tuesday, November 28, 2017 1:30 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Subject: RE: IESO - OEFC Nov 7

Hi All,

Please let me know your comments.

Thank You,

Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M7A 1Y7
416-325-8143
ryan.blackbyrne@ofina.on.ca

From: Lisa Stein
Sent: Monday, November 27, 2017 5:23 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO - OEFC Nov 7

Thank you for clarifying this Ryan. I'll wait for your drafts for review.

Lisa

From: Ryan Blackbyrne
Sent: Monday, November 27, 2017 3:05 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: IESO - OEFC Nov 7

Hi Lisa,

Please see below the original email we received from Anthony at IESO in early November. As you can see at this time his suggestion was to "copy and paste the salient sections" from the IESO-OFA agreements that were updated for the fair hydro plan into the amendments to the IESO-OEFC agreements. In his email Anthony referenced both the 'Permitted Lien' and 'Intercept Provision'

sections, but we have since agreed the intercept provision will not be included in the IESO-OEFC amending agreements. We are still waiting for final sign-off from Gadi, Ron and Mike on whether we can include the permitted-Lien language from the IESO-OFA amending agreements into the IESO-OEFC amending agreements.
Thank You,
Ryan

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Tuesday, November 07, 2017 4:07 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>
Subject: IESO - OEFC Nov 7

Ryan,
As discussed with Will today, I understand you will be co-ordinating the proposed 2 amendments to the existing IESO-OEFC credit facilities.
For starters, there are no expected changes being asked to the existing agreement's key business content (e.g. amounts, dates, interest, notices etc.), rather given that IESO-OFA have just finished two new agreements pertaining to the new fair hydro program, ….I suggest we just copy and paste the salient sections from these agreements that would now be relevant to the OEFC agreements for fair hydro namely;
1.DRAFT
The definition of "Permitted Liens" is amended by deleting the word "and" at the end of subsection (xx); replacing the "." at the end of subsection (xx) and replacing it with "; and" ; and adding the following subsection (xx):
"(xx) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."
2.DRAFT
The OFA agreements had required an intercept provision, …..not sure if the same applies to OEFC if yes:
"Section 5.7 Intercept
(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of November 6th , 2017 herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the Capital Investment Plan Act, 1993 (the "Intercept Letter"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("Appropriated Funds"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("Intercept").
(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is

necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail."

3.

If any… other relevant updates that make sense to do now……I do not anticipate any material ones. We need your support to expedite the above in order to avoid delays in the Fair Hydro implementation.

Regards.

This e-mail message and any files transmitted with it are intended only for the named recipient(s) above and may contain information that is privileged, confidential and/or exempt from disclosure under applicable law. If you are not the intended recipient(s), any dissemination, distribution or copying of this e-mail message or any files transmitted with it is strictly prohibited. If you have received this message in error, or are not the named recipient(s), please notify the sender immediately and delete this e-mail message.

AMENDING AGREEMENT NO.1

This Amending Agreement made as of the 21st day of July, 2010.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010 (the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $60 million.

AND WHEREAS IESO and OEFC now agree to amend the Agreement to allow IESO to repay all or a portion of Advances Outstanding prior to the Mandatory Repayment Date of April 30, 2013.

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. The Capitalised Terms used in this Amending Agreement which are not otherwise defined shall have the same meaning as established under Section 1.1 of the Agreement.

2. Section 2.2 of the Agreement is deleted and replaced by the following:

   "Section 2.2 Commitment and Facility Limits

   The Advances to IESO under the Credit Facility shall not at any time exceed the Commitment. The Credit Facility shall revolve and no payment under the Credit Facility shall reduce the Commitment. Subject to Section 2.7, on any stated Interest Payment Date, IESO shall have the right to repay in whole or in part the total amount outstanding to OEFC;"

3. The Agreement is amended by inserting after Section 2.6

   "Section 2.7 Repayments.

   (1) Upon four Business Days prior notice by IESO to OEFC (the "Repayment Notice"), IESO may repay all or a portion of the Advances Outstanding (the "Repayment Amount") on an Interest Payment Date; provided that the minimum Repayment Amount shall be $1,000,000.00;

   (2) Notwithstanding the provisions of Section 8.1 of this Agreement the Repayment Notice shall be deemed to have been validly and effectively given if (a) personally delivered, on the date of such delivery, if such date is a Business Day and such delivery was made prior to 10.00 a.m. (Toronto time), otherwise on the next Business Day, or if (b) transmitted by telecopier or other means of electronic communication, on the Business Day following the date of transmission provided that on the date of transmission, the addressee of such notice was notified by telephone of such transmission;

   (3) The Repayment Notice shall set out the Repayment Amount

(4) A Repayment Notice shall be irrevocable and binding on IESO and OEFC."

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Ted Leonard
Title: Vice President, Finance and Chief Financial Officer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

AMENDING AGREEMENT NO. 2

This Amending Agreement made as of the 14th day of October, 2011.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $60 million.

AND WHEREAS IESO and OEFC wish to amend the Agreement to increase the revolving line of credit from $60 million to $110 million;

AND WHEREAS IESO and OEFC wish to provide that the interest rate applicable to advances under the Agreement up to $60 million shall bear interest at a rate equal to the Province of Ontario's cost of funds plus 25 basis points and that the interest rate applicable to advances under the Agreement in excess of $60 million shall bear interest at a rate equal to the Province of Ontario's cost of funds plus 50 basis points;

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. Section 1.1 Definitions of the Agreement is amended as follows:

   The definition of Commitment is deleted and replaced with:

   "Commitment" means, at any time, an amount equal to the principal amount of One Hundred and Ten Million Dollars.

   The definition of Interest Rate is deleted and replaced with:

   "Interest Rate" means for any Advance or portion of an Advance which forms part of an amount of up to $60 million of Advances Outstanding the Province of Ontario's cost of borrowing for a 30 day term, as determined as of the first Business Day of each month by OEFC, plus 0.25 percent per annum, and means for any Advance or portion of an Advance which forms part of an amount of Advances Outstanding in excess of $60 million the Province of Ontario's cost of borrowing for a 30 day term, as determined as of the first Business Day of each month by OEFC, plus 0.50 percent per annum.

The definition of Note is deleted and replaced with:

"Note" means the $110 Million Note issued pursuant to Section 2 of the Amending Agreement dated as of the 14th day of October, 2011.

2. IESO shall execute and deliver to OEFC a grid promissory note in the form attached as Schedule I hereto which shall be in an aggregate principal amount of up to One Hundred and Ten Million Dollars (the "$110 Million Note") and on which shall be recorded the Advances Outstanding under the grid promissory note in the principal amount of up to $60 million dated April 23, 2010 delivered pursuant to the Agreement (the "$60 Million Note"). Upon receipt of the $110 Million Note by OEFC, the $60 Million Note shall be of no further force and effect and shall be returned to the IESO marked "cancelled".

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Ted Leonard
Title: Vice President, Finance and Chief Financial Officer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

AMENDING AGREEMENT NO. 3

This Amending Agreement made as of the 30 day of April, 2013.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010 and Amending Agreement No. 2 dated October 14, 2011 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $110 million.

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for a one year extension of the mandatory repayment date of the revolving line of credit ;

AND WHEREAS IESO and OEFC wish to provide that during the extension advances under the Agreement shall bear interest at a rate equal to the Province of Ontario's cost of funds plus 50 basis points;

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. Section 1.1 Definitions of the Agreement is amended as follows:

   The definition of Interest Rate is deleted and replaced with:

   "Interest Rate" means the Province of Ontario's cost of borrowing for a 30 day term, as determined as of the first Business Day of each month by OEFC, plus 0.50 percent per annum.

   The definition of Note is deleted and replaced with:

   "Note" means the $110 Million Note issued pursuant to Section 2 of Amending Agreement No. 3 dated as of the 30 day of April, 2013.

2. IESO shall execute and deliver to OEFC a grid promissory note in the form attached as Schedule I hereto which shall be in an aggregate principal amount of up to One Hundred and Ten Million Dollars (the "$110 Million Note") dated April 30, 2013 and on which shall be recorded the Advances Outstanding under the grid promissory note in the principal amount of up to $110 million dated October 14, 2011 delivered pursuant to the Agreement .Upon receipt by OEFC of the $110 Million Note dated April 30, 2013, the $110 Million Note dated October 14, 2011 shall be of no further force and effect and shall be returned to the IESO marked "cancelled".

3. Section 2.4 of the Agreement is deleted and replaced by the following:

   "Section 2.4 Mandatory Repayment.

   Subject to Sections 3.5 and 5.2, IESO shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, in full on or before April 30, 2014."

4. This Amending Agreement shall be effective as of April 30, 2013.

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Ted Leonard
Title: Vice President Finance, Chief Financial Officer and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

SCHEDULE 1

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $110,000,000 Date: 30 April, 2013

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("**IESO**"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid **("Grid")** attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No. 1 dated July 21, 2010, by Amending Agreement No. 2 dated October 14, 2011 and Amending Agreement No. 3 dated April 30, 2013 (collectively the "Agreement").

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before April 30, 2014.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance or part of an Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be p*rima facie* evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Agreement. All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment, demand, protest, notice of dishonour and notice

of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Ted Leonard
Vice President Finance, Chief Financial Officer, and Treasurer

AMENDING AGREEMENT NO. 4

This Amending Agreement made as of the 30 day of April, 2014.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011 and Amending Agreement No. 3 dated April 30, 2013 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $110 million.

AND WHEREAS IESO and OEFC wish to amend the Agreement to decrease the revolving line of credit from $110 million to $95 million;

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for a three year extension of the mandatory repayment date of the revolving line of credit;

AND WHEREAS IESO and OEFC wish to provide that during the extension advances under the Agreement shall bear interest at a rate equal to the Province of Ontario's cost of funds plus 50 basis points;

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. Section 1.1 Definitions of the Agreement is amended as follows:

   The definition of Commitment is deleted and replaced with:

   "Commitment" means, at any time, an amount equal to the principal amount of Ninety-Five Million Dollars.

   The definition of Interest Rate is deleted and replaced with:

   "Interest Rate" means the Province of Ontario's cost of borrowing for a 30 day term, as determined as of the first Business Day of each month by OEFC, plus 0.50 percent per annum.

   The definition of Note is deleted and replaced with:

   "Note" means the $95 Million Note issued pursuant to Section 2 of Amending Agreement No. 4 dated as of the 30 day of April, 2014.

2. IESO shall execute and deliver to OEFC a grid promissory note in the form attached as Schedule I hereto which shall be in an aggregate principal amount of up to Ninety-Five Million Dollars (the "$95 Million Note") dated April 30, 2014 and on which shall be recorded the Advances Outstanding under the grid promissory note in the principal amount of up to $110 million dated April 30, 2013 delivered pursuant to the Agreement .Upon receipt by OEFC of the $95 Million Note dated April 30, 2014, the $110 Million Note dated April 30, 2013 shall be of no further force and effect and shall be returned to the IESO marked "cancelled".

3. Section 2.4 of the Agreement is deleted and replaced by the following:

   "**Section 2.4 Mandatory Repayment.**

   Subject to Sections 3.5 and 5.2, IESO shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, in full on or before April 30, 2017."

4. This Amending Agreement shall be effective as of April 30, 2014.

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Ted Leonard
Title: Vice President Markets, Chief Financial Officer and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by:_____
Name: Michael D. Manning
Title: Chief Operating Officer

SCHEDULE 1

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $95,000,000 Date: 30 April, 2014

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("**IESO**"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid **("Grid")** attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No. 1 dated July 21, 2010, by Amending Agreement No. 2 dated October 14, 2011, by Amending Agreement No. 3 dated April 30, 2013 and Amending Agreement No. 4 dated April 30, 2014 (collectively the "Agreement").

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before April 30, 2017.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance or part of an Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be p*rima facie* evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Agreement. All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment, demand, protest, notice of dishonour and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Ted Leonard
Vice President Markets,
Chief Financial Officer,
and Treasurer

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID

(Revolving Credit Facility April 23, 2010)

DATE	PRINCIPAL ADVANCED	RATE	REPAYMENT DATE	INTEREST AMOUNT	AMOUNT OF PAYMENT		UNPAID BALANCE			NOTATION MADE BY
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	REFINANCED (AMOUNT & DATE)	

AMENDING AGREEMENT NO. 5

This Amending Agreement made as of the X day of December, 2014.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010.

AND WHEREAS pursuant to Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011, Amending Agreement No. 3 dated April 30, 2013 and Amending Agreement No. 4 dated April 30, 2014 the parties amended the Original Agreement (as so amended, the "Agreement").

AND WHEREAS IESO and OEFC wish to amend the Agreement pursuant to the direction prescribed in Schedule 7 of Bill 14, the Building Opportunity and Securing Our Future Act (the "Act") which received Royal Assent on July 24, 2014 and provides direction for the amalgamation of IESO with the Ontario Power Authority (OPA) to be effective as of January 1, 2015.

Per section 5. (1) of the Act, the predecessor Independent Electricity System Operator and the Ontario Power Authority are amalgamated and shall continue as one corporation.

Per section 5. (2) of the Act, the name of the corporation formed under subsection (1) is the Independent Electricity System Operator.

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. Section 2.3 Use of Proceeds – of the Agreement is deleted and replaced by the following:

   IESO or the continuing post amalgamation successor entity the "new" IESO shall use the proceeds of Advances for the same original intended purposes for which the predecessor IESO is authorized to borrow funds:

   (a) To repay the revolving line of credit with the Toronto Dominion Bank;

(b) For liquidity purposes; and
(c) To fund corporate requirements.

2. Schedule 1 of the Agreement, Form of Borrowing Notice, is deleted and replaced by the Form of Borrowing Notice attached hereto as Schedule 1.

3. Upon amalgamation, the borrower agrees to execute and deliver an Amendment and Restatement of the IESO Credit Facility Agreement (the "Amended and Restated IESO Credit Facility Agreement").

4. Upon amalgamation, the borrower agrees to deliver to OEFC a certificate of an officer certifying that on the date of the amalgamation:

(i) all the representations and warranties of the borrower (the new IESO) in the amended and restated IESO Credit Facility Agreement are true and correct;

(ii) no Default or event of default shall have occurred and be continuing;

(iii) a certificate of incumbency of the officers of the new IESO;

(iv) any such other documents as the OEFC may reasonable request.

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by:_____
Name:
Title:

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by:_____
Name: Michael D. Manning
Title: Chief Operating Officer

AMENDING AGREEMENT NO. 6

This Amending Agreement is effective as of the 30 day of April, 2017.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011, Amending Agreement No. 3 dated April 30, 2013, Amending Agreement No. 4 dated April 30, 2014 and Amending Agreement No. 5 dated December 19, 2014 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $95 million.

AND WHEREAS IESO and OEFC wish to amend the Agreement to increase the revolving line of credit from a principal amount of CDN $95 million to a principal amount of up to CDN $160 million to provide funding for IESO Corporate Requirements (as defined herein);

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for an extension of the mandatory repayment date established in the Agreement to June 30, 2020;

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for the ability for Advances to be made on any business day up to a maximum of 12 times per year;

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. Section 1.1 Definitions of the Agreement is amended as follows:

   i) The definition of "Amalgamation" is deleted.

   ii) The definition of "Commitment" is deleted and replaced with:

   "Commitment" means, at any time, an amount equal to the principal amount of One Hundred and Sixty Million Dollars.

   iii) A definition of "IESO Corporate Requirements" is added as follows:

   "IESO Corporate Requirements" means any borrowing purposes authorized by O. Reg. 280/14 made under the *Electricity Act, 1998* (as such regulation may be amended or

replaced from time to time), other than for funding liquidity requirements relating to the settlement of the Ontario wholesale electricity markets.

iv) A definition of "Ontario's Fair Hydro Plan" is added as follows:

"Ontario's Fair Hydro Plan" means the plan announced March 2, 2017 by the Government of Ontario to affect the Ontario Energy Board's setting of electricity prices for certain Ontario consumers of electricity, which plan is referred to in the Ontario Energy Board's report dated April 20, 2017 and titled "Regulated Price Plan Price Report – May 1, 2017 to April 30, 2018", and including all relevant developments in or changes to such plan from time to time.

v) The definition of "New IESO" is deleted.

vi) The definition of "Note" is deleted and replaced with:

"Note" means the $160 Million Note issued pursuant to Section 2 of Amending Agreement No. 6 dated as of the 30th day of April, 2017.

vii) The definition of "OPA" is deleted.

viii) The definition of "Pre-Amalgamation IESO" is deleted.

2. IESO shall execute and deliver to OEFC a grid promissory note in the form attached as Schedule I hereto which shall be in an aggregate principal amount of up to One Hundred and Sixty Million Dollars (the "$160 Million Note") dated April 30, 2017 and on which shall be recorded the Advances Outstanding under the grid promissory note delivered pursuant to Amending Agreement No. 4. Upon receipt by OEFC of the $160 Million Note dated April 30, 2017, the $95 Million Note dated April 30, 2014 shall be of no further force and effect and shall be returned to the IESO marked "cancelled".

3. Section 2.3 of the Agreement is deleted and replaced by the following:

Section 2.3 Use of Proceeds

IESO shall use the proceeds of Advances for the funding of IESO Corporate Requirements.

4. Section 2.4 of the Agreement is deleted and replaced by the following:

Section 2.4 Mandatory Repayment.

Subject to Sections 3.5 and 5.2 of this Agreement, IESO shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, in full on or before June 30, 2020.

5. Section 3.1 of the Agreement is deleted and replaced by the following:

Section 3.1 Advances.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO under the Credit Facility on any Business Day in a month up to twelve (12) times per annum from and including May 1, 2017 to and including May 29, 2020

6. Paragraph 3.6(c) of the Agreement is deleted and replaced by the following:
   (c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO, provided however that any adverse change in IESO's financial condition related to or resulting from the discharge by IESO of its responsibilities under Ontario's Fair Hydro Plan shall be deemed not to be a material adverse change for the purposes of this Section; and

7. The Form of Borrowing Notice is deleted and replaced with the Form of Borrowing Notice attached hereto as Schedule 1.

8. This Amending Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

SCHEDULE 1

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $160,000,000 Date: 30 April, 2017

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("**IESO**"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid **("Grid")** attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No. 1 dated July 21, 2010, by Amending Agreement No. 2 dated October 14, 2011, by Amending Agreement No. 3 dated April 30, 2013, by Amending Agreement No. 4 dated April 30, 2014, by Amending Agreement No. 5 dated December 19, 2014, and by Amending Agreement No. 6 dated April 30, 2017 (collectively the "Agreement").

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before June 30, 2020.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance or part of an Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be p*rima facie* evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Agreement. All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment, demand, protest, notice of dishonour and notice

of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

(Revolving Credit Facility April 30, 2017)

DATE	PRINCIPAL ADVANCED	RATE	REPAYMENT DATE	INTEREST AMOUNT	AMOUNT OF PAYMENT		UNPAID BALANCE			NOTATION MADE BY
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	REFINANCED (AMOUNT & DATE)	

From: Opal Kandelas
To: Sarah Harris
Subject: RE: IESO - OEFC credit facilities : permitted liens
Date: Monday, November 20, 2017 2:57:20 PM

Have you had a chance to look at the security agreement (draft Nov 7)? It's so general in terms of its reach on IESO, namely s.2.1 "all Accounts…" "all Proceeds…"
Not sure what Carrying costs are though. They are supposed to be defined in the regulation, but I couldn't find any reference to them in the Reg.
Opal

From: Sarah Harris
Sent: Monday, November 20, 2017 2:54 PM
To: Jean-Francois Beaupre ; Opal Kandelas
Cc: Ryan Blackbyrne
Subject: RE: IESO - OEFC credit facilities : permitted liens
Hi JF,
I just tweaked your first comment.
Thanks,
Sarah

From: Jean-Francois Beaupre
Sent: Monday, November 20, 2017 2:39 PM
To: Opal Kandelas <Opal.Kandelas@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens
Hi Opal and Sarah,
Please find attached my comments for your review and consideration.
Basically, what I am hearing from CEFD so far is: "the OFA-IESO agreements were done this way, so we should do the same for OEFC to remain consistent" which is not a very convincing argument in my opinion – specially considering the $475M agreement may have been amended without much consideration.
Also, the comment to the effect that "IESO is asking for this to avoid being in default" requires further clarifications in my view – in default in relation to whom? If the OEFC-IESO agreements are not related to FHP, I don't think that IESO having 'permitted liens' for FHP purposes in other OFA credit facility agreements would create a default situation unless the funds from the OEFC agreements somehow end up in this liens?
Thanks,
J-F

From: Opal Kandelas
Sent: Monday, November 20, 2017 2:19 PM
To: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens
Hi, attached is the amended note. I made a few further comments/edits, that I thought were absolutely necessary. Please review and send back comments to me directly.
Thanks,

Opal

From: Jean-Francois Beaupre
Sent: Monday, November 20, 2017 2:07 PM
To: Opal Kandelas <Opal.Kandelas@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Thanks, Sarah and I were just discussing this now and I recalled that you are meeting Mike tomorrow.

From: Opal Kandelas
Sent: Monday, November 20, 2017 2:07 PM
To: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

About to send you a revised note…

From: Jean-Francois Beaupre
Sent: Monday, November 20, 2017 2:06 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: John Kim <John.Kim@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Hi Lisa,

The decision to amend the IESO-OEFC agreements for permitted liens is still being determined by Gadi/Ron/Mike. As such, we won't ask IESO for draft amendments until such time as that decision has been made.

Regards,

J-F

From: Lisa Stein
Sent: Monday, November 20, 2017 1:55 PM
To: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Cc: John Kim <John.Kim@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Thank you for the update. Have we received proposed amendments from IESO?

From: Jean-Francois Beaupre
Sent: Monday, November 20, 2017 10:58 AM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: John Kim <John.Kim@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Hi Lisa,

John and Opal discussed this matter and I think John was working on a revised briefing note.

Kind regards,

J-F

From: Lisa Stein
Sent: Monday, November 20, 2017 10:51 AM
To: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Cc: John Kim <John.Kim@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Hi J-F,

Can you please update me on the status of this file?

Thank you,

Lisa

From: Jean-Francois Beaupre
Sent: Thursday, November 16, 2017 1:52 PM
To: John Kim <John.Kim@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Hi John,

We have an internal discussion earlier this morning which Mike attended. The comments provided were approved by Sarah and Opal.

Regards,

J-F

From: John Kim
Sent: Thursday, November 16, 2017 1:49 PM
To: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Hi Jean-Francois,

You had comments in the draft with questions and concerns expressed. Are these approved by Sarah and Opal or comments at your level?

Given that we are under a tight timeline, it would be helpful if we can have a discussion today.

Mike is in the loop on the FHP discussion. Could your group check with him on his views beforehand too?

John

From: Jean-Francois Beaupre
Sent: Thursday, November 16, 2017 1:42 PM
To: Gavin He <Gavin.He@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Hi Gavin,

I discussed your request for me to come down to the 3rd floor for a quick chat with you and John

with Opal.
At this time, our preference would be to obtain clarifications from CEFD and/or IESO in response to the comments we raised so that we may gain a better understanding of the potential implications for OEFC. Opal suggested that we could have a call or meeting tomorrow if you think that would be helpful?
Kind regards,
J-F

From: Jean-Francois Beaupre
Sent: Thursday, November 16, 2017 12:25 PM
To: Gavin He <Gavin.He@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens
Dear Gavin,
Please find attached our consolidated comments on the draft note.
We are happy to discuss further as always.
Thanks,
J-F

From: Gavin He
Sent: Thursday, November 16, 2017 8:21 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens
Hi all,
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To:	Lisa Stein
Cc:	John Kim; Sarah Harris; Opal Kandelas; Gavin He; Ryan Blackbyrne
Subject:	RE: IESO - OEFC credit facilities : permitted liens
Date:	Monday, November 20, 2017 2:20:26 PM

Yes, the language would be similar to the OFA-IESO agreements. CEFD is working on a revised briefing note and I would advise waiting on amending the agreements until we have a final version of the note to make sure everyone agrees.
Thanks,
J-F

From: Lisa Stein
Sent: Monday, November 20, 2017 2:15 PM
To: Jean-Francois Beaupre
Cc: John Kim ; Sarah Harris ; Opal Kandelas ; Gavin He ; Ryan Blackbyrne
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I assume that the language would be similar to the FHP agreement. However, would it be helpful for Gadi/Ron/Mike to see the language of the proposed amendments in order to inform their decision?
Lisa

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Cc: John Kim <John.Kim@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
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OEFC -- IESO CREDIT FACILITY AGREEMENT & THE PERMITTED LIENS

ISSUE

The Independent Electricity System Operator ("IESO") has requested that OEFC amend the existing credit facility agreements between OEFC and IESO (for $160M and $120M) to address the additional obligations IESO is taking on under Ontario's Fair Hydro Plan. IESO has indicated that OEFC credit facilities will not be used for Ontario Fair Hydro Plan (FHP) purposes.

CONTEXT - IESO'S REQUEST

- The FHP requires the IESO and Ontario Power Generation (OPG) to work together to refinance Ontario's clean energy investments over a longer period of time. IESO and OPG are in a discussion to grant a security/priority interest on IESO's assets to OPG Trust for the period of the first 4 years of the GA deferral.

- The IESO is planning to seek its Board's approval on Nov 22, 2017 to enter into a ~~for the~~ security agreement with OPG Trust. The security agreement is currently in draft form. Without amending the existing OEFC $160M and $120M credit facility agreements (the "OEFC Agreements"), IESO could potentially be considered to be in default of the terms of the security agreement~~s~~. IESO staff wrote:

  > *"…it likely is best to add to the definition of "Permitted Liens" in the two OEFC facilities to address a) IESO granting security to the OPG Trust during the first 4 years of fair hydro program and b) the possibility that the Clean Energy Adjustment funds collected by IESO might be considered to be subject to a lien. The IESO does not want to be inadvertently in default."*

- In order to address this issue, the IESO has requested to amend the definition of the "permitted liens" in both existing OEFC Agreements to include any liens related to the FHP. Specifically, adding a clause in the existing OEFC Agreements that any lien related to OFHP will not be viewed as negative pledge by OEFC, so those liens can be used to secure the performance of IESO's obligations to OPG under the FHP. This would allow IESO to grant security to the OPG Trust during the first 4 years of implementing the GA deferral and also avoid ~~of~~ breaching the terms of existing agreements.

- To support IESO's role in the implementation and participation under the Ontario Fair Hydro Plan Act, 2017 ("OFHP Act"), in July 2017~~,~~ the IESO had requested that the OFA ~~to~~ make ~~the same~~similar ~~request~~ changes to the credit facility agreements with OFA in October.
  - On November 6, 2017, the OFA amended the $475M facility to amend the definition of ~~the~~ "permitted liens" and also included same for the new $2B credit facility agreement between OFA and the IESO , as requested by the IESO.

CONSIDERATIONS

- OFA'S Capital Markets – Operations staff have commented that the legislation governing OEFC, the *Electricity Act, 1998*, may provide differing context from the OFA's objects and mandate under the *Capital Investment Plan Act, 1993*. [This was a bullet suggested by CMD – Operations.]

- With the proposed new security agreement between OPG Trust and IESO, OPG Trust would have a priority claim against potentially the Clean Energy Adjustment funds collected by or flowing~~n~~ through the IESO, the OEFC could find itself unable to collect payments due from the IESO. The likelihood of this scenario could be assessed as low and IESO is an agency of the government consolidated line-by-line in the Province's accounts. [This was a bullet inserted by CMD – Operations.]

Commented [JK1]: Unless Documentation can provide specific differences that are significant, I suggest we delete.

Commented [OK2R1]: The fact that OFA's objects/mandate are detailed under CIPA is a distinct differentiation from OEFC. This is only relevant as it goes to the reach of OFA. Not fussed if you wish to delete.

- The OFA agreed to IESO's requested changes to ~~included the requested changes in~~ the OFA credit facilities, thereby providing a precedent ~~of having considered the~~ for considering similar changes for ~~/~~inclusion into other agreements with IESO. ~~of the same request.~~ Treating the current request differently by seeking either a Minister's directive or not granting the IESO its request would mean having to take steps on the OFA credit facilities, which were ~~either signed~~ recently ~~or~~ amended ~~recently~~.

Commented [OK3]: The OFA and OEFC are different corporate entities, so treatment of each may be different depending on the circumstances, even when dealing with the same borrower.

Commented [OK4]: The OFA credit facility was provided pursuant to the minister's directive, so seeking a minister's directive wrt OEFC would be consistent with how OFA was treated. Not suggesting this is necessary.

RECOMMENDATIONS

- In order to support IESO's request and remain consistent with the language recently incorporated in existing IESO-OFA agreements, OFA staff are of the view that the exisiting OEFC Agreements can be amended to include liens related to FHP under the definition of the "permitted liens". [TBD]

BACKGROUND

- In order to support IESO's role with the implementation of the OFHP Act, OFA staff made similar changes to the definition of 'permitted liens" in existing OFA-IESO credit facility agreements on November 6, 2017.

- Currently, under the existing credit facility agreements between OEFC and the IESO, the definition of "permitted liens" does not include any lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

Electricity Finance Branch / Corporate and Electricity Finance Division [&
Capital Markets Operations, Capital Markets Division]
Ontario Financing Authority
November ~~15~~20, 2017

Commented [JK5]: There have been some changes since last week so put CMD – Operations in square brackets.

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Can you please update me on the status of this file?
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OEFC -- IESO CREDIT FACILITY AGREEMENT & THE PERMITTED LIENS

ISSUE

The Independent Electricity System Operator ("IESO") has requested that OEFC amend the existing credit facility agreements between OEFC and IESO (for $160M and $120M) to address the additional obligations IESO is taking on under Ontario's Fair Hydro Plan. IESO has indicated that OEFC credit facilities will not be used for Ontario Fair Hydro Plan (FHP) purposes.

CONTEXT - IESO'S REQUEST

- The FHP requires the IESO and Ontario Power Generation (OPG) to work together to refinance Ontario's clean energy investments over a longer period of time. IESO and OPG are in a discussion to grant a security/priority interest on IESO's assets to OPG Trust for the period of the first 4 years of the GA deferral.

- The IESO is planning to seek its Board's approval on Nov 22, 2017 to enter into a ~~for the~~ security agreement with OPG Trust. The security agreement is currently in draft form. Without amending the existing OEFC $160M and $120M credit facility agreements (the "OEFC Agreements"), IESO could potentially be considered to be in default of the terms of the security agreement~~s~~. IESO staff wrote:

  > *"…it likely is best to add to the definition of "Permitted Liens" in the two OEFC facilities to address a) IESO granting security to the OPG Trust during the first 4 years of fair hydro program and b) the possibility that the Clean Energy Adjustment funds collected by IESO might be considered to be subject to a lien. The IESO does not want to be inadvertently in default."*

- In order to address this issue, the IESO has requested to amend the definition of the "permitted liens" in both existing OEFC Agreements to include any liens related to the FHP. Specifically, adding a clause in the existing OEFC Agreements that any lien related to OFHP will not be viewed as negative pledge by OEFC, so those liens can be used to secure the performance of IESO's obligations to OPG under the FHP. This would allow IESO to grant security to the OPG Trust during the first 4 years of implementing the GA deferral and also avoid ~~of~~ breaching the terms of existing agreements.

- To support IESO's role in the implementation and participation under the Ontario Fair Hydro Plan Act, 2017 ("OFHP Act"), in July 2017~~,~~ the IESO had requested that the OFA ~~to~~ make ~~the same~~similar ~~request~~ changes to the credit facility agreements with OFA in October.
  - On November 6, 2017, the OFA amended the $475M facility to amend the definition of ~~the~~ "permitted liens" and also included same for the new $2B credit facility agreement between OFA and the IESO , as requested by the IESO.

CONSIDERATIONS

- OFA'S Capital Markets – Operations staff have commented that the legislation governing OEFC, the *Electricity Act, 1998*, may provide differing context from the OFA's objects and mandate under the *Capital Investment Plan Act, 1993*. [This was a bullet suggested by CMD – Operations.]

- With the proposed new security agreement between OPG Trust and IESO, OPG Trust would have a priority claim against potentially the Clean Energy Adjustment funds collected by or flowing~~n~~ through the IESO, the OEFC could find itself unable to collect payments due from the IESO. The likelihood of this scenario could be assessed as low and IESO is an agency of the government consolidated line-by-line in the Province's accounts. [This was a bullet inserted by CMD – Operations.]

Commented [JK1]: Unless Documentation can provide specific differences that are significant, I suggest we delete.

Commented [OK2R1]: The fact that OFA's objects/mandate are detailed under CIPA is a distinct differentiation from OEFC. This is only relevant as it goes to the reach of OFA. Not fussed if you wish to delete.

- The OFA agreed to IESO's requested changes to ~~included the requested changes in~~ the OFA credit facilities, thereby providing a precedent ~~of having considered the~~ for considering similar changes for ~~/~~inclusion into other agreements with IESO. ~~of the same request.~~ Treating the current request differently by seeking either a Minister's directive or not granting the IESO its request would mean having to take steps on the OFA credit facilities, which were ~~either signed~~ recently ~~or~~ amended ~~recently~~.

Commented [OK3]: The OFA and OEFC are different corporate entities, so treatment of each may be different depending on the circumstances, even when dealing with the same borrower.

Commented [OK4]: The OFA credit facility was provided pursuant to the minister's directive, so seeking a minister's directive wrt OEFC would be consistent with how OFA was treated. Not suggesting this is necessary.

RECOMMENDATIONS

- In order to support IESO's request and remain consistent with the language recently incorporated in existing IESO-OFA agreements, OFA staff are of the view that the exisiting OEFC Agreements can be amended to include liens related to FHP under the definition of the "permitted liens". [TBD]

BACKGROUND

- In order to support IESO's role with the implementation of the OFHP Act, OFA staff made similar changes to the definition of 'permitted liens" in existing OFA-IESO credit facility agreements on November 6, 2017.

- Currently, under the existing credit facility agreements between OEFC and the IESO, the definition of "permitted liens" does not include any lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

Electricity Finance Branch / Corporate and Electricity Finance Division [&
Capital Markets Operations, Capital Markets Division]
Ontario Financing Authority
November ~~15~~20, 2017

Commented [JK5]: There have been some changes since last week so put CMD – Operations in square brackets.

From:	Lisa Stein
To:	Jean-Francois Beaupre
Cc:	John Kim; Sarah Harris; Opal Kandelas; Gavin He; Ryan Blackbyrne
Subject:	RE: IESO - OEFC credit facilities : permitted liens
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To:	Opal Kandelas
Cc:	Sarah Harris; Ryan Blackbyrne
Subject:	RE: IESO - OEFC credit facilities : permitted liens
Date:	Monday, November 20, 2017 2:07:14 PM

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Sent: Monday, November 20, 2017 2:07 PM
To: Jean-Francois Beaupre
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<Ryan.Blackbyrne@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Dear Gavin,

Please find attached our consolidated comments on the draft note.

We are happy to discuss further as always.

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To: Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
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From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Wednesday, November 15, 2017 6:49 AM
To: John Kim <John.Kim@ofina.on.ca>
Cc: Victor Buza <Victor.Buza@ieso.ca>
Subject: IESO - OEFC credit facilities : permitted liens

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To:	Lisa Stein
Cc:	John Kim; Sarah Harris; Opal Kandelas; Gavin He; Ryan Blackbyrne
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Date:	Monday, November 20, 2017 2:05:46 PM

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From: Opal Kandelas
To: Sarah Harris
Subject: RE: IESO - OEFC credit facilities : permitted liens
Date: Monday, November 20, 2017 2:57:20 PM

Have you had a chance to look at the security agreement (draft Nov 7)? It's so general in terms of its reach on IESO, namely s.2.1 "all Accounts…" "all Proceeds…"
Not sure what Carrying costs are though. They are supposed to be defined in the regulation, but I couldn't find any reference to them in the Reg.
Opal

From: Sarah Harris
Sent: Monday, November 20, 2017 2:54 PM
To: Jean-Francois Beaupre ; Opal Kandelas
Cc: Ryan Blackbyrne
Subject: RE: IESO - OEFC credit facilities : permitted liens
Hi JF,
I just tweaked your first comment.
Thanks,
Sarah

From: Jean-Francois Beaupre
Sent: Monday, November 20, 2017 2:39 PM
To: Opal Kandelas <Opal.Kandelas@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens
Hi Opal and Sarah,
Please find attached my comments for your review and consideration.
Basically, what I am hearing from CEFD so far is: "the OFA-IESO agreements were done this way, so we should do the same for OEFC to remain consistent" which is not a very convincing argument in my opinion – specially considering the $475M agreement may have been amended without much consideration.
Also, the comment to the effect that "IESO is asking for this to avoid being in default" requires further clarifications in my view – in default in relation to whom? If the OEFC-IESO agreements are not related to FHP, I don't think that IESO having 'permitted liens' for FHP purposes in other OFA credit facility agreements would create a default situation unless the funds from the OEFC agreements somehow end up in this liens?
Thanks,
J-F

From: Opal Kandelas
Sent: Monday, November 20, 2017 2:19 PM
To: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens
Hi, attached is the amended note. I made a few further comments/edits, that I thought were absolutely necessary. Please review and send back comments to me directly.
Thanks,

Opal

From: Jean-Francois Beaupre
Sent: Monday, November 20, 2017 2:07 PM
To: Opal Kandelas <Opal.Kandelas@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Thanks, Sarah and I were just discussing this now and I recalled that you are meeting Mike tomorrow.

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Sent: Monday, November 20, 2017 2:07 PM
To: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

About to send you a revised note…

From: Jean-Francois Beaupre
Sent: Monday, November 20, 2017 2:06 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: John Kim <John.Kim@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
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To:	Jean-Francois Beaupre
Cc:	John Kim; Sarah Harris; Opal Kandelas; Gavin He; Ryan Blackbyrne
Subject:	RE: IESO - OEFC credit facilities : permitted liens
Date:	Monday, November 20, 2017 1:54:31 PM

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Subject:	RE: IESO - OEFC credit facilities : permitted liens
Date:	Thursday, November 16, 2017 4:16:04 PM

H J-F,
I will reverse some of these edits as this is going into the policy realm and there are sensitivities that we need to be mindful of.
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Sent: Thursday, November 16, 2017 4:05 PM
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Thanks Sarah, yes Opal will provide comments.

On Nov 16, 2017, at 4:02 PM, Sarah Harris <Sarah.Harris@ofina.on.ca> wrote:

> Hi JF,
> I only have one small edit on where FHP definition is introduced, otherwise looks good to me. Opal appears to be logged off for the day, but I expect she may take a look on the Go Train.
> Thanks,
> Sarah
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> **Sent:** Thursday, November 16, 2017 3:48 PM
> **To:** Gavin He <Gavin.He@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
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This has been reviewed by Legal last night and I have incorporated the feedback from Sarah N. (in Lisa’s absence).

Please let me know if you have any questions.

Thanks,

Gavin He

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]

Sent: Wednesday, November 15, 2017 6:49 AM

To: John Kim <John.Kim@ofina.on.ca>

Cc: Victor Buza <Victor.Buza@ieso.ca>

Subject: IESO - OEFC credit facilities : permitted liens

John,

As discussed yesterday, it likely is best to add to the definition of “Permitted Liens” in the two OEFC facilities to address a) IESO granting security to the OPG Trust during the first 4 years of fair hydro program and b) the possibility that the Clean Energy Adjustment funds collected by IESO might be considered to be subject to a lien. The IESO does not want to be inadvertently in default.

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From:	John Kim
To:	Jean-Francois Beaupre; Sarah Harris
Cc:	Gavin He; Ryan Blackbyrne; Opal Kandelas
Subject:	RE: IESO - OEFC credit facilities : permitted liens
Date:	Thursday, November 16, 2017 4:16:04 PM

H J-F,
I will reverse some of these edits as this is going into the policy realm and there are sensitivities that we need to be mindful of.
John

From: Jean-Francois Beaupre
Sent: Thursday, November 16, 2017 4:05 PM
To: Sarah Harris
Cc: Gavin He ; Ryan Blackbyrne ; John Kim ; Opal Kandelas
Subject: Re: IESO - OEFC credit facilities : permitted liens
Thanks Sarah, yes Opal will provide comments.

On Nov 16, 2017, at 4:02 PM, Sarah Harris <Sarah.Harris@ofina.on.ca> wrote:

> Hi JF,
> I only have one small edit on where FHP definition is introduced, otherwise looks good to me. Opal appears to be logged off for the day, but I expect she may take a look on the Go Train.
> Thanks,
> Sarah
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> **From:** Jean-Francois Beaupre
> **Sent:** Thursday, November 16, 2017 3:48 PM
> **To:** Gavin He <Gavin.He@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
> **Cc:** John Kim <John.Kim@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>
> **Subject:** RE: IESO - OEFC credit facilities : permitted liens
> Dear all,
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> **From:** Gavin He
> **Sent:** Thursday, November 16, 2017 8:21 AM
> **To:** Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
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To:	Jean-Francois Beaupre; Ryan Blackbyrne; Opal Kandelas
Subject:	RE: IESO - OEFC credit facilities : permitted liens
Date:	Thursday, November 16, 2017 4:03:21 PM
Attachments:	IESO-OEFC Note (Mark-up).docx

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OEFC -- IESO CREDIT FACILITY AGREEMENT & THE PERMITTED LIENS

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As the purchaser of IESO assets, OPG Trust wants to secure a priority interest against these assets in light of on-going uncertainties surrounding funding requirements of the FHP. IESO has existing credit facility agreements with the OFA, OEFC and TD Bank and wants to ensure consistency across all of its existing agreements in order to provide a level of comfort to the broader investment community . ~~The~~ IESO will seek its Board's approval on Nov 22, 2017 for the security agreement. Amending ~~and this would be in conflict with~~ the existing OEFC's ~~s~~ $160M and $120M credit facility agreements (the "OEFC Agreements") ~~with the IESO without the requested amendments~~would prevent IESO from having to undertake further negotiations or make last-minute changes to the security agreement it intends to present to its Board in the very near future~~. Paragraph 4.7 – Negative Pledges – in both OEFC credit facility agreements does not allow IESO to grant such security/priority to the OPG Trust~~.

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It should be noted that the legislation governing OEFC differs significantly from the OFA's objects and mandate under the *Capital Investment Plan Act, 1993.* In the event IESO were to default on any of its obligations to OEFC in connection with FHP-related liens resulting from OPG Trust having a priority claim against funds collected by IESO, the OEFC may need to undertake negotations with IESO or find itself unable to collect payments due from IESO.

RECOMMENDATIONS

- In order ~~To support IESO's role in the implementation and participation under the OFHP Act and also to be~~ to remain consistent with the language recently incorporated in existing IESO-OFA agreements~~approach OFA implemented~~, OFA staff are of the view that the exisiting OEFC Agreements ~~require amendments~~can be amended provided OEFC management is comfortable with the level of risk assumed by OEFC; and
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Electricity Finance Branch / Corporate and Electricity Finance Division ~~&/~~
Capital Markets Operations, Capital Markets Division
Ontario Financing Authority
November 15, 2017

To:	Jean-Francois Beaupre; Ryan Blackbyrne; Opal Kandelas
Subject:	RE: IESO - OEFC credit facilities : permitted liens
Date:	Thursday, November 16, 2017 4:03:21 PM
Attachments:	IESO-OEFC Note (Mark-up).docx

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To: John Kim <John.Kim@ofina.on.ca>
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November 15, 2017

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Date:	Thursday, November 16, 2017 4:02:57 PM
Attachments:	IESO-OEFC Note (Mark-up).docx

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In order to address this issue, ~~the~~ IESO has requested ~~OEFC~~ to amend the definition of the "permitted liens" in both existing OEFC Agreements to include any liens related to the ~~Fair Hydro Plan (~~FHP~~)~~. Specifically, adding a clause in the existing OEFC Agreements that any lien related to OFHP will not be viewed as negative pledge by OEFC, so those liens can be used to secure the performance of IESO's obligations ~~towards OPG~~under the FHP. This would allow IESO to grant security to the OPG Trust during the first 4 years of implementing the GA deferral and also avoid of breaching the terms of existing agreements. ~~the possibility that the Clean Energy Adjustment funds collected by IESO might be considered to be subject to a lien. The IESO does not want inadvertently to be in default.~~

~~To support IESO's role in the implementation and participation under the *Ontario Fair Hydro Plan Act, 2017* ("OFHP Act") in July 2017, the IESO had reached out to the Capital Market Division – Operations of the OFA to make the same request to the credit facility agreements with OFA in October. The OFA staff have recommended providing the requested amendments and amended the $475M and $2B credit facility agreements between OFA and the IESO on November 6th, 2017 (the "OFA Agreements"), as suggested by the IESO. One of the amendments to the agreement is to amend the definition of the permitted liens to include any lien arising from the IESO's role and obligations under the OFHP.~~

It should be noted that the legislation governing OEFC differs significantly from the OFA's objects and mandate under the *Capital Investment Plan Act, 1993.* In the event IESO were to default on any of its obligations to OEFC in connection with FHP-related liens resulting from OPG Trust having a priority claim against funds collected by IESO, the OEFC may need to undertake negotations with IESO or find itself unable to collect payments due from IESO.

RECOMMENDATIONS

- In order ~~To support IESO's role in the implementation and participation under the OFHP Act and also to be~~ to remain consistent with the language recently incorporated in existing IESO-OFA agreements~~approach OFA implemented~~, OFA staff are of the view that the exisiting OEFC Agreements ~~require amendments~~can be amended provided OEFC management is comfortable with the level of risk assumed by OEFC; and
  - ~~to the permitted liens and negative covenant language to make it the same as, or very~~
- It is recommended that the OFA staff support~~Although the OEFC credit facility is not used for OFHP's purpose, it is~~ IESO's ~~position~~request ~~that it wants to~~ to ~~make~~ ~~such change to the~~amend exsiting ~~definition of the permitted liens to make sure that the IESO is not inadvertently in default of its security obligations to OPG Trust is still required in order for IESO to~~and ~~meets~~ ~~its~~ OEFC Agreements so that it may fulfill its ~~role and~~ obligations under the OFHP Act without limitations.~~.~~

BACKGROUND

- In order to support IESO's role with the implementation of the *Ontario Fair Hydro Plan Act, 2017* ("OFHP Act") OFA staff made similar changes to the definition of 'permitted liens" in existing OFA-IESO credit facility agreements on November 6, 2017.

- Currently, under the existing credit facility agreements between OEFC and the IESO, the definition of ~~the~~ "permitted liens" does not include any lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

Electricity Finance Branch / Corporate and Electricity Finance Division ~~&/~~
Capital Markets Operations, Capital Markets Division
Ontario Financing Authority
November 15, 2017

From:	Opal Kandelas
To:	Jean-Francois Beaupre
Cc:	Sarah Harris; Ryan Blackbyrne
Subject:	RE: IESO - OEFC credit facilities : permitted liens
Date:	Monday, November 20, 2017 2:54:23 PM

Thanks. Given the way security interest is defined broadly in the security agreement, it is more than possible that funds from the OEFC agreements could be caught up in liens. IESO should really just be a "flow-through" but the net seems much wider than funds collected from rate payers.

From: Jean-Francois Beaupre
Sent: Monday, November 20, 2017 2:39 PM
To: Opal Kandelas
Cc: Sarah Harris ; Ryan Blackbyrne
Subject: RE: IESO - OEFC credit facilities : permitted liens

Hi Opal and Sarah,

Please find attached my comments for your review and consideration.

Basically, what I am hearing from CEFD so far is: "the OFA-IESO agreements were done this way, so we should do the same for OEFC to remain consistent" which is not a very convincing argument in my opinion – specially considering the $475M agreement may have been amended without much consideration.

Also, the comment to the effect that "IESO is asking for this to avoid being in default" requires further clarifications in my view – in default in relation to whom? If the OEFC-IESO agreements are not related to FHP, I don't think that IESO having 'permitted liens' for FHP purposes in other OFA credit facility agreements would create a default situation unless the funds from the OEFC agreements somehow end up in this liens?

Thanks,

J-F

From: Opal Kandelas
Sent: Monday, November 20, 2017 2:19 PM
To: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Hi, attached is the amended note. I made a few further comments/edits, that I thought were absolutely necessary. Please review and send back comments to me directly.

Thanks,

Opal

From: Jean-Francois Beaupre
Sent: Monday, November 20, 2017 2:07 PM
To: Opal Kandelas <Opal.Kandelas@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Thanks, Sarah and I were just discussing this now and I recalled that you are meeting Mike tomorrow.

From: Opal Kandelas
Sent: Monday, November 20, 2017 2:07 PM

To: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens
About to send you a revised note…

From: Jean-Francois Beaupre
Sent: Monday, November 20, 2017 2:06 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: John Kim <John.Kim@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens
Hi Lisa,
The decision to amend the IESO-OEFC agreements for permitted liens is still being determined by Gadi/Ron/Mike. As such, we won't ask IESO for draft amendments until such time as that decision has been made.
Regards,
J-F

From: Lisa Stein
Sent: Monday, November 20, 2017 1:55 PM
To: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Cc: John Kim <John.Kim@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens
Thank you for the update. Have we received proposed amendments from IESO?

From: Jean-Francois Beaupre
Sent: Monday, November 20, 2017 10:58 AM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: John Kim <John.Kim@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens
Hi Lisa,
John and Opal discussed this matter and I think John was working on a revised briefing note.
Kind regards,
J-F

From: Lisa Stein
Sent: Monday, November 20, 2017 10:51 AM
To: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Cc: John Kim <John.Kim@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens
Hi J-F,
Can you please update me on the status of this file?
Thank you,
Lisa

From: Jean-Francois Beaupre
Sent: Thursday, November 16, 2017 1:52 PM
To: John Kim <John.Kim@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Hi John,

We have an internal discussion earlier this morning which Mike attended. The comments provided were approved by Sarah and Opal.

Regards,

J-F

From: John Kim
Sent: Thursday, November 16, 2017 1:49 PM
To: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Hi Jean-Francois,

You had comments in the draft with questions and concerns expressed. Are these approved by Sarah and Opal or comments at your level?

Given that we are under a tight timeline, it would be helpful if we can have a discussion today.

Mike is in the loop on the FHP discussion. Could your group check with him on his views beforehand too?

John

From: Jean-Francois Beaupre
Sent: Thursday, November 16, 2017 1:42 PM
To: Gavin He <Gavin.He@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Hi Gavin,

I discussed your request for me to come down to the 3rd floor for a quick chat with you and John with Opal.

At this time, our preference would be to obtain clarifications from CEFD and/or IESO in response to the comments we raised so that we may gain a better understanding of the potential implications for OEFC. Opal suggested that we could have a call or meeting tomorrow if you think that would be helpful?

Kind regards,

J-F

From: Jean-Francois Beaupre
Sent: Thursday, November 16, 2017 12:25 PM
To: Gavin He <Gavin.He@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne

<Ryan.Blackbyrne@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Dear Gavin,

Please find attached our consolidated comments on the draft note.

We are happy to discuss further as always.

Thanks,

J-F

From: Gavin He
Sent: Thursday, November 16, 2017 8:21 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Hi all,

We have confirmed with the IESO that the reason for their requested change to the definition of the "permitted liens" in the OEFC credit facility agreements are the same for the request to OFA. The IESO wants to be able to grant security to the OPG Trust, and address the possibility that the Clean Energy Adjustment funds collected by IESO might be considered to be subject to a lien. The IESO does not want to be inadvertently in default.

We have drafted the attached BN for internal approval (Ron and Gadi) process. Could you please review and let us know if you have any concerns? It would be much appreciated if you could provide us your feedback around noon today, given the limited timeframe on this request.

This has been reviewed by Legal last night and I have incorporated the feedback from Sarah N. (in Lisa's absence).

Please let me know if you have any questions.

Thanks,

Gavin He

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Wednesday, November 15, 2017 6:49 AM
To: John Kim <John.Kim@ofina.on.ca>
Cc: Victor Buza <Victor.Buza@ieso.ca>
Subject: IESO - OEFC credit facilities : permitted liens

John,

As discussed yesterday, it likely is best to add to the definition of "Permitted Liens" in the two OEFC facilities to address a) IESO granting security to the OPG Trust during the first 4 years of fair hydro program and b) the possibility that the Clean Energy Adjustment funds collected by IESO might be considered to be subject to a lien. The IESO does not want to be inadvertently in default.

Happy to discuss further. I am out of the office most of this week on IESO business matters but available by cell 289-795-9426, or if necessary you may connect with Victor.

Regards.

This e-mail message and any files transmitted with it are intended only for the named recipient(s) above and may contain information that is privileged, confidential and/or exempt from disclosure under applicable law. If you are not the intended recipient(s), any dissemination, distribution or copying of this e-mail message or any files transmitted with it is

strictly prohibited. If you have received this message in error, or are not the named recipient(s), please notify the sender immediately and delete this e-mail message.

From:	Sarah Harris
To:	Jean-Francois Beaupre; Gavin He; Ryan Blackbyrne
Cc:	John Kim; Opal Kandelas
Subject:	RE: IESO - OEFC credit facilities : permitted liens
Date:	Thursday, November 16, 2017 4:02:57 PM
Attachments:	IESO-OEFC Note (Mark-up).docx

Hi JF,
I only have one small edit on where FHP definition is introduced, otherwise looks good to me. Opal appears to be logged off for the day, but I expect she may take a look on the Go Train.
Thanks,
Sarah

From: Jean-Francois Beaupre
Sent: Thursday, November 16, 2017 3:48 PM
To: Gavin He ; Sarah Harris ; Ryan Blackbyrne
Cc: John Kim ; Opal Kandelas
Subject: RE: IESO - OEFC credit facilities : permitted liens
Dear all,
Please find attached for your review and consideration my suggested edits following our discussion.
Happy to incorporate any additional comments you may have.
I did not cc OFA Legal on this draft.
Thanks,
J-F

From: Gavin He
Sent: Thursday, November 16, 2017 8:21 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens
Hi all,
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We have drafted the attached BN for internal approval (Ron and Gadi) process. Could you please review and let us know if you have any concerns? It would be much appreciated if you could provide us your feedback around noon today, given the limited timeframe on this request.
This has been reviewed by Legal last night and I have incorporated the feedback from Sarah N. (in Lisa's absence).
Please let me know if you have any questions.
Thanks,
Gavin He

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Wednesday, November 15, 2017 6:49 AM
To: John Kim <John.Kim@ofina.on.ca>

Cc: Victor Buza <Victor.Buza@ieso.ca>

Subject: IESO - OEFC credit facilities : permitted liens

John,

As discussed yesterday, it likely is best to add to the definition of "Permitted Liens" in the two OEFC facilities to address a) IESO granting security to the OPG Trust during the first 4 years of fair hydro program and b) the possibility that the Clean Energy Adjustment funds collected by IESO might be considered to be subject to a lien. The IESO does not want to be inadvertently in default.

Happy to discuss further. I am out of the office most of this week on IESO business matters but available by cell 289-795-9426, or if necessary you may connect with Victor.

Regards.

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OEFC -- IESO CREDIT FACILITY AGREEMENT & THE PERMITTED LIENS

ISSUE

The Independent Electricity System Operator ("IESO") has requested that OEFC ~~to~~ amend the existing credit facility agreements between OEFC and IESO (for $160M and $120M) to address the additional obligations ~~the~~ IESO is taking on under Ontario's Fair Hydro Plan. IESO has indicated that OEFC credit facilities will not be used for Ontario Fair Hydro Plan (FHP) purposes.

CONTEXT

The ~~Fair Hydro Plan (~~FHP~~)~~ will require ~~the~~ IESO and Ontario Power Generation (OPG) to work together to spread out the costs of Ontario's clean energy investments over a longer period of time, which ensures that the costs of these investments are allocated fairly among current and future ratepayers. This is being accomplished through refinancing a portion of the Global Adjustment (GA).~~ The~~ IESO and OPG are in a discussion to ~~potentially~~ grant ~~the~~a security/priority interest on IESO's assets to ~~the~~ OPG Trust for the period of the first ~~four~~ 4 years of the GA deferral.

As the purchaser of IESO assets, OPG Trust wants to secure a priority interest against these assets in light of on-going uncertainties surrounding funding requirements of the FHP. IESO has existing credit facility agreements with the OFA, OEFC and TD Bank and wants to ensure consistency across all of its existing agreements in order to provide a level of comfort to the broader investment community . ~~The~~ IESO will seek its Board's approval on Nov 22, 2017 for the security agreement. Amending ~~and this would be in conflict with~~ the existing OEFC's ~~s~~ $160M and $120M credit facility agreements (the "OEFC Agreements") ~~with the IESO without the requested amendments~~would prevent IESO from having to undertake further negotiations or make last-minute changes to the security agreement it intends to present to its Board in the very near future~~. Paragraph 4.7 – Negative Pledges – in both OEFC credit facility agreements does not allow IESO to grant such security/priority to the OPG Trust~~.

In order to address this issue, ~~the~~ IESO has requested ~~OEFC~~ to amend the definition of the "permitted liens" in both existing OEFC Agreements to include any liens related to the ~~Fair Hydro Plan (~~FHP~~)~~. Specifically, adding a clause in the existing OEFC Agreements that any lien related to OFHP will not be viewed as negative pledge by OEFC, so those liens can be used to secure the performance of IESO's obligations ~~towards OPG~~under the FHP. This would allow IESO to grant security to the OPG Trust during the first 4 years of implementing the GA deferral and also avoid of breaching the terms of existing agreements. ~~the possibility that the Clean Energy Adjustment funds collected by IESO might be considered to be subject to a lien. The IESO does not want inadvertently to be in default.~~

~~To support IESO's role in the implementation and participation under the *Ontario Fair Hydro Plan Act, 2017* ("OFHP Act") in July 2017, the IESO had reached out to the Capital Market Division – Operations of the OFA to make the same request to the credit facility agreements with OFA in October. The OFA staff have recommended providing the requested amendments and amended the $475M and $2B credit facility agreements between OFA and the IESO on November 6th, 2017 (the "OFA Agreements"), as suggested by the IESO. One of the amendments to the agreement is to amend the definition of the permitted liens to include any lien arising from the IESO's role and obligations under the OFHP.~~

It should be noted that the legislation governing OEFC differs significantly from the OFA's objects and mandate under the *Capital Investment Plan Act, 1993.* In the event IESO were to default on any of its obligations to OEFC in connection with FHP-related liens resulting from OPG Trust having a priority claim against funds collected by IESO, the OEFC may need to undertake negotations with IESO or find itself unable to collect payments due from IESO.

RECOMMENDATIONS

- In order ~~To support IESO's role in the implementation and participation under the OFHP Act and also to be~~ to remain consistent with the language recently incorporated in existing IESO-OFA agreements~~approach OFA implemented~~, OFA staff are of the view that the exisiting OEFC Agreements ~~require amendments~~can be amended provided OEFC management is comfortable with the level of risk assumed by OEFC; and
  - ~~to the permitted liens and negative covenant language to make it the same as, or very~~
- It is recommended that the OFA staff support~~Although the OEFC credit facility is not used for OFHP's purpose, it is~~ IESO's ~~position~~request ~~that it wants to~~ to ~~make~~ ~~such change to the~~amend exsiting ~~definition of the permitted liens to make sure that the IESO is not inadvertently in default of its security obligations to OPG Trust is still required in order for IESO to~~and ~~meets~~ ~~its~~ OEFC Agreements so that it may fulfill its ~~role and~~ obligations under the OFHP Act without limitations.~~.~~

BACKGROUND

- In order to support IESO's role with the implementation of the *Ontario Fair Hydro Plan Act, 2017* ("OFHP Act") OFA staff made similar changes to the definition of 'permitted liens" in existing OFA-IESO credit facility agreements on November 6, 2017.

- Currently, under the existing credit facility agreements between OEFC and the IESO, the definition of ~~the~~ "permitted liens" does not include any lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

Electricity Finance Branch / Corporate and Electricity Finance Division ~~&/~~
Capital Markets Operations, Capital Markets Division
Ontario Financing Authority
November 15, 2017

To:	Jean-Francois Beaupre
Cc:	Opal Kandelas; Ryan Blackbyrne
Subject:	RE: IESO - OEFC credit facilities : permitted liens
Date:	Thursday, November 16, 2017 3:52:54 PM

JF,
This looks

From: Jean-Francois Beaupre
Sent: Thursday, November 16, 2017 3:48 PM
To: Gavin He ; Sarah Harris ; Ryan Blackbyrne
Cc: John Kim ; Opal Kandelas
Subject: RE: IESO - OEFC credit facilities : permitted liens
Dear all,
Please find attached for your review and consideration my suggested edits following our discussion.
Happy to incorporate any additional comments you may have.
I did not cc OFA Legal on this draft.
Thanks,
J-F

From: Gavin He
Sent: Thursday, November 16, 2017 8:21 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens
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This has been reviewed by Legal last night and I have incorporated the feedback from Sarah N. (in Lisa's absence).
Please let me know if you have any questions.
Thanks,
Gavin He

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Wednesday, November 15, 2017 6:49 AM
To: John Kim <John.Kim@ofina.on.ca>
Cc: Victor Buza <Victor.Buza@ieso.ca>
Subject: IESO - OEFC credit facilities : permitted liens
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facilities to address a) IESO granting security to the OPG Trust during the first 4 years of fair hydro program and b) the possibility that the Clean Energy Adjustment funds collected by IESO might be considered to be subject to a lien. The IESO does not want to be inadvertently in default.
Happy to discuss further. I am out of the office most of this week on IESO business matters but available by cell 289-795-9426, or if necessary you may connect with Victor.
Regards.

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From:	Jean-Francois Beaupre
To:	Gavin He; Sarah Harris; Ryan Blackbyrne
Cc:	John Kim; Opal Kandelas
Subject:	RE: IESO - OEFC credit facilities : permitted liens
Date:	Thursday, November 16, 2017 3:47:51 PM
Attachments:	IESO-OEFC Note (Mark-up).docx IESO-OEFC Note (Clean).docx

Dear all,
Please find attached for your review and consideration my suggested edits following our discussion.
Happy to incorporate any additional comments you may have.
I did not cc OFA Legal on this draft.
Thanks,
J-F

From: Gavin He
Sent: Thursday, November 16, 2017 8:21 AM
To: Sarah Harris ; Ryan Blackbyrne ; Jean-Francois Beaupre
Cc: Lisa Stein
Subject: RE: IESO - OEFC credit facilities : permitted liens

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Thanks,
Gavin He

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Wednesday, November 15, 2017 6:49 AM
To: John Kim <John.Kim@ofina.on.ca>
Cc: Victor Buza <Victor.Buza@ieso.ca>
Subject: IESO - OEFC credit facilities : permitted liens

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OEFC -- IESO CREDIT FACILITY AGREEMENT & THE PERMITTED LIENS

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The Independent Electricity System Operator ("IESO") has requested that OEFC ~~to~~ amend the existing credit facility agreements between OEFC and IESO (for $160M and $120M) to address the additional obligations ~~the~~ IESO is taking on under Ontario's Fair Hydro Plan. IESO has indicated that OEFC credit facilities will not be used for OFHP purposes.

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It should be noted that the legislation governing OEFC differs significantly from the OFA's objects and mandate under the *Capital Investment Plan Act, 1993.* In the event IESO were to default on any of its obligations to OEFC in connection with FHP-related liens resulting from OPG Trust having a priority claim against funds collected by IESO, the OEFC may need to undertake negotations with IESO or find itself unable to collect payments due from IESO.

RECOMMENDATIONS

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Electricity Finance Branch / Corporate and Electricity Finance Division ~~&/~~
Capital Markets Operations, Capital Markets Division
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Electricity Finance Branch / Corporate and Electricity Finance Division &
Capital Markets Operations, Capital Markets Division
Ontario Financing Authority
November 15, 2017

From:	Jean-Francois Beaupre
To:	Gavin He; Sarah Harris; Ryan Blackbyrne
Cc:	John Kim; Opal Kandelas
Subject:	RE: IESO - OEFC credit facilities : permitted liens
Date:	Thursday, November 16, 2017 3:47:51 PM
Attachments:	IESO-OEFC Note (Mark-up).docx IESO-OEFC Note (Clean).docx

Dear all,
Please find attached for your review and consideration my suggested edits following our discussion.
Happy to incorporate any additional comments you may have.
I did not cc OFA Legal on this draft.
Thanks,
J-F

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To: Sarah Harris ; Ryan Blackbyrne ; Jean-Francois Beaupre
Cc: Lisa Stein
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Capital Markets Operations, Capital Markets Division
Ontario Financing Authority
November 15, 2017

From:	Jean-Francois Beaupre
To:	John Kim; Gavin He; Sarah Harris; Ryan Blackbyrne
Cc:	Lisa Stein; Opal Kandelas
Subject:	RE: IESO - OEFC credit facilities : permitted liens
Date:	Thursday, November 16, 2017 1:52:13 PM

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To: Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Hi all,
We have confirmed with the IESO that the reason for their requested change to the definition of the "permitted liens" in the OEFC credit facility agreements are the same for the request to OFA. The IESO wants to be able to grant security to the OPG Trust, and address the possibility that the Clean Energy Adjustment funds collected by IESO might be considered to be subject to a lien. The IESO does not want to be inadvertently in default.
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This has been reviewed by Legal last night and I have incorporated the feedback from Sarah N. (in Lisa's absence).
Please let me know if you have any questions.
Thanks,
Gavin He

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Wednesday, November 15, 2017 6:49 AM
To: John Kim <John.Kim@ofina.on.ca>
Cc: Victor Buza <Victor.Buza@ieso.ca>
Subject: IESO - OEFC credit facilities : permitted liens

John,
As discussed yesterday, it likely is best to add to the definition of "Permitted Liens" in the two OEFC facilities to address a) IESO granting security to the OPG Trust during the first 4 years of fair hydro program and b) the possibility that the Clean Energy Adjustment funds collected by IESO might be considered to be subject to a lien. The IESO does not want to be inadvertently in default.
Happy to discuss further. I am out of the office most of this week on IESO business matters but available by cell 289-795-9426, or if necessary you may connect with Victor.
Regards.

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From: John Kim
To: Jean-Francois Beaupre; Gavin He; Sarah Harris; Ryan Blackbyrne
Cc: Lisa Stein; Opal Kandelas
Subject: RE: IESO - OEFC credit facilities : permitted liens
Date: Thursday, November 16, 2017 1:49:27 PM

Hi Jean-Francois,
You had comments in the draft with questions and concerns expressed. Are these approved by Sarah and Opal or comments at your level?
Given that we are under a tight timeline, it would be helpful if we can have a discussion today.
Mike is in the loop on the FHP discussion. Could your group check with him on his views beforehand too?
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From: Jean-Francois Beaupre
Sent: Thursday, November 16, 2017 1:42 PM
To: Gavin He ; Sarah Harris ; Ryan Blackbyrne
Cc: Lisa Stein ; Opal Kandelas ; John Kim
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At this time, our preference would be to obtain clarifications from CEFD and/or IESO in response to the comments we raised so that we may gain a better understanding of the potential implications for OEFC. Opal suggested that we could have a call or meeting tomorrow if you think that would be helpful?
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J-F

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To: Gavin He <Gavin.He@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>
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To: Gavin He; Sarah Harris; Ryan Blackbyrne
Cc: Lisa Stein; Opal Kandelas; John Kim
Subject: RE: IESO - OEFC credit facilities : permitted liens
Date: Thursday, November 16, 2017 1:42:08 PM

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From:	Opal Kandelas
To:	Jean-Francois Beaupre
Cc:	Sarah Harris; Ryan Blackbyrne
Subject:	RE: IESO - OEFC credit facilities : permitted liens
Date:	Monday, November 20, 2017 2:54:23 PM

Thanks. Given the way security interest is defined broadly in the security agreement, it is more than possible that funds from the OEFC agreements could be caught up in liens. IESO should really just be a "flow-through" but the net seems much wider than funds collected from rate payers.

From: Jean-Francois Beaupre
Sent: Monday, November 20, 2017 2:39 PM
To: Opal Kandelas
Cc: Sarah Harris ; Ryan Blackbyrne
Subject: RE: IESO - OEFC credit facilities : permitted liens

Hi Opal and Sarah,

Please find attached my comments for your review and consideration.

Basically, what I am hearing from CEFD so far is: "the OFA-IESO agreements were done this way, so we should do the same for OEFC to remain consistent" which is not a very convincing argument in my opinion – specially considering the $475M agreement may have been amended without much consideration.

Also, the comment to the effect that "IESO is asking for this to avoid being in default" requires further clarifications in my view – in default in relation to whom? If the OEFC-IESO agreements are not related to FHP, I don't think that IESO having 'permitted liens' for FHP purposes in other OFA credit facility agreements would create a default situation unless the funds from the OEFC agreements somehow end up in this liens?

Thanks,

J-F

From: Opal Kandelas
Sent: Monday, November 20, 2017 2:19 PM
To: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Hi, attached is the amended note. I made a few further comments/edits, that I thought were absolutely necessary. Please review and send back comments to me directly.

Thanks,

Opal

From: Jean-Francois Beaupre
Sent: Monday, November 20, 2017 2:07 PM
To: Opal Kandelas <Opal.Kandelas@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Thanks, Sarah and I were just discussing this now and I recalled that you are meeting Mike tomorrow.

From: Opal Kandelas
Sent: Monday, November 20, 2017 2:07 PM

To: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens
About to send you a revised note…

From: Jean-Francois Beaupre
Sent: Monday, November 20, 2017 2:06 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: John Kim <John.Kim@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens
Hi Lisa,
The decision to amend the IESO-OEFC agreements for permitted liens is still being determined by Gadi/Ron/Mike. As such, we won't ask IESO for draft amendments until such time as that decision has been made.
Regards,
J-F

From: Lisa Stein
Sent: Monday, November 20, 2017 1:55 PM
To: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Cc: John Kim <John.Kim@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens
Thank you for the update. Have we received proposed amendments from IESO?

From: Jean-Francois Beaupre
Sent: Monday, November 20, 2017 10:58 AM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: John Kim <John.Kim@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens
Hi Lisa,
John and Opal discussed this matter and I think John was working on a revised briefing note.
Kind regards,
J-F

From: Lisa Stein
Sent: Monday, November 20, 2017 10:51 AM
To: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Cc: John Kim <John.Kim@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens
Hi J-F,
Can you please update me on the status of this file?
Thank you,
Lisa

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Sent: Thursday, November 16, 2017 1:52 PM
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Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>
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We have an internal discussion earlier this morning which Mike attended. The comments provided were approved by Sarah and Opal.

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Subject:	RE: IESO - OEFC credit facilities : permitted liens
Date:	Thursday, November 16, 2017 12:25:17 PM
Attachments:	IESO-OEFC - FHP LoC_Nov 2017_v7 (007).docx

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OEFC -- IESO CREDIT FACILITY AGREEMENT & THE PERMITTED LIENS

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November 15, 2017

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OEFC -- IESO CREDIT FACILITY AGREEMENT & THE PERMITTED LIENS

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We have drafted the attached BN for internal approval (Ron and Gadi) process. Could you please review and let us know if you have any concerns? It would be much appreciated if you could provide us your feedback around noon today, given the limited timeframe on this request.

This has been reviewed by Legal last night and I have incorporated the feedback from Sarah N. (in Lisa's absence).

Please let me know if you have any questions.

Thanks,

Gavin He

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Wednesday, November 15, 2017 6:49 AM
To: John Kim <John.Kim@ofina.on.ca>
Cc: Victor Buza <Victor.Buza@ieso.ca>
Subject: IESO - OEFC credit facilities : permitted liens

John,

As discussed yesterday, it likely is best to add to the definition of "Permitted Liens" in the two OEFC facilities to address a) IESO granting security to the OPG Trust during the first 4 years of fair hydro program and b) the possibility that the Clean Energy Adjustment funds collected by IESO might be considered to be subject to a lien. The IESO does not want to be inadvertently in default.

Happy to discuss further. I am out of the office most of this week on IESO business matters but available by cell 289-795-9426, or if necessary you may connect with Victor.

Regards.

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OEFC -- IESO CREDIT FACILITY AGREEMENT & THE PERMITTED LIENS

ISSUE

The Independent Electricity System Operator ("IESO") has requested OEFC to amend the existing credit facility agreements between OEFC and IESO (for $160M and $120M) to address the additional obligations the IESO is taking on under Ontario's Fair Hydro Plan.

CONTEXT

The Fair Hydro Plan will require the IESO and Ontario Power Generation (OPG) to work together to spread out the costs of Ontario's clean energy investments over a longer period of time, which ensures that the costs of these investments are allocated fairly among current and future ratepayers. This is being accomplished through refinancing a portion of the Global Adjustment (GA). The IESO and OPG are in a discussion to potentially grant the security/priority on IESO's assets to the OPG Trust for the period of the first four years of the GA deferral. The IESO will seek its Board approval on Nov 22, 2017 for the security agreement and this would be in conflict with OEFC's $160M and $120M credit facility agreements (the "OEFC Agreements") with the IESO without the requested amendments. Paragraph 4.7 – Negative Pledges – in both OEFC credit facility agreements does not allow IESO to grant such security/priority to the OPG Trust.

In order to address this issue, the IESO has requested OEFC to amend the definition of the "permitted liens" in both existing OEFC Agreements to include any liens related to the Fair Hydro Plan (FHP). Specifically, adding a clause in the existing OEFC Agreements that any lien related to OFHP will not be viewed as negative pledge by OEFC, so those liens can be used to secure the performance of IESO's obligations towards OPG. This would allow IESO to grant security to the OPG Trust during the first 4 years of implementing the GA deferral and also avoid the possibility that the Clean Energy Adjustment funds collected by IESO might be considered to be subject to a lien. The IESO does not want inadvertently to be in default.

To support IESO's role in the implementation and participation under the *Ontario Fair Hydro Plan Act, 2017* ("OFHP Act") in July 2017, the IESO had reached out to the Capital Market Division – Operations of the OFA to make the same request to the credit facility agreements with OFA in October. The OFA staff have recommended providing the requested amendments and amended the $475M and $2B credit facility agreements between OFA and the IESO on November 6th, 2017 (the "OFA Agreements"), as suggested by the IESO. One of the amendments to the agreement is to amend the definition of the permitted liens to include any lien arising from the IESO's role and obligations under the OFHP.

RECOMMENDATION

- To support IESO's role in the implementation and participation under the OFHP Act and also to be consistent with the approach OFA implemented , OFA staff are of the view that the exisiting OEFC Agreements require amendments to the permitted liens and negative covenant language to make it the same as, or very similar to, the language in the OFA Agreements that were signed recently.
- Although the OEFC credit facility is not used for OFHP's purpose, it is IESO's position that it wants to make such change to the definition of the permitted liens to make sure that the IESO is not inadvertently in default of its security obligations to OPG Trust ~~is still required in order for IESO to~~and meets its role and obligation under the OFHP Act.

BACKGROUND

- Currently, under the existing credit facility agreement between OEFC and the IESO, the definition of the "permitted liens" does not include any lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation,

Commented [JB1]:
If the existing agreements between OEFC and IESO will not be used for OFHP purposes (see 2nd bullet in "Recommendations") and since draws for FHP purposes will only made from the OFA-IESO $2B credit facility agreement, there does not appear to be a clear rationale why the definition of 'permitted liens" needs to be amended in the OEFC agreement at this time. Please advise.

Commented [JB2]:
We are not privy to the 'security agreement' and need to understand why this would be in conflict with existing agreements. Please explain what are the risks, if any, of OEFC granting IESO priority to OPG Trust?

(e.g. If changes were made to the Clean Energy Adjustment fund collected by IESO in the future and OPG Trust had liens in place against these assets, is there a possibility that IESO would default on its 'non-OFHP' related obligations to OEFC? How would this work?

Commented [JB3]:
We require a better understanding of how the GA, Clean Energy Adjustment Funds and OPG Trust fit together in the context of OEFC. Please advise.

May you please explain if the GA is related to OEFC and how this may impact the existing $120M and $160M agreements precisely?

It would be helpful if you could please provide an example of a situation where non-OFHP related business conducted between IESO-OEFC would end up as part of a lien related to FHP obligations?

Commented [JB4]:
Should these agreements be examined on a case-by-case basis to determine what they are being used for and only those agreements which pertain to OFHP obligations should be amended?

Commented [JB5]:
How would funds collected from the Clean Energy Adjustment affect OEFC and IESO's obligations to repay OEFC?

amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

- On November 6, 2017, OFA and IESO signed an updated OFA IESO credit facility agreement with respect to changes related to OFHP.

Electricity Finance Branch / Corporate and Electricity Finance Division / Ontario Financing Authority
November 15, 2017

From:	Sarah Harris
To:	Jean-Francois Beaupre; Opal Kandelas
Cc:	Ryan Blackbyrne
Subject:	RE: IESO - OEFC credit facilities : permitted liens
Date:	Monday, November 20, 2017 2:53:55 PM
Attachments:	IESO-OEFC Note_v3Clean_Markup (002).docx

Hi JF,
I just tweaked your first comment.
Thanks,
Sarah

From: Jean-Francois Beaupre
Sent: Monday, November 20, 2017 2:39 PM
To: Opal Kandelas
Cc: Sarah Harris ; Ryan Blackbyrne
Subject: RE: IESO - OEFC credit facilities : permitted liens

Hi Opal and Sarah,
Please find attached my comments for your review and consideration.
Basically, what I am hearing from CEFD so far is: "the OFA-IESO agreements were done this way, so we should do the same for OEFC to remain consistent" which is not a very convincing argument in my opinion – specially considering the $475M agreement may have been amended without much consideration.
Also, the comment to the effect that "IESO is asking for this to avoid being in default" requires further clarifications in my view – in default in relation to whom? If the OEFC-IESO agreements are not related to FHP, I don't think that IESO having 'permitted liens' for FHP purposes in other OFA credit facility agreements would create a default situation unless the funds from the OEFC agreements somehow end up in this liens?
Thanks,
J-F

From: Opal Kandelas
Sent: Monday, November 20, 2017 2:19 PM
To: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Hi, attached is the amended note. I made a few further comments/edits, that I thought were absolutely necessary. Please review and send back comments to me directly.
Thanks,
Opal

From: Jean-Francois Beaupre
Sent: Monday, November 20, 2017 2:07 PM
To: Opal Kandelas <Opal.Kandelas@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Thanks, Sarah and I were just discussing this now and I recalled that you are meeting Mike tomorrow.

From: Opal Kandelas

Sent: Monday, November 20, 2017 2:07 PM
To: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

About to send you a revised note…

From: Jean-Francois Beaupre
Sent: Monday, November 20, 2017 2:06 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: John Kim <John.Kim@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Hi Lisa,

The decision to amend the IESO-OEFC agreements for permitted liens is still being determined by Gadi/Ron/Mike. As such, we won't ask IESO for draft amendments until such time as that decision has been made.

Regards,

J-F

From: Lisa Stein
Sent: Monday, November 20, 2017 1:55 PM
To: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Cc: John Kim <John.Kim@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Thank you for the update. Have we received proposed amendments from IESO?

From: Jean-Francois Beaupre
Sent: Monday, November 20, 2017 10:58 AM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: John Kim <John.Kim@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Hi Lisa,

John and Opal discussed this matter and I think John was working on a revised briefing note.

Kind regards,

J-F

From: Lisa Stein
Sent: Monday, November 20, 2017 10:51 AM
To: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Cc: John Kim <John.Kim@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Hi J-F,

Can you please update me on the status of this file?

Thank you,

Lisa

From: Jean-Francois Beaupre
Sent: Thursday, November 16, 2017 1:52 PM
To: John Kim <John.Kim@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Hi John,

We have an internal discussion earlier this morning which Mike attended. The comments provided were approved by Sarah and Opal.

Regards,

J-F

From: John Kim
Sent: Thursday, November 16, 2017 1:49 PM
To: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Hi Jean-Francois,

You had comments in the draft with questions and concerns expressed. Are these approved by Sarah and Opal or comments at your level?

Given that we are under a tight timeline, it would be helpful if we can have a discussion today.

Mike is in the loop on the FHP discussion. Could your group check with him on his views beforehand too?

John

From: Jean-Francois Beaupre
Sent: Thursday, November 16, 2017 1:42 PM
To: Gavin He <Gavin.He@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Hi Gavin,

I discussed your request for me to come down to the 3rd floor for a quick chat with you and John with Opal.

At this time, our preference would be to obtain clarifications from CEFD and/or IESO in response to the comments we raised so that we may gain a better understanding of the potential implications for OEFC. Opal suggested that we could have a call or meeting tomorrow if you think that would be helpful?

Kind regards,

J-F

From: Jean-Francois Beaupre
Sent: Thursday, November 16, 2017 12:25 PM

To: Gavin He <Gavin.He@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Dear Gavin,

Please find attached our consolidated comments on the draft note.

We are happy to discuss further as always.

Thanks,

J-F

From: Gavin He
Sent: Thursday, November 16, 2017 8:21 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Hi all,

We have confirmed with the IESO that the reason for their requested change to the definition of the "permitted liens" in the OEFC credit facility agreements are the same for the request to OFA. The IESO wants to be able to grant security to the OPG Trust, and address the possibility that the Clean Energy Adjustment funds collected by IESO might be considered to be subject to a lien. The IESO does not want to be inadvertently in default.

We have drafted the attached BN for internal approval (Ron and Gadi) process. Could you please review and let us know if you have any concerns? It would be much appreciated if you could provide us your feedback around noon today, given the limited timeframe on this request.

This has been reviewed by Legal last night and I have incorporated the feedback from Sarah N. (in Lisa's absence).

Please let me know if you have any questions.

Thanks,

Gavin He

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Wednesday, November 15, 2017 6:49 AM
To: John Kim <John.Kim@ofina.on.ca>
Cc: Victor Buza <Victor.Buza@ieso.ca>
Subject: IESO - OEFC credit facilities : permitted liens

John,

As discussed yesterday, it likely is best to add to the definition of "Permitted Liens" in the two OEFC facilities to address a) IESO granting security to the OPG Trust during the first 4 years of fair hydro program and b) the possibility that the Clean Energy Adjustment funds collected by IESO might be considered to be subject to a lien. The IESO does not want to be inadvertently in default.

Happy to discuss further. I am out of the office most of this week on IESO business matters but available by cell 289-795-9426, or if necessary you may connect with Victor.

Regards.

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OEFC -- IESO CREDIT FACILITY AGREEMENT & THE PERMITTED LIENS

ISSUE

The Independent Electricity System Operator ("IESO") has requested that OEFC amend the existing credit facility agreements between OEFC and IESO (for $160M and $120M) to address the additional obligations IESO is taking on under Ontario's Fair Hydro Plan. IESO has indicated that OEFC credit facilities will not be used for Ontario Fair Hydro Plan (FHP) purposes.

CONTEXT - IESO'S REQUEST

- The FHP requires the IESO and Ontario Power Generation (OPG) to work together to refinance Ontario's clean energy investments over a longer period of time. IESO and OPG are in a discussion to grant a security/priority interest on IESO's assets to OPG Trust for the period of the first 4 years of the GA deferral.

- The IESO is planning to seek its Board's approval on Nov 22, 2017 to enter into a ~~for the~~ security agreement with OPG Trust. The security agreement is currently in draft form. Without amending the existing OEFC $160M and $120M credit facility agreements (the "OEFC Agreements"), IESO could potentially be considered to be in default of the terms of the security agreement~~s~~. IESO staff wrote:

  > *"…it likely is best to add to the definition of "Permitted Liens" in the two OEFC facilities to address a) IESO granting security to the OPG Trust during the first 4 years of fair hydro program and b) the possibility that the Clean Energy Adjustment funds collected by IESO might be considered to be subject to a lien. The IESO does not want to be inadvertently in default."*

- In order to address this issue, the IESO has requested to amend the definition of the "permitted liens" in both existing OEFC Agreements to include any liens related to the FHP. Specifically, adding a clause in the existing OEFC Agreements that any lien related to OFHP will not be viewed as negative pledge by OEFC, so those liens can be used to secure the performance of IESO's obligations to OPG under the FHP. This would allow IESO to grant security to the OPG Trust during the first 4 years of implementing the GA deferral and also avoid ~~of~~ breaching the terms of existing agreements.

- To support IESO's role in the implementation and participation under the Ontario Fair Hydro Plan Act, 2017 ("OFHP Act"), in July 2017~~,~~ the IESO had requested that the OFA ~~to~~ make ~~the same~~similar ~~request~~ changes to the credit facility agreements with OFA in October.
  - On November 6, 2017, the OFA amended the $475M facility to amend the definition of ~~the~~ "permitted liens" and also included same for the new $2B credit facility agreement between OFA and the IESO , as requested by the IESO.

CONSIDERATIONS

- OFA'S Capital Markets – Operations staff have commented that the legislation governing OEFC, the *Electricity Act, 1998*, may provide differing context from the OFA's objects and mandate under the *Capital Investment Plan Act, 1993*. [This was a bullet suggested by CMD – Operations.]

- With the proposed new security agreement between OPG Trust and IESO, OPG Trust would have a priority claim against potentially the Clean Energy Adjustment funds collected by or flowing~~n~~ through the IESO, the OEFC could find itself unable to collect payments due from the IESO. The likelihood of this scenario could be assessed as low and IESO is an agency of the government consolidated line-by-line in the Province's accounts. [This was a bullet inserted by CMD – Operations.]

Commented [JB1]: Please confirm the scope of the security agreement. Does IESO grant secuurity to OPG Trust for all IESO assets, or only those related to FHP?
We are not certain that pleasing the 'investment community' would be a satisfactory explanation and so far this is only based on IESO's request.

Commented [JB2]: Repetive suggested deleting.

Commented [JB3]: This may not have been necessary and we should consider this.

Commented [JK4]: Unless Documentation can provide specific differences that are significant, I suggest we delete.

Commented [OK5R4]: The fact that OFA's objects/mandate are detailed under CIPA is a distinct differentiation from OEFC. This is only relevant as it goes to the reach of OFA. Not fussed if you wish to delete.

- The OFA agreed to IESO's requested changes to ~~included the requested changes in~~ the OFA credit facilities, thereby providing a precedent ~~of having considered the~~ for considering similar changes for ~~/~~inclusion into other agreements with IESO. ~~of the same request.~~ Treating the current request differently by seeking either a Minister's directive or not granting the IESO its request would mean having to take steps on the OFA credit facilities, which were ~~either signed~~ recently ~~or~~ amended ~~recently~~.

RECOMMENDATIONS

- In order to support IESO's request and remain consistent with the language recently incorporated in existing IESO-OFA agreements, OFA staff are of the view that the exisiting OEFC Agreements can be amended to include liens related to FHP under the definition of the "permitted liens". [TBD]

BACKGROUND

- In order to support IESO's role with the implementation of the OFHP Act, OFA staff made similar changes to the definition of 'permitted liens" in existing OFA-IESO credit facility agreements on November 6, 2017.

- Currently, under the existing credit facility agreements between OEFC and the IESO, the definition of "permitted liens" does not include any lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

Electricity Finance Branch / Corporate and Electricity Finance Division [&
Capital Markets Operations, Capital Markets Division]
Ontario Financing Authority
November ~~15~~20, 2017

Commented [OK6]: The OFA and OEFC are different corporate entities, so treatment of each may be different depending on the circumstances, even when dealing with the same borrower.

Commented [OK7]: The OFA credit facility was provided pursuant to the minister's directive, so seeking a minister's directive wrt OEFC would be consistent with how OFA was treated. Not suggesting this is necessary.

Commented [JB8]: If the $475M credit facility agreement was amended as an oversight, then we should not necessarily rely on precedent, specially considering the OEFC has less flexibility than OFA in its lending guidelines in my opinion.

Commented [JB9]: I do not necessarily agree on this point.

Commented [JB10]: Repetitive.

Commented [JK11]: There have been some changes since last week so put CMD – Operations in square brackets.

From:	Opal Kandelas
To:	Sarah Harris
Subject:	RE: IESO - OEFC credit facilities : permitted liens
Date:	Thursday, November 16, 2017 11:23:06 AM

You had me just about convinced that permitted liens language has to go into the OEFC agreement. So the question is still whether all agreements entered into by the IESO has to grant priority to OPGT whether or not related to FHP, in order for IESO to not be in default under the Security Agreement with OPGT. Some high level direction on whether that risk is acceptable for OEFC is needed.

From: Sarah Harris
Sent: Thursday, November 16, 2017 10:22 AM
To: Opal Kandelas
Subject: RE: IESO - OEFC credit facilities : permitted liens

OK. Thanks.

From: Opal Kandelas
Sent: Thursday, November 16, 2017 10:17 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Please give me 15 min – looking at it now.

From: Sarah Harris
Sent: Thursday, November 16, 2017 10:16 AM
To: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Hi Opal and JF,

Attached are JF's comments (which I've looked at tweaked) for discussion. May I call Opal's office in 5 minutes to discuss?

Thanks,

Sarah

From: Jean-Francois Beaupre
Sent: Thursday, November 16, 2017 10:03 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

From: Sarah Harris
Sent: Thursday, November 16, 2017 9:55 AM
To: Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Subject: FW: IESO - OEFC credit facilities : permitted liens
Importance: High

Opal and JF,

Are you available for quick call – just the three of us?

Thanks,

Sarah

From: Gavin He
Sent: Thursday, November 16, 2017 9:53 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Hi Sarah,

For the interest of time and also suggested by Sarah N., I am going to ask IESO to start working on a draft amendment and then share with us. Is it okay if I tell them that your team and Legal will be the lead contacts for updating the agreements?

Thanks,

Gavin He

From: Gavin He
Sent: Thursday, November 16, 2017 8:21 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

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We have confirmed with the IESO that the reason for their requested change to the definition of the "permitted liens" in the OEFC credit facility agreements are the same for the request to OFA. The IESO wants to be able to grant security to the OPG Trust, and address the possibility that the Clean Energy Adjustment funds collected by IESO might be considered to be subject to a lien. The IESO does not want to be inadvertently in default.

We have drafted the attached BN for internal approval (Ron and Gadi) process. Could you please review and let us know if you have any concerns? It would be much appreciated if you could provide us your feedback around noon today, given the limited timeframe on this request.

This has been reviewed by Legal last night and I have incorporated the feedback from Sarah N. (in Lisa's absence).

Please let me know if you have any questions.

Thanks,

Gavin He

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Wednesday, November 15, 2017 6:49 AM
To: John Kim <John.Kim@ofina.on.ca>
Cc: Victor Buza <Victor.Buza@ieso.ca>
Subject: IESO - OEFC credit facilities : permitted liens

John,

As discussed yesterday, it likely is best to add to the definition of "Permitted Liens" in the two OEFC facilities to address a) IESO granting security to the OPG Trust during the first 4 years of fair hydro program and b) the possibility that the Clean Energy Adjustment funds collected by IESO might be considered to be subject to a lien. The IESO does not want to be inadvertently in default.

Happy to discuss further. I am out of the office most of this week on IESO business matters but available by cell 289-795-9426, or if necessary you may connect with Victor.

Regards.

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From:	Opal Kandelas
To:	Sarah Harris
Subject:	RE: IESO - OEFC credit facilities : permitted liens
Date:	Thursday, November 16, 2017 11:23:06 AM

You had me just about convinced that permitted liens language has to go into the OEFC agreement. So the question is still whether all agreements entered into by the IESO has to grant priority to OPGT whether or not related to FHP, in order for IESO to not be in default under the Security Agreement with OPGT. Some high level direction on whether that risk is acceptable for OEFC is needed.

From: Sarah Harris
Sent: Thursday, November 16, 2017 10:22 AM
To: Opal Kandelas
Subject: RE: IESO - OEFC credit facilities : permitted liens

OK. Thanks.

From: Opal Kandelas
Sent: Thursday, November 16, 2017 10:17 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

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Subject: RE: IESO - OEFC credit facilities : permitted liens

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Subject: RE: IESO - OEFC credit facilities : permitted liens

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Subject: FW: IESO - OEFC credit facilities : permitted liens
Importance: High

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Please let me know if you have any questions.

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Sent: Wednesday, November 15, 2017 6:49 AM
To: John Kim <John.Kim@ofina.on.ca>
Cc: Victor Buza <Victor.Buza@ieso.ca>
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From:	Gavin He
To:	Sarah Harris
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Date:	Thursday, November 16, 2017 10:32:39 AM

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Subject:	RE: IESO - OEFC credit facilities : permitted liens
Date:	Thursday, November 16, 2017 10:21:44 AM

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To:	Opal Kandelas
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Subject:	RE: IESO - OEFC credit facilities : permitted liens
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Subject: IESO - OEFC credit facilities : permitted liens

John,

As discussed yesterday, it likely is best to add to the definition of "Permitted Liens" in the two OEFC facilities to address a) IESO granting security to the OPG Trust during the first 4 years of fair hydro program and b) the possibility that the Clean Energy Adjustment funds collected by IESO might be considered to be subject to a lien. The IESO does not want to be inadvertently in default.

Happy to discuss further. I am out of the office most of this week on IESO business matters but available by cell 289-795-9426, or if necessary you may connect with Victor.

Regards.

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From: Sarah Harris
To: Gavin He
Subject: RE: IESO - OEFC credit facilities : permitted liens
Date: Thursday, November 16, 2017 10:20:12 AM

Hi Gavin,
We're preparing comments on the note (we'll have them this morning –Opal, JF and I will be discussing in about 15 minutes), so if you could just wait before making the request from IESO, that would be great.
Thanks,
Sarah

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Sent: Thursday, November 16, 2017 9:53 AM
To: Sarah Harris
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From: Gavin He
Sent: Thursday, November 16, 2017 8:21 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>
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Thanks,
Gavin He

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Wednesday, November 15, 2017 6:49 AM
To: John Kim <John.Kim@ofina.on.ca>
Cc: Victor Buza <Victor.Buza@ieso.ca>

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From:	Sarah Harris
To:	Jean-Francois Beaupre; Opal Kandelas
Cc:	Ryan Blackbyrne
Subject:	RE: IESO - OEFC credit facilities : permitted liens
Date:	Monday, November 20, 2017 2:53:55 PM
Attachments:	IESO-OEFC Note_v3Clean_Markup (002).docx

Hi JF,
I just tweaked your first comment.
Thanks,
Sarah

From: Jean-Francois Beaupre
Sent: Monday, November 20, 2017 2:39 PM
To: Opal Kandelas
Cc: Sarah Harris ; Ryan Blackbyrne
Subject: RE: IESO - OEFC credit facilities : permitted liens

Hi Opal and Sarah,
Please find attached my comments for your review and consideration.
Basically, what I am hearing from CEFD so far is: "the OFA-IESO agreements were done this way, so we should do the same for OEFC to remain consistent" which is not a very convincing argument in my opinion – specially considering the $475M agreement may have been amended without much consideration.
Also, the comment to the effect that "IESO is asking for this to avoid being in default" requires further clarifications in my view – in default in relation to whom? If the OEFC-IESO agreements are not related to FHP, I don't think that IESO having 'permitted liens' for FHP purposes in other OFA credit facility agreements would create a default situation unless the funds from the OEFC agreements somehow end up in this liens?
Thanks,
J-F

From: Opal Kandelas
Sent: Monday, November 20, 2017 2:19 PM
To: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Hi, attached is the amended note. I made a few further comments/edits, that I thought were absolutely necessary. Please review and send back comments to me directly.
Thanks,
Opal

From: Jean-Francois Beaupre
Sent: Monday, November 20, 2017 2:07 PM
To: Opal Kandelas <Opal.Kandelas@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Thanks, Sarah and I were just discussing this now and I recalled that you are meeting Mike tomorrow.

From: Opal Kandelas

Sent: Monday, November 20, 2017 2:07 PM
To: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

About to send you a revised note…

From: Jean-Francois Beaupre
Sent: Monday, November 20, 2017 2:06 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: John Kim <John.Kim@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Hi Lisa,

The decision to amend the IESO-OEFC agreements for permitted liens is still being determined by Gadi/Ron/Mike. As such, we won't ask IESO for draft amendments until such time as that decision has been made.

Regards,

J-F

From: Lisa Stein
Sent: Monday, November 20, 2017 1:55 PM
To: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Cc: John Kim <John.Kim@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Thank you for the update. Have we received proposed amendments from IESO?

From: Jean-Francois Beaupre
Sent: Monday, November 20, 2017 10:58 AM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: John Kim <John.Kim@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Hi Lisa,

John and Opal discussed this matter and I think John was working on a revised briefing note.

Kind regards,

J-F

From: Lisa Stein
Sent: Monday, November 20, 2017 10:51 AM
To: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Cc: John Kim <John.Kim@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Hi J-F,

Can you please update me on the status of this file?

Thank you,

Lisa

From: Jean-Francois Beaupre
Sent: Thursday, November 16, 2017 1:52 PM
To: John Kim <John.Kim@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Hi John,

We have an internal discussion earlier this morning which Mike attended. The comments provided were approved by Sarah and Opal.

Regards,

J-F

From: John Kim
Sent: Thursday, November 16, 2017 1:49 PM
To: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Hi Jean-Francois,

You had comments in the draft with questions and concerns expressed. Are these approved by Sarah and Opal or comments at your level?

Given that we are under a tight timeline, it would be helpful if we can have a discussion today.

Mike is in the loop on the FHP discussion. Could your group check with him on his views beforehand too?

John

From: Jean-Francois Beaupre
Sent: Thursday, November 16, 2017 1:42 PM
To: Gavin He <Gavin.He@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Hi Gavin,

I discussed your request for me to come down to the 3rd floor for a quick chat with you and John with Opal.

At this time, our preference would be to obtain clarifications from CEFD and/or IESO in response to the comments we raised so that we may gain a better understanding of the potential implications for OEFC. Opal suggested that we could have a call or meeting tomorrow if you think that would be helpful?

Kind regards,

J-F

From: Jean-Francois Beaupre
Sent: Thursday, November 16, 2017 12:25 PM

To: Gavin He <Gavin.He@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Dear Gavin,

Please find attached our consolidated comments on the draft note.

We are happy to discuss further as always.

Thanks,

J-F

From: Gavin He
Sent: Thursday, November 16, 2017 8:21 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

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Please let me know if you have any questions.

Thanks,

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OEFC -- IESO CREDIT FACILITY AGREEMENT & THE PERMITTED LIENS

ISSUE

The Independent Electricity System Operator ("IESO") has requested that OEFC amend the existing credit facility agreements between OEFC and IESO (for $160M and $120M) to address the additional obligations IESO is taking on under Ontario's Fair Hydro Plan. IESO has indicated that OEFC credit facilities will not be used for Ontario Fair Hydro Plan (FHP) purposes.

CONTEXT - IESO'S REQUEST

- The FHP requires the IESO and Ontario Power Generation (OPG) to work together to refinance Ontario's clean energy investments over a longer period of time. IESO and OPG are in a discussion to grant a security/priority interest on IESO's assets to OPG Trust for the period of the first 4 years of the GA deferral.

- The IESO is planning to seek its Board's approval on Nov 22, 2017 to enter into a ~~for the~~ security agreement with OPG Trust. The security agreement is currently in draft form. Without amending the existing OEFC $160M and $120M credit facility agreements (the "OEFC Agreements"), IESO could potentially be considered to be in default of the terms of the security agreement~~s~~. IESO staff wrote:

  > *"…it likely is best to add to the definition of "Permitted Liens" in the two OEFC facilities to address a) IESO granting security to the OPG Trust during the first 4 years of fair hydro program and b) the possibility that the Clean Energy Adjustment funds collected by IESO might be considered to be subject to a lien. The IESO does not want to be inadvertently in default."*

- In order to address this issue, the IESO has requested to amend the definition of the "permitted liens" in both existing OEFC Agreements to include any liens related to the FHP. Specifically, adding a clause in the existing OEFC Agreements that any lien related to OFHP will not be viewed as negative pledge by OEFC, so those liens can be used to secure the performance of IESO's obligations to OPG under the FHP. This would allow IESO to grant security to the OPG Trust during the first 4 years of implementing the GA deferral and also avoid ~~of~~ breaching the terms of existing agreements.

- To support IESO's role in the implementation and participation under the Ontario Fair Hydro Plan Act, 2017 ("OFHP Act"), in July 2017~~,~~ the IESO had requested that the OFA ~~to~~ make ~~the same~~similar ~~request~~ changes to the credit facility agreements with OFA in October.
  - On November 6, 2017, the OFA amended the $475M facility to amend the definition of ~~the~~ "permitted liens" and also included same for the new $2B credit facility agreement between OFA and the IESO , as requested by the IESO.

CONSIDERATIONS

- OFA'S Capital Markets – Operations staff have commented that the legislation governing OEFC, the *Electricity Act, 1998*, may provide differing context from the OFA's objects and mandate under the *Capital Investment Plan Act, 1993*. [This was a bullet suggested by CMD – Operations.]

- With the proposed new security agreement between OPG Trust and IESO, OPG Trust would have a priority claim against potentially the Clean Energy Adjustment funds collected by or flowing~~n~~ through the IESO, the OEFC could find itself unable to collect payments due from the IESO. The likelihood of this scenario could be assessed as low and IESO is an agency of the government consolidated line-by-line in the Province's accounts. [This was a bullet inserted by CMD – Operations.]

Commented [JB1]: Please confirm the scope of the security agreement. Does IESO grant secuurity to OPG Trust for all IESO assets, or only those related to FHP?
We are not certain that pleasing the 'investment community' would be a satisfactory explanation and so far this is only based on IESO's request.

Commented [JB2]: Repetive suggested deleting.

Commented [JB3]: This may not have been necessary and we should consider this.

Commented [JK4]: Unless Documentation can provide specific differences that are significant, I suggest we delete.

Commented [OK5R4]: The fact that OFA's objects/mandate are detailed under CIPA is a distinct differentiation from OEFC. This is only relevant as it goes to the reach of OFA. Not fussed if you wish to delete.

- The OFA agreed to IESO's requested changes to ~~included the requested changes in~~ the OFA credit facilities, thereby providing a precedent ~~of having considered the~~ for considering similar changes for ~~/~~inclusion into other agreements with IESO. ~~of the same request.~~ Treating the current request differently by seeking either a Minister's directive or not granting the IESO its request would mean having to take steps on the OFA credit facilities, which were ~~either signed~~ recently ~~or~~ amended ~~recently~~.

RECOMMENDATIONS

- In order to support IESO's request and remain consistent with the language recently incorporated in existing IESO-OFA agreements, OFA staff are of the view that the exisiting OEFC Agreements can be amended to include liens related to FHP under the definition of the "permitted liens". [TBD]

BACKGROUND

- In order to support IESO's role with the implementation of the OFHP Act, OFA staff made similar changes to the definition of 'permitted liens" in existing OFA-IESO credit facility agreements on November 6, 2017.

- Currently, under the existing credit facility agreements between OEFC and the IESO, the definition of "permitted liens" does not include any lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

Electricity Finance Branch / Corporate and Electricity Finance Division [&
Capital Markets Operations, Capital Markets Division]
Ontario Financing Authority
November ~~15~~20, 2017

Commented [OK6]: The OFA and OEFC are different corporate entities, so treatment of each may be different depending on the circumstances, even when dealing with the same borrower.

Commented [OK7]: The OFA credit facility was provided pursuant to the minister's directive, so seeking a minister's directive wrt OEFC would be consistent with how OFA was treated. Not suggesting this is necessary.

Commented [JB8]: If the $475M credit facility agreement was amended as an oversight, then we should not necessarily rely on precedent, specially considering the OEFC has less flexibility than OFA in its lending guidelines in my opinion.

Commented [JB9]: I do not necessarily agree on this point.

Commented [JB10]: Repetitive.

Commented [JK11]: There have been some changes since last week so put CMD – Operations in square brackets.

From:	Opal Kandelas
To:	Sarah Harris; Jean-Francois Beaupre
Subject:	RE: IESO - OEFC credit facilities : permitted liens
Date:	Thursday, November 16, 2017 10:16:58 AM

Please give me 15 min – looking at it now.

From: Sarah Harris
Sent: Thursday, November 16, 2017 10:16 AM
To: Jean-Francois Beaupre ; Opal Kandelas
Subject: RE: IESO - OEFC credit facilities : permitted liens

Hi Opal and JF,
Attached are JF's comments (which I've looked at tweaked) for discussion. May I call Opal's office in 5 minutes to discuss?
Thanks,
Sarah

From: Jean-Francois Beaupre
Sent: Thursday, November 16, 2017 10:03 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

From: Sarah Harris
Sent: Thursday, November 16, 2017 9:55 AM
To: Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Subject: FW: IESO - OEFC credit facilities : permitted liens
Importance: High

Opal and JF,
Are you available for quick call – just the three of us?
Thanks,
Sarah

From: Gavin He
Sent: Thursday, November 16, 2017 9:53 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
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Date:	Thursday, November 16, 2017 10:15:39 AM
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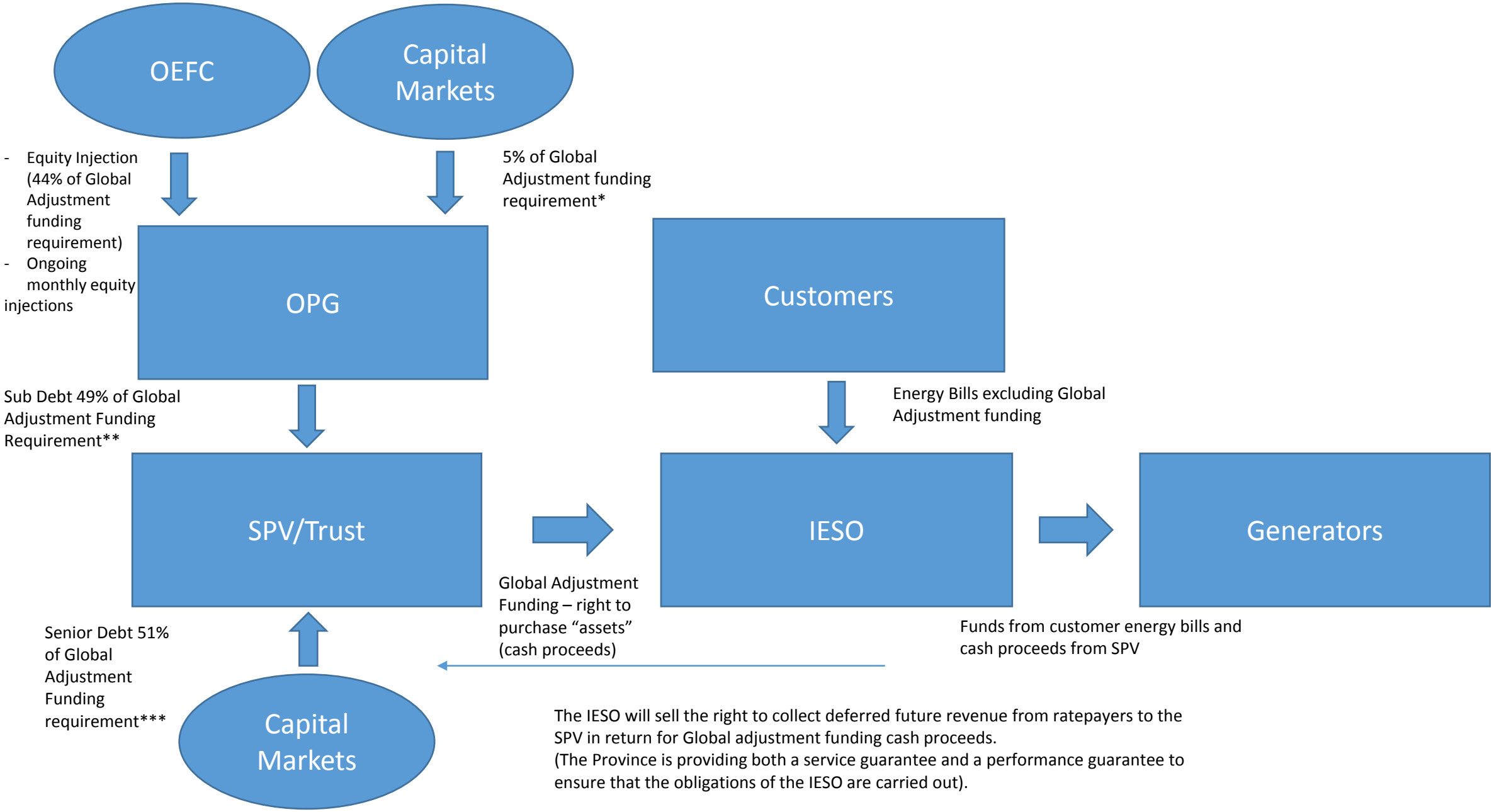
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CONTEXT

The Fair Hydro Plan will require the IESO and Ontario Power Generation (OPG) to work together to spread out the costs of Ontario's clean energy investments over a longer period of time, which ensures that the costs of these investments are allocated fairly among current and future ratepayers. This is being accomplished through refinancing a portion of the Global Adjustment (GA). The IESO and OPG are in a discussion to potentially grant the security/priority on IESO's assets to the OPG Trust for the period of the first four years of the GA deferral. The IESO will seek its Board approval on Nov 22, 2017 for the security agreement and this would be in conflict with OEFC's $160M and $120M credit facility agreements (the "OEFC Agreements") with the IESO without the requested amendments. Paragraph 4.7 – Negative Pledges – in both OEFC credit facility agreements does not allow IESO to grant such security/priority to the OPG Trust.

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RECOMMENDATION

- To support IESO's role in the implementation and participation under the OFHP Act and also to be consistent with the approach OFA implemented , OFA staff are of the view that the exisiting OEFC Agreements require amendments to the permitted liens and negative covenant language to make it the same as, or very similar to, the language in the OFA Agreements that were signed recently.
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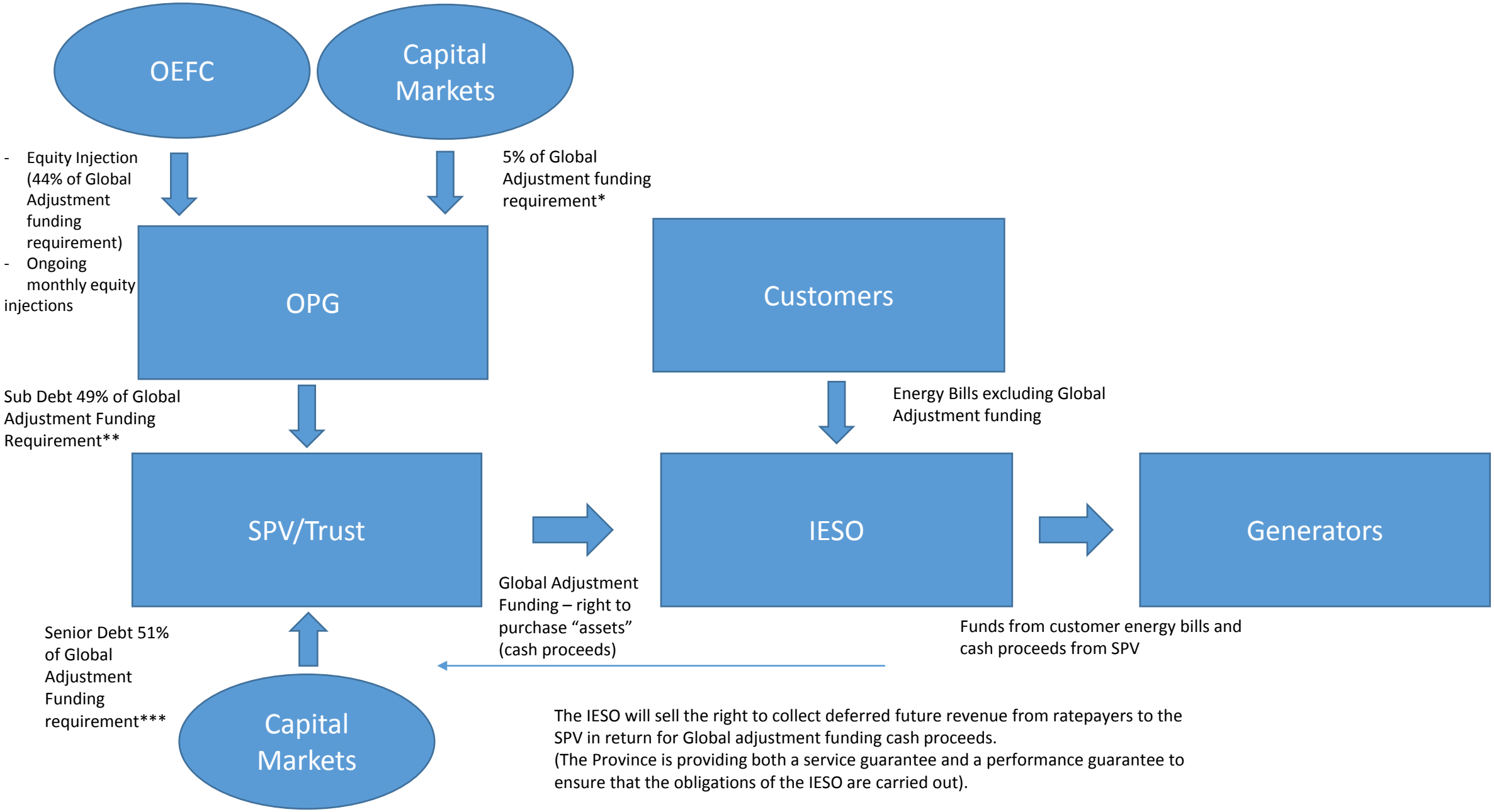
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We have confirmed with the IESO that the reason for their requested change to the definition of the "permitted liens" in the OEFC credit facility agreements are the same for the request to OFA. The IESO wants to be able to grant security to the OPG Trust, and address the possibility that the Clean Energy Adjustment funds collected by IESO might be considered to be subject to a lien. The IESO does not want to be inadvertently in default.

We have drafted the attached BN for internal approval (Ron and Gadi) process. Could you please review and let us know if you have any concerns? It would be much appreciated if you could provide us your feedback around noon today, given the limited timeframe on this request.

This has been reviewed by Legal last night and I have incorporated the feedback from Sarah N. (in Lisa's absence).

Please let me know if you have any questions.

Thanks,

Gavin He

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Wednesday, November 15, 2017 6:49 AM
To: John Kim <John.Kim@ofina.on.ca>
Cc: Victor Buza <Victor.Buza@ieso.ca>
Subject: IESO - OEFC credit facilities : permitted liens

John,

As discussed yesterday, it likely is best to add to the definition of "Permitted Liens" in the two OEFC facilities to address a) IESO granting security to the OPG Trust during the first 4 years of fair hydro program and b) the possibility that the Clean Energy Adjustment funds collected by IESO might be considered to be subject to a lien. The IESO does not want to be inadvertently in default.

Happy to discuss further. I am out of the office most of this week on IESO business matters but available by cell 289-795-9426, or if necessary you may connect with Victor.

Regards.

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From: Jean-Francois Beaupre
To: Opal Kandelas
Cc: Sarah Harris; Ryan Blackbyrne
Subject: RE: IESO - OEFC credit facilities : permitted liens
Date: Monday, November 20, 2017 2:38:57 PM
Attachments: IESO-OEFC Note_v3Clean_Markup.docx

Hi Opal and Sarah,
Please find attached my comments for your review and consideration.
Basically, what I am hearing from CEFD so far is: "the OFA-IESO agreements were done this way, so we should do the same for OEFC to remain consistent" which is not a very convincing argument in my opinion – specially considering the $475M agreement may have been amended without much consideration.
Also, the comment to the effect that "IESO is asking for this to avoid being in default" requires further clarifications in my view – in default in relation to whom? If the OEFC-IESO agreements are not related to FHP, I don't think that IESO having 'permitted liens' for FHP purposes in other OFA credit facility agreements would create a default situation unless the funds from the OEFC agreements somehow end up in this liens?
Thanks,
J-F

From: Opal Kandelas
Sent: Monday, November 20, 2017 2:19 PM
To: Jean-Francois Beaupre
Cc: Sarah Harris ; Ryan Blackbyrne
Subject: RE: IESO - OEFC credit facilities : permitted liens
Hi, attached is the amended note. I made a few further comments/edits, that I thought were absolutely necessary. Please review and send back comments to me directly.
Thanks,
Opal

From: Jean-Francois Beaupre
Sent: Monday, November 20, 2017 2:07 PM
To: Opal Kandelas <Opal.Kandelas@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens
Thanks, Sarah and I were just discussing this now and I recalled that you are meeting Mike tomorrow.

From: Opal Kandelas
Sent: Monday, November 20, 2017 2:07 PM
To: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens
About to send you a revised note…

From: Jean-Francois Beaupre
Sent: Monday, November 20, 2017 2:06 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: John Kim <John.Kim@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Opal Kandelas

<Opal.Kandelas@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Hi Lisa,

The decision to amend the IESO-OEFC agreements for permitted liens is still being determined by Gadi/Ron/Mike. As such, we won't ask IESO for draft amendments until such time as that decision has been made.

Regards,

J-F

From: Lisa Stein
Sent: Monday, November 20, 2017 1:55 PM
To: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Cc: John Kim <John.Kim@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Thank you for the update. Have we received proposed amendments from IESO?

From: Jean-Francois Beaupre
Sent: Monday, November 20, 2017 10:58 AM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: John Kim <John.Kim@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Hi Lisa,

John and Opal discussed this matter and I think John was working on a revised briefing note.

Kind regards,

J-F

From: Lisa Stein
Sent: Monday, November 20, 2017 10:51 AM
To: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Cc: John Kim <John.Kim@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Hi J-F,

Can you please update me on the status of this file?

Thank you,

Lisa

From: Jean-Francois Beaupre
Sent: Thursday, November 16, 2017 1:52 PM
To: John Kim <John.Kim@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Hi John,

We have an internal discussion earlier this morning which Mike attended. The comments provided

were approved by Sarah and Opal.
Regards,
J-F

From: John Kim
Sent: Thursday, November 16, 2017 1:49 PM
To: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Hi Jean-Francois,
You had comments in the draft with questions and concerns expressed. Are these approved by Sarah and Opal or comments at your level?
Given that we are under a tight timeline, it would be helpful if we can have a discussion today.
Mike is in the loop on the FHP discussion. Could your group check with him on his views beforehand too?
John

From: Jean-Francois Beaupre
Sent: Thursday, November 16, 2017 1:42 PM
To: Gavin He <Gavin.He@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Hi Gavin,

I discussed your request for me to come down to the 3rd floor for a quick chat with you and John with Opal.
At this time, our preference would be to obtain clarifications from CEFD and/or IESO in response to the comments we raised so that we may gain a better understanding of the potential implications for OEFC. Opal suggested that we could have a call or meeting tomorrow if you think that would be helpful?
Kind regards,
J-F

From: Jean-Francois Beaupre
Sent: Thursday, November 16, 2017 12:25 PM
To: Gavin He <Gavin.He@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Dear Gavin,
Please find attached our consolidated comments on the draft note.
We are happy to discuss further as always.
Thanks,
J-F

From: Gavin He
Sent: Thursday, November 16, 2017 8:21 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

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This has been reviewed by Legal last night and I have incorporated the feedback from Sarah N. (in Lisa's absence).

Please let me know if you have any questions.

Thanks,

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From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Wednesday, November 15, 2017 6:49 AM
To: John Kim <John.Kim@ofina.on.ca>
Cc: Victor Buza <Victor.Buza@ieso.ca>
Subject: IESO - OEFC credit facilities : permitted liens

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Happy to discuss further. I am out of the office most of this week on IESO business matters but available by cell 289-795-9426, or if necessary you may connect with Victor.

Regards.

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OEFC -- IESO CREDIT FACILITY AGREEMENT & THE PERMITTED LIENS

ISSUE

The Independent Electricity System Operator ("IESO") has requested that OEFC amend the existing credit facility agreements between OEFC and IESO (for $160M and $120M) to address the additional obligations IESO is taking on under Ontario's Fair Hydro Plan. IESO has indicated that OEFC credit facilities will not be used for Ontario Fair Hydro Plan (FHP) purposes.

CONTEXT - IESO'S REQUEST

- The FHP requires the IESO and Ontario Power Generation (OPG) to work together to refinance Ontario's clean energy investments over a longer period of time. IESO and OPG are in a discussion to grant a security/priority interest on IESO's assets to OPG Trust for the period of the first 4 years of the GA deferral.

- The IESO is planning to seek its Board's approval on Nov 22, 2017 to enter into a ~~for the~~ security agreement with OPG Trust. The security agreement is currently in draft form. Without amending the existing OEFC $160M and $120M credit facility agreements (the "OEFC Agreements"), IESO could potentially be considered to be in default of the terms of the security agreement~~s~~. IESO staff wrote:

  > *"…it likely is best to add to the definition of "Permitted Liens" in the two OEFC facilities to address a) IESO granting security to the OPG Trust during the first 4 years of fair hydro program and b) the possibility that the Clean Energy Adjustment funds collected by IESO might be considered to be subject to a lien. The IESO does not want to be inadvertently in default."*

- In order to address this issue, the IESO has requested to amend the definition of the "permitted liens" in both existing OEFC Agreements to include any liens related to the FHP. Specifically, adding a clause in the existing OEFC Agreements that any lien related to OFHP will not be viewed as negative pledge by OEFC, so those liens can be used to secure the performance of IESO's obligations to OPG under the FHP. This would allow IESO to grant security to the OPG Trust during the first 4 years of implementing the GA deferral and also avoid ~~of~~ breaching the terms of existing agreements.

- To support IESO's role in the implementation and participation under the Ontario Fair Hydro Plan Act, 2017 ("OFHP Act"), in July 2017~~,~~ the IESO had requested that the OFA ~~to~~ make ~~the same~~similar ~~request~~ changes to the credit facility agreements with OFA in October.
  - On November 6, 2017, the OFA amended the $475M facility to amend the definition of ~~the~~ "permitted liens" and also included same for the new $2B credit facility agreement between OFA and the IESO , as requested by the IESO.

CONSIDERATIONS

- OFA'S Capital Markets – Operations staff have commented that the legislation governing OEFC, the *Electricity Act, 1998*, may provide differing context from the OFA's objects and mandate under the *Capital Investment Plan Act, 1993*. [This was a bullet suggested by CMD – Operations.]

- With the proposed new security agreement between OPG Trust and IESO, OPG Trust would have a priority claim against potentially the Clean Energy Adjustment funds collected by or flowing~~n~~ through the IESO, the OEFC could find itself unable to collect payments due from the IESO. The likelihood of this scenario could be assessed as low and IESO is an agency of the government consolidated line-by-line in the Province's accounts. [This was a bullet inserted by CMD – Operations.]

Commented [JB1]: Please explain why this may be the case from a legal perspective. We are not certain that pleasing the 'investment community' would be a satisfactory explanation and so far this is only based on IESO's request.

Commented [JB2]: Repetive suggested deleting.

Commented [JB3]: This may not have been necessary and we should consider this.

Commented [JK4]: Unless Documentation can provide specific differences that are significant, I suggest we delete.

Commented [OK5R4]: The fact that OFA's objects/mandate are detailed under CIPA is a distinct differentiation from OEFC. This is only relevant as it goes to the reach of OFA. Not fussed if you wish to delete.

- The OFA agreed to IESO's requested changes to ~~included the requested changes in~~ the OFA credit facilities, thereby providing a precedent ~~of having considered the~~ for considering similar changes for ~~/~~inclusion into other agreements with IESO. ~~of the same request.~~ Treating the current request differently by seeking either a Minister's directive or not granting the IESO its request would mean having to take steps on the OFA credit facilities, which were ~~either signed~~ recently ~~or~~ amended ~~recently~~.

RECOMMENDATIONS

- In order to support IESO's request and remain consistent with the language recently incorporated in existing IESO-OFA agreements, OFA staff are of the view that the exisiting OEFC Agreements can be amended to include liens related to FHP under the definition of the "permitted liens". [TBD]

BACKGROUND

- In order to support IESO's role with the implementation of the OFHP Act, OFA staff made similar changes to the definition of 'permitted liens" in existing OFA-IESO credit facility agreements on November 6, 2017.

- Currently, under the existing credit facility agreements between OEFC and the IESO, the definition of "permitted liens" does not include any lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

Electricity Finance Branch / Corporate and Electricity Finance Division [&
Capital Markets Operations, Capital Markets Division]
Ontario Financing Authority
November ~~15~~20, 2017

Commented [OK6]: The OFA and OEFC are different corporate entities, so treatment of each may be different depending on the circumstances, even when dealing with the same borrower.

Commented [OK7]: The OFA credit facility was provided pursuant to the minister's directive, so seeking a minister's directive wrt OEFC would be consistent with how OFA was treated. Not suggesting this is necessary.

Commented [JB8]: If the $475M credit facility agreement was amended as an oversight, then we should not necessarily rely on precedent, specially considering the OEFC has less flexibility than OFA in its lending guidelines in my opinion.

Commented [JB9]: I do not necessarily agree on this point.

Commented [JB10]: Repetitive.

Commented [JK11]: There have been some changes since last week so put CMD – Operations in square brackets.

From:	Jean-Francois Beaupre
To:	Sarah Harris
Subject:	RE: IESO - OEFC credit facilities : permitted liens
Date:	Thursday, November 16, 2017 10:02:35 AM
Attachments:	IESO-OEFC - FHP LoC_Nov 2017_v7.docx

From: Sarah Harris
Sent: Thursday, November 16, 2017 9:55 AM
To: Opal Kandelas ; Jean-Francois Beaupre
Subject: FW: IESO - OEFC credit facilities : permitted liens
Importance: High

Opal and JF,

Are you available for quick call – just the three of us?

Thanks,

Sarah

From: Gavin He
Sent: Thursday, November 16, 2017 9:53 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Hi Sarah,

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Thanks,

Gavin He

From: Gavin He
Sent: Thursday, November 16, 2017 8:21 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

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We have drafted the attached BN for internal approval (Ron and Gadi) process. Could you please review and let us know if you have any concerns? It would be much appreciated if you could provide us your feedback around noon today, given the limited timeframe on this request.

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Please let me know if you have any questions.

Thanks,

Gavin He

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
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John,

As discussed yesterday, it likely is best to add to the definition of "Permitted Liens" in the two OEFC facilities to address a) IESO granting security to the OPG Trust during the first 4 years of fair hydro program and b) the possibility that the Clean Energy Adjustment funds collected by IESO might be considered to be subject to a lien. The IESO does not want to be inadvertently in default.

Happy to discuss further. I am out of the office most of this week on IESO business matters but available by cell 289-795-9426, or if necessary you may connect with Victor.

Regards.

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OEFC -- IESO CREDIT FACILITY AGREEMENT & THE PERMITTED LIENS

ISSUE

The Independent Electricity System Operator ("IESO") has requested OEFC to amend the existing credit facility agreements between OEFC and IESO (for $160M and $120M) to address the additional obligations the IESO is taking on under Ontario's Fair Hydro Plan.

CONTEXT

The Fair Hydro Plan will require the IESO and Ontario Power Generation (OPG) to work together to spread out the costs of Ontario's clean energy investments over a longer period of time, which ensures that the costs of these investments are allocated fairly among current and future ratepayers. This is being accomplished through refinancing a portion of the Global Adjustment (GA). The IESO and OPG are in a discussion to potentially grant the security/priority on IESO's assets to the OPG Trust for the period of the first four years of the GA deferral. The IESO will seek its Board approval on Nov 22, 2017 for the security agreement and this would be in conflict with OEFC's $160M and $120M credit facility agreements (the "OEFC Agreements") with the IESO without the requested amendments. Paragraph 4.7 – Negative Pledges – in both OEFC credit facility agreements does not allow IESO to grant such security/priority to the OPG Trust.

In order to address this issue, the IESO has requested OEFC to amend the definition of the "permitted liens" in both existing OEFC Agreements to include any liens related to the Fair Hydro Plan (FHP). Specifically, adding a clause in the existing OEFC Agreements that any lien related to OFHP will not be viewed as negative pledge by OEFC, so those liens can be used to secure the performance of IESO's obligations towards OPG. This would allow IESO to grant security to the OPG Trust during the first 4 years of implementing the GA deferral and also avoid the possibility that the Clean Energy Adjustment funds collected by IESO might be considered to be subject to a lien. The IESO does not want inadvertently to be in default.

To support IESO's role in the implementation and participation under the *Ontario Fair Hydro Plan Act, 2017* ("OFHP Act") in July 2017, the IESO had reached out to the Capital Market Division – Operations of the OFA to make the same request to the credit facility agreements with OFA in October. The OFA staff have recommended providing the requested amendments and amended the $475M and $2B credit facility agreements between OFA and the IESO on November 6th, 2017 (the "OFA Agreements"), as suggested by the IESO. One of the amendments to the agreement is to amend the definition of the permitted liens to include any lien arising from the IESO's role and obligations under the OFHP.

RECOMMENDATION

- To support IESO's role in the implementation and participation under the OFHP Act and also to be consistent with the approach OFA implemented , OFA staff are of the view that the exisiting OEFC Agreements require amendments to the permitted liens and negative covenant language to make it the same as, or very similar to, the language in the OFA Agreements that were signed recently.
- Although the OEFC credit facility is not used for OFHP's purpose, it is IESO's position that it wants to make such change to the definition of the permitted liens to make sure that the IESO is not inadvertently in default of its security obligations to OPG Trust ~~is still required in order for IESO to~~and meets its role and obligation under the OFHP Act.

BACKGROUND

- Currently, under the existing credit facility agreement between OEFC and the IESO, the definition of the "permitted liens" does not include any lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation,

Commented [JB1]:
If the existing agreements between OEFC and IESO will not be used for OFHP purposes, why do these agreements need to be amended?

Commented [JB2]:
Does the GA relate to the OFHP and if so, how? How is the GA related to OEFC?

Commented [JB3]:
What are the risks, if any, of OEFC granting IESO priority to OPG Trust?

Commented [JB4]:
Why 4 years and when will Clean Energy Adjustment funds be collected by IESO. I require a better understanding of how the GA, Clean Energy Adjustment Funds and OPG Trust fit together?

Commented [JB5]:
Seeing how draws for FHP purposes will only made from the OFA-IESO $2B credit facility agreement, why was the definition of 'permitted liens" amended in the $475M agreement (previously $975M) and what was the rationale for this in the $475M agreement?

NTD: I have no concerns with the reduction from $975M to $475M but do not understand the reason for amending the definition of 'permitted liens' in the $475M agreement.

Commented [JB6]:
It is not clear why OFA staff is of this view other than making the language consistent across all agreements.

Should these agreements not be examined on a case-by-case basis to determine what they are being used for and only those agreements which pertain to OFHP obligations should allow liens under OFHP obligations?

Commented [JB7]:
If the funds from the OEFC-IESO credit facility agreements will not be used for OFHP purposes, I am not clear on the reason for requesting this change since OPG Trust would then have a primary claim on any Clean Energy Adjustment funds collected by IESO.

How would funds collected from the Clean Energy Adjustment affect OEF and IESO's obligations to repay OEFC?

We need to ensure that we are not amending agreement just because IESO is asking us to and understand the potential implications of making these changes.

amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

- On November 6, 2017, OFA and IESO signed an updated OFA IESO credit facility agreement with respect to changes related to OFHP.

Electricity Finance Branch / Corporate and Electricity Finance Division / Ontario Financing Authority
November 15, 2017

From:	Jean-Francois Beaupre
To:	Sarah Harris
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Please let me know if you have any questions.

Thanks,

Gavin He

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Wednesday, November 15, 2017 6:49 AM
To: John Kim <John.Kim@ofina.on.ca>
Cc: Victor Buza <Victor.Buza@ieso.ca>
Subject: IESO - OEFC credit facilities : permitted liens

John,

As discussed yesterday, it likely is best to add to the definition of "Permitted Liens" in the two OEFC facilities to address a) IESO granting security to the OPG Trust during the first 4 years of fair hydro program and b) the possibility that the Clean Energy Adjustment funds collected by IESO might be considered to be subject to a lien. The IESO does not want to be inadvertently in default.

Happy to discuss further. I am out of the office most of this week on IESO business matters but available by cell 289-795-9426, or if necessary you may connect with Victor.

Regards.

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OEFC -- IESO CREDIT FACILITY AGREEMENT & THE PERMITTED LIENS

ISSUE

The Independent Electricity System Operator ("IESO") has requested OEFC to amend the existing credit facility agreements between OEFC and IESO (for $160M and $120M) to address the additional obligations the IESO is taking on under Ontario's Fair Hydro Plan.

CONTEXT

The Fair Hydro Plan will require the IESO and Ontario Power Generation (OPG) to work together to spread out the costs of Ontario's clean energy investments over a longer period of time, which ensures that the costs of these investments are allocated fairly among current and future ratepayers. This is being accomplished through refinancing a portion of the Global Adjustment (GA). The IESO and OPG are in a discussion to potentially grant the security/priority on IESO's assets to the OPG Trust for the period of the first four years of the GA deferral. The IESO will seek its Board approval on Nov 22, 2017 for the security agreement and this would be in conflict with OEFC's $160M and $120M credit facility agreements (the "OEFC Agreements") with the IESO without the requested amendments. Paragraph 4.7 – Negative Pledges – in both OEFC credit facility agreements does not allow IESO to grant such security/priority to the OPG Trust.

In order to address this issue, the IESO has requested OEFC to amend the definition of the "permitted liens" in both existing OEFC Agreements to include any liens related to the Fair Hydro Plan (FHP). Specifically, adding a clause in the existing OEFC Agreements that any lien related to OFHP will not be viewed as negative pledge by OEFC, so those liens can be used to secure the performance of IESO's obligations towards OPG. This would allow IESO to grant security to the OPG Trust during the first 4 years of implementing the GA deferral and also avoid the possibility that the Clean Energy Adjustment funds collected by IESO might be considered to be subject to a lien. The IESO does not want inadvertently to be in default.

To support IESO's role in the implementation and participation under the *Ontario Fair Hydro Plan Act, 2017* ("OFHP Act") in July 2017, the IESO had reached out to the Capital Market Division – Operations of the OFA to make the same request to the credit facility agreements with OFA in October. The OFA staff have recommended providing the requested amendments and amended the $475M and $2B credit facility agreements between OFA and the IESO on November 6th, 2017 (the "OFA Agreements"), as suggested by the IESO. One of the amendments to the agreement is to amend the definition of the permitted liens to include any lien arising from the IESO's role and obligations under the OFHP.

RECOMMENDATION

- To support IESO's role in the implementation and participation under the OFHP Act and also to be consistent with the approach OFA implemented , OFA staff are of the view that the exisiting OEFC Agreements require amendments to the permitted liens and negative covenant language to make it the same as, or very similar to, the language in the OFA Agreements that were signed recently.
- Although the OEFC credit facility is not used for OFHP's purpose, it is IESO's position that it wants to make such change to the definition of the permitted liens to make sure that the IESO is not inadvertently in default of its security obligations to OPG Trust ~~is still required in order for IESO to~~and meets its role and obligation under the OFHP Act.

BACKGROUND

- Currently, under the existing credit facility agreement between OEFC and the IESO, the definition of the "permitted liens" does not include any lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation,

Commented [JB1]:
If the existing agreements between OEFC and IESO will not be used for OFHP purposes, why do these agreements need to be amended?

Commented [JB2]:
Does the GA relate to the OFHP and if so, how? How is the GA related to OEFC?

Commented [JB3]:
What are the risks, if any, of OEFC granting IESO priority to OPG Trust?

Commented [JB4]:
Why 4 years and when will Clean Energy Adjustment funds be collected by IESO. I require a better understanding of how the GA, Clean Energy Adjustment Funds and OPG Trust fit together?

Commented [JB5]:
Seeing how draws for FHP purposes will only made from the OFA-IESO $2B credit facility agreement, why was the definition of 'permitted liens" amended in the $475M agreement (previously $975M) and what was the rationale for this in the $475M agreement?

NTD: I have no concerns with the reduction from $975M to $475M but do not understand the reason for amending the definition of 'permitted liens' in the $475M agreement.

Commented [JB6]:
It is not clear why OFA staff is of this view other than making the language consistent across all agreements.

Should these agreements not be examined on a case-by-case basis to determine what they are being used for and only those agreements which pertain to OFHP obligations should allow liens under OFHP obligations?

Commented [JB7]:
If the funds from the OEFC-IESO credit facility agreements will not be used for OFHP purposes, I am not clear on the reason for requesting this change since OPG Trust would then have a primary claim on any Clean Energy Adjustment funds collected by IESO.

How would funds collected from the Clean Energy Adjustment affect OEF and IESO's obligations to repay OEFC?

We need to ensure that we are not amending agreement just because IESO is asking us to and understand the potential implications of making these changes.

amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

- On November 6, 2017, OFA and IESO signed an updated OFA IESO credit facility agreement with respect to changes related to OFHP.

Electricity Finance Branch / Corporate and Electricity Finance Division / Ontario Financing Authority
November 15, 2017

From: Gavin He
To: Sarah Harris
Subject: RE: IESO - OEFC credit facilities : permitted liens
Date: Thursday, November 16, 2017 9:52:35 AM

Hi Sarah,
For the interest of time and also suggested by Sarah N., I am going to ask IESO to start working on a draft amendment and then share with us. Is it okay if I tell them that your team and Legal will be the lead contacts for updating the agreements?
Thanks,
Gavin He

From: Gavin He
Sent: Thursday, November 16, 2017 8:21 AM
To: Sarah Harris ; Ryan Blackbyrne ; Jean-Francois Beaupre
Cc: Lisa Stein
Subject: RE: IESO - OEFC credit facilities : permitted liens
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We have drafted the attached BN for internal approval (Ron and Gadi) process. Could you please review and let us know if you have any concerns? It would be much appreciated if you could provide us your feedback around noon today, given the limited timeframe on this request.
This has been reviewed by Legal last night and I have incorporated the feedback from Sarah N. (in Lisa's absence).
Please let me know if you have any questions.
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Sent: Wednesday, November 15, 2017 6:49 AM
To: John Kim <John.Kim@ofina.on.ca>
Cc: Victor Buza <Victor.Buza@ieso.ca>
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Happy to discuss further. I am out of the office most of this week on IESO business matters but available by cell 289-795-9426, or if necessary you may connect with Victor.
Regards.

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Attachments: IESO-OEFC - FHP LoC_Nov 2017_v7.docx

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Electricity Finance Branch / Corporate and Electricity Finance Division / Ontario Financing Authority
November 15, 2017

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Electricity Finance Branch / Corporate and Electricity Finance Division / Ontario Financing Authority
November 15, 2017

From: Jean-Francois Beaupre
To: Opal Kandelas
Cc: Sarah Harris; Ryan Blackbyrne
Subject: RE: IESO - OEFC credit facilities : permitted liens
Date: Monday, November 20, 2017 2:38:57 PM
Attachments: IESO-OEFC Note_v3Clean_Markup.docx

Hi Opal and Sarah,
Please find attached my comments for your review and consideration.
Basically, what I am hearing from CEFD so far is: "the OFA-IESO agreements were done this way, so we should do the same for OEFC to remain consistent" which is not a very convincing argument in my opinion – specially considering the $475M agreement may have been amended without much consideration.
Also, the comment to the effect that "IESO is asking for this to avoid being in default" requires further clarifications in my view – in default in relation to whom? If the OEFC-IESO agreements are not related to FHP, I don't think that IESO having 'permitted liens' for FHP purposes in other OFA credit facility agreements would create a default situation unless the funds from the OEFC agreements somehow end up in this liens?
Thanks,
J-F

From: Opal Kandelas
Sent: Monday, November 20, 2017 2:19 PM
To: Jean-Francois Beaupre
Cc: Sarah Harris ; Ryan Blackbyrne
Subject: RE: IESO - OEFC credit facilities : permitted liens
Hi, attached is the amended note. I made a few further comments/edits, that I thought were absolutely necessary. Please review and send back comments to me directly.
Thanks,
Opal

From: Jean-Francois Beaupre
Sent: Monday, November 20, 2017 2:07 PM
To: Opal Kandelas <Opal.Kandelas@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens
Thanks, Sarah and I were just discussing this now and I recalled that you are meeting Mike tomorrow.

From: Opal Kandelas
Sent: Monday, November 20, 2017 2:07 PM
To: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens
About to send you a revised note…

From: Jean-Francois Beaupre
Sent: Monday, November 20, 2017 2:06 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: John Kim <John.Kim@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Opal Kandelas

<Opal.Kandelas@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Hi Lisa,

The decision to amend the IESO-OEFC agreements for permitted liens is still being determined by Gadi/Ron/Mike. As such, we won't ask IESO for draft amendments until such time as that decision has been made.

Regards,

J-F

From: Lisa Stein
Sent: Monday, November 20, 2017 1:55 PM
To: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Cc: John Kim <John.Kim@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Thank you for the update. Have we received proposed amendments from IESO?

From: Jean-Francois Beaupre
Sent: Monday, November 20, 2017 10:58 AM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: John Kim <John.Kim@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Hi Lisa,

John and Opal discussed this matter and I think John was working on a revised briefing note.

Kind regards,

J-F

From: Lisa Stein
Sent: Monday, November 20, 2017 10:51 AM
To: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Cc: John Kim <John.Kim@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Hi J-F,

Can you please update me on the status of this file?

Thank you,

Lisa

From: Jean-Francois Beaupre
Sent: Thursday, November 16, 2017 1:52 PM
To: John Kim <John.Kim@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Hi John,

We have an internal discussion earlier this morning which Mike attended. The comments provided

were approved by Sarah and Opal.
Regards,
J-F

From: John Kim
Sent: Thursday, November 16, 2017 1:49 PM
To: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Hi Jean-Francois,
You had comments in the draft with questions and concerns expressed. Are these approved by Sarah and Opal or comments at your level?
Given that we are under a tight timeline, it would be helpful if we can have a discussion today.
Mike is in the loop on the FHP discussion. Could your group check with him on his views beforehand too?
John

From: Jean-Francois Beaupre
Sent: Thursday, November 16, 2017 1:42 PM
To: Gavin He <Gavin.He@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Hi Gavin,

I discussed your request for me to come down to the 3rd floor for a quick chat with you and John with Opal.
At this time, our preference would be to obtain clarifications from CEFD and/or IESO in response to the comments we raised so that we may gain a better understanding of the potential implications for OEFC. Opal suggested that we could have a call or meeting tomorrow if you think that would be helpful?
Kind regards,
J-F

From: Jean-Francois Beaupre
Sent: Thursday, November 16, 2017 12:25 PM
To: Gavin He <Gavin.He@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Dear Gavin,
Please find attached our consolidated comments on the draft note.
We are happy to discuss further as always.
Thanks,
J-F

From: Gavin He
Sent: Thursday, November 16, 2017 8:21 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Hi all,

We have confirmed with the IESO that the reason for their requested change to the definition of the "permitted liens" in the OEFC credit facility agreements are the same for the request to OFA. The IESO wants to be able to grant security to the OPG Trust, and address the possibility that the Clean Energy Adjustment funds collected by IESO might be considered to be subject to a lien. The IESO does not want to be inadvertently in default.

We have drafted the attached BN for internal approval (Ron and Gadi) process. Could you please review and let us know if you have any concerns? It would be much appreciated if you could provide us your feedback around noon today, given the limited timeframe on this request.

This has been reviewed by Legal last night and I have incorporated the feedback from Sarah N. (in Lisa's absence).

Please let me know if you have any questions.

Thanks,

Gavin He

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Wednesday, November 15, 2017 6:49 AM
To: John Kim <John.Kim@ofina.on.ca>
Cc: Victor Buza <Victor.Buza@ieso.ca>
Subject: IESO - OEFC credit facilities : permitted liens

John,

As discussed yesterday, it likely is best to add to the definition of "Permitted Liens" in the two OEFC facilities to address a) IESO granting security to the OPG Trust during the first 4 years of fair hydro program and b) the possibility that the Clean Energy Adjustment funds collected by IESO might be considered to be subject to a lien. The IESO does not want to be inadvertently in default.

Happy to discuss further. I am out of the office most of this week on IESO business matters but available by cell 289-795-9426, or if necessary you may connect with Victor.

Regards.

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OEFC -- IESO CREDIT FACILITY AGREEMENT & THE PERMITTED LIENS

ISSUE

The Independent Electricity System Operator ("IESO") has requested that OEFC amend the existing credit facility agreements between OEFC and IESO (for $160M and $120M) to address the additional obligations IESO is taking on under Ontario's Fair Hydro Plan. IESO has indicated that OEFC credit facilities will not be used for Ontario Fair Hydro Plan (FHP) purposes.

CONTEXT - IESO'S REQUEST

- The FHP requires the IESO and Ontario Power Generation (OPG) to work together to refinance Ontario's clean energy investments over a longer period of time. IESO and OPG are in a discussion to grant a security/priority interest on IESO's assets to OPG Trust for the period of the first 4 years of the GA deferral.

- The IESO is planning to seek its Board's approval on Nov 22, 2017 to enter into a ~~for the~~ security agreement with OPG Trust. The security agreement is currently in draft form. Without amending the existing OEFC $160M and $120M credit facility agreements (the "OEFC Agreements"), IESO could potentially be considered to be in default of the terms of the security agreement~~s~~. IESO staff wrote:

  > *"…it likely is best to add to the definition of "Permitted Liens" in the two OEFC facilities to address a) IESO granting security to the OPG Trust during the first 4 years of fair hydro program and b) the possibility that the Clean Energy Adjustment funds collected by IESO might be considered to be subject to a lien. The IESO does not want to be inadvertently in default."*

- In order to address this issue, the IESO has requested to amend the definition of the "permitted liens" in both existing OEFC Agreements to include any liens related to the FHP. Specifically, adding a clause in the existing OEFC Agreements that any lien related to OFHP will not be viewed as negative pledge by OEFC, so those liens can be used to secure the performance of IESO's obligations to OPG under the FHP. This would allow IESO to grant security to the OPG Trust during the first 4 years of implementing the GA deferral and also avoid ~~of~~ breaching the terms of existing agreements.

- To support IESO's role in the implementation and participation under the Ontario Fair Hydro Plan Act, 2017 ("OFHP Act"), in July 2017~~,~~ the IESO had requested that the OFA ~~to~~ make ~~the same~~similar ~~request~~ changes to the credit facility agreements with OFA in October.
  - On November 6, 2017, the OFA amended the $475M facility to amend the definition of ~~the~~ "permitted liens" and also included same for the new $2B credit facility agreement between OFA and the IESO , as requested by the IESO.

CONSIDERATIONS

- OFA'S Capital Markets – Operations staff have commented that the legislation governing OEFC, the *Electricity Act, 1998*, may provide differing context from the OFA's objects and mandate under the *Capital Investment Plan Act, 1993*. [This was a bullet suggested by CMD – Operations.]

- With the proposed new security agreement between OPG Trust and IESO, OPG Trust would have a priority claim against potentially the Clean Energy Adjustment funds collected by or flowing~~n~~ through the IESO, the OEFC could find itself unable to collect payments due from the IESO. The likelihood of this scenario could be assessed as low and IESO is an agency of the government consolidated line-by-line in the Province's accounts. [This was a bullet inserted by CMD – Operations.]

Commented [JB1]: Please explain why this may be the case from a legal perspective. We are not certain that pleasing the 'investment community' would be a satisfactory explanation and so far this is only based on IESO's request.

Commented [JB2]: Repetive suggested deleting.

Commented [JB3]: This may not have been necessary and we should consider this.

Commented [JK4]: Unless Documentation can provide specific differences that are significant, I suggest we delete.

Commented [OK5R4]: The fact that OFA's objects/mandate are detailed under CIPA is a distinct differentiation from OEFC. This is only relevant as it goes to the reach of OFA. Not fussed if you wish to delete.

- The OFA agreed to IESO's requested changes to ~~included the requested changes in~~ the OFA credit facilities, thereby providing a precedent ~~of having considered the~~ for considering similar changes for ~~/~~inclusion into other agreements with IESO. ~~of the same request.~~ Treating the current request differently by seeking either a Minister's directive or not granting the IESO its request would mean having to take steps on the OFA credit facilities, which were ~~either signed~~ recently ~~or~~ amended ~~recently~~.

RECOMMENDATIONS

- In order to support IESO's request and remain consistent with the language recently incorporated in existing IESO-OFA agreements, OFA staff are of the view that the exisiting OEFC Agreements can be amended to include liens related to FHP under the definition of the "permitted liens". [TBD]

BACKGROUND

- In order to support IESO's role with the implementation of the OFHP Act, OFA staff made similar changes to the definition of 'permitted liens" in existing OFA-IESO credit facility agreements on November 6, 2017.

- Currently, under the existing credit facility agreements between OEFC and the IESO, the definition of "permitted liens" does not include any lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

Electricity Finance Branch / Corporate and Electricity Finance Division [&
Capital Markets Operations, Capital Markets Division]
Ontario Financing Authority
November ~~15~~20, 2017

Commented [OK6]: The OFA and OEFC are different corporate entities, so treatment of each may be different depending on the circumstances, even when dealing with the same borrower.

Commented [OK7]: The OFA credit facility was provided pursuant to the minister's directive, so seeking a minister's directive wrt OEFC would be consistent with how OFA was treated. Not suggesting this is necessary.

Commented [JB8]: If the $475M credit facility agreement was amended as an oversight, then we should not necessarily rely on precedent, specially considering the OEFC has less flexibility than OFA in its lending guidelines in my opinion.

Commented [JB9]: I do not necessarily agree on this point.

Commented [JB10]: Repetitive.

Commented [JK11]: There have been some changes since last week so put CMD – Operations in square brackets.

From:	Jean-Francois Beaupre
To:	Lisa Stein
Cc:	John Kim; Sarah Harris; Opal Kandelas; Gavin He; Ryan Blackbyrne
Subject:	RE: IESO - OEFC credit facilities : permitted liens
Date:	Monday, November 20, 2017 2:20:26 PM

Yes, the language would be similar to the OFA-IESO agreements. CEFD is working on a revised briefing note and I would advise waiting on amending the agreements until we have a final version of the note to make sure everyone agrees.
Thanks,
J-F

From: Lisa Stein
Sent: Monday, November 20, 2017 2:15 PM
To: Jean-Francois Beaupre
Cc: John Kim ; Sarah Harris ; Opal Kandelas ; Gavin He ; Ryan Blackbyrne
Subject: RE: IESO - OEFC credit facilities : permitted liens
I assume that the language would be similar to the FHP agreement. However, would it be helpful for Gadi/Ron/Mike to see the language of the proposed amendments in order to inform their decision?
Lisa

From: Jean-Francois Beaupre
Sent: Monday, November 20, 2017 2:06 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: John Kim <John.Kim@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens
Hi Lisa,
The decision to amend the IESO-OEFC agreements for permitted liens is still being determined by Gadi/Ron/Mike. As such, we won't ask IESO for draft amendments until such time as that decision has been made.
Regards,
J-F

From: Lisa Stein
Sent: Monday, November 20, 2017 1:55 PM
To: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Cc: John Kim <John.Kim@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens
Thank you for the update. Have we received proposed amendments from IESO?

From: Jean-Francois Beaupre
Sent: Monday, November 20, 2017 10:58 AM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: John Kim <John.Kim@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>

Subject: RE: IESO - OEFC credit facilities : permitted liens

Hi Lisa,

John and Opal discussed this matter and I think John was working on a revised briefing note.

Kind regards,

J-F

From: Lisa Stein
Sent: Monday, November 20, 2017 10:51 AM
To: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Cc: John Kim <John.Kim@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Hi J-F,

Can you please update me on the status of this file?

Thank you,

Lisa

From: Jean-Francois Beaupre
Sent: Thursday, November 16, 2017 1:52 PM
To: John Kim <John.Kim@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Hi John,

We have an internal discussion earlier this morning which Mike attended. The comments provided were approved by Sarah and Opal.

Regards,

J-F

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Sent: Thursday, November 16, 2017 1:49 PM
To: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
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Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; John Kim

<John.Kim@ofina.on.ca>
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Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>
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Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens
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This has been reviewed by Legal last night and I have incorporated the feedback from Sarah N. (in Lisa's absence).
Please let me know if you have any questions.
Thanks,
Gavin He

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Wednesday, November 15, 2017 6:49 AM

To: John Kim <John.Kim@ofina.on.ca>
Cc: Victor Buza <Victor.Buza@ieso.ca>
Subject: IESO - OEFC credit facilities : permitted liens

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Happy to discuss further. I am out of the office most of this week on IESO business matters but available by cell 289-795-9426, or if necessary you may connect with Victor.

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To:	Jean-Francois Beaupre
Cc:	Opal Kandelas; Ryan Blackbyrne
Subject:	RE: IESO - OEFC credit facilities : permitted liens
Date:	Wednesday, October 17, 2018 9:40:32 PM

JF,

This looks

From: Jean-Francois Beaupre
Sent: Thursday, November 16, 2017 3:48 PM
To: Gavin He <Gavin.He@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: John Kim <John.Kim@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Dear all,

Please find attached for your review and consideration my suggested edits following our discussion. Happy to incorporate any additional comments you may have.

I did not cc OFA Legal on this draft.

Thanks,
J-F

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To: Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
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Please let me know if you have any questions.

Thanks,
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To: John Kim <John.Kim@ofina.on.ca>
Cc: Victor Buza <Victor.Buza@ieso.ca>
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From: Sarah Harris
To: William Tan
Subject: RE: IESO - Olga
Date: Friday, May 18, 2018 10:47:49 AM

Hi Will,
For the sake of time, I'll circulate the notice. Please do not circulate.
Thanks,
Sarah

From: Sarah Harris
Sent: Friday, May 18, 2018 10:16 AM
To: William Tan
Subject: IESO - Olga

Hi Will,
Olga contact me from IESO, and she said she found the corporate seal, and will be going with option 6. She asked how to get the notice to us.
I told her to darken the scan of the borrowing notice so it will show the seal, and she can send the .pdf to us. I confirmed to her the payment would go through today. I will ask you to circulate as necessary, once received.
Thanks,
Sarah

From: Sarah Harris
To: Carlos Yep
Cc: William Tan; Sujeev Jegatheeswaran; James Devine
Subject: RE: IESO - Signing Authority Documents
Date: Tuesday, June 19, 2018 12:00:54 PM

Hi Carlos,

I understand that you were communicating with Will yesterday on the IESO's signing authority for tomorrow's advances, and that you were referring the decision to John Kim's group.

Per Olga below, IESO is working on providing the incumbency certificate and board resolution first thing tomorrow morning. In this case, should Settlements hold back the payment until it is received tomorrow morning? I would prefer to let IESO know the implications, as they may need funds first thing in the morning.

I have provided them the option to provide a signature under corporate seal, like last time. This would ensure they have access to the funds in the morning.

Kindly advise.

Thanks,
Sarah

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]
Sent: Tuesday, June 19, 2018 10:02 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: RE: IESO - Signing Authority Documents

Hi Sarah, our legal counsel is working on providing the incumbency certificate and board resolution first thing tomorrow morning (but we can use the corporate seal as plan B).
Regards.

From: Sarah Harris [mailto:Sarah.Harris@ofina.on.ca]
Sent: June 19, 2018 9:56 AM
To: William Tan; Olga Whiteley; Anthony Martinello
Subject: RE: IESO - Signing Authority Documents

Hello Olga,

In the interest of practicality, for this round, the CFO's signature under seal of the corporation is fine for the June advances. For the next month's advances, would you please send us a complete signing authority for the signatory of next month's notices.

Thanks,

Sarah

From: William Tan
Sent: Monday, June 18, 2018 5:22 PM
To: 'Olga Whiteley' <Olga.Whiteley@ieso.ca>; 'Anthony Martinello' <Anthony.Martinello@ieso.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO - Signing Authority Documents

Hello Olga,

My legal department replied back to me and unfortunately a redacted board resolution and certificate of incumbency is required.

Thanks,

Will

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]
Sent: Monday, June 18, 2018 3:51 PM
To: William Tan <William.Tan@ofina.on.ca>
Subject: RE: IESO - Signing Authority Documents

What is your number Will?

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: June 18, 2018 3:45 PM
To: Anthony Martinello; Olga Whiteley
Cc: Sarah Harris; Carlos Yep; James Devine; Ricky Lai
Subject: RE: IESO - Signing Authority Documents

Hello Anthony and Olga,

I am following-up to get an indication of the solution you wish to pursue. Also, when will you be providing the documents. As a heads-up I will be out-of-the-office on Tuesday. For signatory related documents please coordinate with Sarah Harris.

Thanks,

Will

From: William Tan
Sent: Monday, June 18, 2018 11:38 AM
To: 'Anthony Martinello' <Anthony.Martinello@ieso.ca>; Olga Whiteley <Olga.Whiteley@ieso.ca>

Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>; Ricky Lai <Ricky.Lai@ofina.on.ca>
Subject: IESO - Signing Authority Documents

Hello Anthony,

As per conversation regarding the required signing authority documents for Barb Anderson VP, & CFO on the election notices for June 20. Please provide completed documents for one of the following options below before June 20.

While option 6 is a suitable solution, it should be viewed as a temporary solution. Therefore, I recommend option 1, as a comprehensive long-term solution.

Options provided in May, 2018:

1. Certified resolution of the board of directors for IESO authorizing both the Fair Hydro Plan Credit Agreement and for the Existing Credit Facility authorizing the signatory and Updated Incumbency Certificate.
2. ~~A delegation of authority from the (former) IESO CFO to the IESO CEO (or other authorized signatories).~~
3. A general signing authority resolution of the IESO Board of Directors.
4. By-law or other document in place providing authorization to the IESO ~~CEO~~ CFO.
5. A certificate from the IESO Corporate Secretary stating that the IESO ~~CEO~~ CFO has signing authority.
6. A signature under seal of the corporation.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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From: Lisa Stein
To: William Tan
Cc: Sarah Harris
Subject: RE: IESO - Signing Authority Documents
Date: Monday, June 18, 2018 5:02:26 PM

Hi Will and Sarah,

I've reviewed the previous correspondence on this matter and you are correct - my legal opinion has not changed. Please let me know if you would like to discuss tomorrow. However, please note that my availability is limited as I have numerous meetings scheduled throughout the day.

Thank you,

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From: William Tan
Sent: Monday, June 18, 2018 4:39 PM
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Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO - Signing Authority Documents

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From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]
Sent: Monday, June 18, 2018 3:51 PM
To: William Tan <William.Tan@ofina.on.ca>
Subject: RE: IESO - Signing Authority Documents

What is your number Will?

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: June 18, 2018 3:45 PM
To: Anthony Martinello; Olga Whiteley
Cc: Sarah Harris; Carlos Yep; James Devine; Ricky Lai
Subject: RE: IESO - Signing Authority Documents

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Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
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Cc: William Tan; Anthony Martinello
Subject: RE: IESO - Signing Authority Documents
Date: Tuesday, June 19, 2018 10:02:21 AM

Hi Sarah, our legal counsel is working on providing the incumbency certificate and board resolution first thing tomorrow morning (but we can use the corporate seal as plan B).
Regards.

From: Sarah Harris [mailto:Sarah.Harris@ofina.on.ca]
Sent: June 19, 2018 9:56 AM
To: William Tan; Olga Whiteley; Anthony Martinello
Subject: RE: IESO - Signing Authority Documents

Hello Olga,

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Thanks,
Sarah

From: William Tan
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To: 'Olga Whiteley' ; 'Anthony Martinello'
Cc: Sarah Harris
Subject: RE: IESO - Signing Authority Documents

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Subject: RE: IESO - Signing Authority Documents

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My legal department replied back to me and unfortunately a redacted board resolution and certificate of incumbency is required.

Thanks,

Will

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]
Sent: Monday, June 18, 2018 3:51 PM
To: William Tan <William.Tan@ofina.on.ca>
Subject: RE: IESO - Signing Authority Documents

What is your number Will?

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: June 18, 2018 3:45 PM
To: Anthony Martinello; Olga Whiteley
Cc: Sarah Harris; Carlos Yep; James Devine; Ricky Lai
Subject: RE: IESO - Signing Authority Documents

Hello Anthony and Olga,

I am following-up to get an indication of the solution you wish to pursue. Also, when will you be providing the documents. As a heads-up I will be out-of-the-office on Tuesday. For signatory related documents please coordinate with Sarah Harris.

Thanks,

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From: William Tan
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To: 'Anthony Martinello' <Anthony.Martinello@ieso.ca>; Olga Whiteley <Olga.Whiteley@ieso.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>; Ricky Lai <Ricky.Lai@ofina.on.ca>
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6. A signature under seal of the corporation.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
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william.tan@ofina.on.ca

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From: Sarah Harris
To: William Tan; "Olga Whiteley"; "Anthony Martinello"
Subject: RE: IESO - Signing Authority Documents
Date: Tuesday, June 19, 2018 9:55:38 AM

Hello Olga,

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Cc: Sarah Harris
Subject: RE: IESO - Signing Authority Documents

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Date:	Monday, June 18, 2018 5:21:45 PM

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From:	William Tan
To:	Lisa Stein
Cc:	Sarah Harris
Subject:	RE: IESO - Signing Authority Documents
Date:	Monday, June 18, 2018 5:07:42 PM

Thanks Lisa. I think we are good. Have a great evening.

From: Lisa Stein
Sent: Monday, June 18, 2018 5:02 PM
To: William Tan
Cc: Sarah Harris
Subject: RE: IESO - Signing Authority Documents

Hi Will and Sarah,

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Lisa

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Sent: Monday, June 18, 2018 4:39 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO - Signing Authority Documents

Hello,

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From: Sarah Harris
To: Carlos Yep
Cc: William Tan; Sujeev Jegatheeswaran; James Devine
Subject: RE: IESO - Signing Authority Documents
Date: Tuesday, June 19, 2018 12:00:54 PM

Hi Carlos,
I understand that you were communicating with Will yesterday on the IESO's signing authority for tomorrow's advances, and that you were referring the decision to John Kim's group.
Per Olga below, IESO is working on providing the incumbency certificate and board resolution first thing tomorrow morning. In this case, should Settlements hold back the payment until it is received tomorrow morning? I would prefer to let IESO know the implications, as they may need funds first thing in the morning.
I have provided them the option to provide a signature under corporate seal, like last time. This would ensure they have access to the funds in the morning.
Kindly advise.
Thanks,
Sarah

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]
Sent: Tuesday, June 19, 2018 10:02 AM
To: Sarah Harris
Cc: William Tan ; Anthony Martinello
Subject: RE: IESO - Signing Authority Documents
Hi Sarah, our legal counsel is working on providing the incumbency certificate and board resolution first thing tomorrow morning (but we can use the corporate seal as plan B).
Regards.

From: Sarah Harris [mailto:Sarah.Harris@ofina.on.ca]
Sent: June 19, 2018 9:56 AM
To: William Tan; Olga Whiteley; Anthony Martinello
Subject: RE: IESO - Signing Authority Documents
Hello Olga,
In the interest of practicality, for this round, the CFO's signature under seal of the corporation is fine for the June advances. For the next month's advances, would you please send us a complete signing authority for the signatory of next month's notices.
Thanks,
Sarah

From: William Tan
Sent: Monday, June 18, 2018 5:22 PM
To: 'Olga Whiteley' <Olga.Whiteley@ieso.ca>; 'Anthony Martinello' <Anthony.Martinello@ieso.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO - Signing Authority Documents
Hello Olga,
My legal department replied back to me and unfortunately a redacted board resolution and certificate of incumbency is required.
Thanks,
Will

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]
Sent: Monday, June 18, 2018 3:51 PM
To: William Tan <William.Tan@ofina.on.ca>
Subject: RE: IESO - Signing Authority Documents

What is your number Will?

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: June 18, 2018 3:45 PM
To: Anthony Martinello; Olga Whiteley
Cc: Sarah Harris; Carlos Yep; James Devine; Ricky Lai
Subject: RE: IESO - Signing Authority Documents

Hello Anthony and Olga,

I am following-up to get an indication of the solution you wish to pursue. Also, when will you be providing the documents. As a heads-up I will be out-of-the-office on Tuesday. For signatory related documents please coordinate with Sarah Harris.

Thanks,

Will

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Subject: IESO - Signing Authority Documents

Hello Anthony,

As per conversation regarding the required signing authority documents for Barb Anderson VP, & CFO on the election notices for June 20. Please provide completed documents for one of the following options below before June 20.

While option 6 is a suitable solution, it should be viewed as a temporary solution. Therefore, I recommend option 1, as a comprehensive long-term solution.

Options provided in May, 2018:

1. Certified resolution of the board of directors for IESO authorizing both the Fair Hydro Plan Credit Agreement and for the Existing Credit Facility authorizing the signatory and Updated Incumbency Certificate.
2. ~~A delegation of authority from the (former) IESO CFO to the IESO CEO (or other authorized signatories).~~
3. A general signing authority resolution of the IESO Board of Directors.
4. By-law or other document in place providing authorization to the IESO ~~CEO~~ CFO.
5. A certificate from the IESO Corporate Secretary stating that the IESO ~~CEO~~ CFO has signing authority.
6. A signature under seal of the corporation.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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From: Sujeev Jegatheeswaran
To: Sarah Harris
Subject: RE: IESO - Update Incumbency Certificate
Date: Tuesday, June 19, 2018 4:20:14 PM

Thank you Sarah.
Have a good evening.
Sujeev

From: Sarah Harris
Sent: Tuesday, June 19, 2018 4:19 PM
To: Carlos Yep ; James Devine ; Sujeev Jegatheeswaran
Cc: William Tan
Subject: Fwd: IESO - Update Incumbency Certificate
Hello,
IESO provided the executed signing authority (attached) All is in order.
Thanks,
Sarah
Sent from my iPhone

Begin forwarded message:

> **From:** Victor Buza <Victor.Buza@ieso.ca>
> **Date:** June 19, 2018 at 3:48:45 PM EDT
> **To:** Sarah Harris <Sarah.Harris@ofina.on.ca>
> **Cc:** Anthony Martinello <Anthony.Martinello@ieso.ca>, Olga Whiteley <Olga.Whiteley@ieso.ca>, William Tan <William.Tan@ofina.on.ca>, Lisa Stein <Lisa.Stein@ofina.on.ca>
> **Subject: RE: IESO - Update Incumbency Certificate**
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Please call me if you have any questions.

Regards,

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Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079
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INCUMBENCY CERTIFICATE

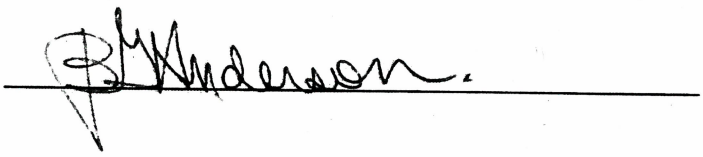
To: Ontario Financing Authority ("**OFA**")

I, the undersigned, Secretary to the Independent Electricity System Operator (the "**IESO**"), in my capacity as an officer of the IESO, and not in my personal capacity, do hereby certify that:

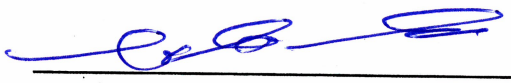
1. Barbara Anderson has been duly appointed as, and as of the date hereof holds the offices of, Chief Financial Officer and Vice-President, Corporate Services (Interim) of the IESO and, for further certainty, has been vested with all of the duties and powers otherwise prescribed to such offices in a permanent capacity.

2. Pursuant to a resolution of the board of directors of IESO dated June 14, 2017, the Chief Financial Officer has the authority from time to time to draw upon (i) the Credit Agreement between OFA and IESO (as successor by amalgamation to Ontario Power Authority) made as of January 1, 2005, as amended, and (ii) the Revolving Credit Facility Agreement between IESO and the Ontario Financing Authority made as of the 6th day of November, 2017 in relation to the Fair Hydro Plan.

3. The following is the genuine signature of the following individual:

Barbara Anderson 

DATED this 19th day of June, 2018.



Michael Lyle
Vice-President, Legal Resources and Corporate Governance, General Counsel, Secretary, and Chief Reliability Compliance Officer

From: Victor Buza
To: Sarah Harris
Cc: Anthony Martinello; Olga Whiteley; William Tan; Lisa Stein
Subject: RE: IESO - Update Incumbency Certificate
Date: Tuesday, June 19, 2018 3:48:51 PM
Attachments: Incumbency Certificate June 19 2018 - EXECUTED.pdf

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Victor Buza | Senior Counsel
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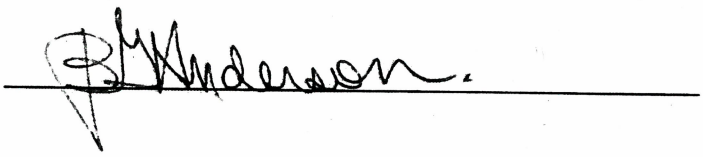
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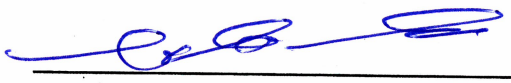
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> **To:** Victor Buza
> **Cc:** Anthony Martinello; Olga Whiteley; William Tan; Lisa Stein
> **Subject:** RE: IESO/OFA - Signing Authority Documents

Victor,

Thank you very much for the draft.

Overall, the certificate looks fine. The only comment we have is that we don't think the last paragraph at the bottom of the page (certification by Barb Anderson for Michael Lyle) is necessary; if that is your standard, however, that's fine.

If it possible to have the draft executed by end of day, that will be helpful ensuring the payment is released ASAP.

Thanks,
Sarah

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Tuesday, June 19, 2018 12:28 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: Anthony Martinello <Anthony.Martinello@ieso.ca>; Olga Whiteley <Olga.Whiteley@ieso.ca>; William Tan <William.Tan@ofina.on.ca>
Subject: RE: IESO/OFA - Signing Authority Documents

Hi Sarah. Following our call earlier and per item #1 of Will's email below, attached please find the updated form of Incumbency Certificate. Please confirm that this updated form is acceptable and we will proceed to have it executed.

In addition, for your convenience, I also attach the original certified Board Resolution authorizing, among other things, the "Chief Financial Officer or her delegate" with respect to making draws under the Fair Hydro Plan Credit Agreement and for the Existing Credit Facility.

Please call me if you have any questions.

Regards,
Victor

Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079

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From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: June 18, 2018 5:22 PM
To: Olga Whiteley; Anthony Martinello
Cc: Sarah Harris
Subject: RE: IESO - Signing Authority Documents

Hello Olga,

My legal department replied back to me and unfortunately a redacted board resolution and certificate of incumbency is required.

Thanks,

Will

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: June 18, 2018 3:45 PM
To: Anthony Martinello; Olga Whiteley
Cc: Sarah Harris; Carlos Yep; James Devine; Ricky Lai
Subject: RE: IESO - Signing Authority Documents

Hello Anthony and Olga,

I am following-up to get an indication of the solution you wish to pursue. Also, when will you be providing the documents. As a heads-up I will be out-of-the-office on Tuesday. For signatory related documents please coordinate with Sarah Harris.

Thanks,

Will

From: William Tan
Sent: Monday, June 18, 2018 11:38 AM
To: 'Anthony Martinello' <Anthony.Martinello@ieso.ca>; Olga Whiteley <Olga.Whiteley@ieso.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>; Ricky Lai <Ricky.Lai@ofina.on.ca>
Subject: IESO - Signing Authority Documents

Hello Anthony,

As per conversation regarding the required signing authority documents for Barb Anderson VP, & CFO on the election notices for June 20. Please provide completed documents for one of the following options below before June 20.

While option 6 is a suitable solution, it should be viewed as a temporary solution. Therefore, I recommend option 1, as a comprehensive long-term solution.

Options provided in May, 2018:

1. Certified resolution of the board of directors for IESO authorizing both the Fair Hydro Plan Credit Agreement and for the Existing Credit Facility authorizing the signatory and Updated Incumbency Certificate.
2. ~~A delegation of authority from the (former) IESO CFO to the IESO CEO (or other authorized signatories).~~
3. A general signing authority resolution of the IESO Board of Directors.
4. By-law or other document in place providing authorization to the IESO ~~CEO~~ CFO.
5. A certificate from the IESO Corporate Secretary stating that the IESO ~~CEO~~ CFO has signing authority.
6. A signature under seal of the corporation.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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From:	Lisa Stein
To:	William Tan
Cc:	Sarah Harris
Subject:	RE: IESO CFO
Date:	Thursday, July 05, 2018 3:45:51 PM

Hi Will,

I agree that you should request a revised certificate of incumbency.

Lisa

From: William Tan
Sent: Thursday, July 05, 2018 1:11 PM
To: Lisa Stein
Cc: Sarah Harris
Subject: FW: IESO CFO

Hello Lisa,

IESO's CFO Barbara Anderson has been appointed as their permanent CFO. However, section 1 of the June 19, 2018 COI indicates her title as interim. Do we require a revised COI to reflect this change? The other attachment is a June 2017 Board Resolution appointing the CFO to have signing authority.

Thanks

Will

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]
Sent: Thursday, July 05, 2018 12:49 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: Anthony Martinello <Anthony.Martinello@ieso.ca>; Victor Buza <Victor.Buza@ieso.ca>; William Tan <William.Tan@ofina.on.ca>
Subject: IESO CFO

Hi Sarah,

As of July 9 Barbara Anderson has been appointed as our CFO (no longer interim). Do you require a revised incumbency certificate? Attached is the one recently executed.

Please let me know.

Regards.

Olga Whiteley | Treasury and Pension Operations

Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
Station A, Box 4474, Toronto, ON M5W 4E5
Web: www.ieso.ca[ieso.ca] | Email: olga.whiteley@ieso.ca

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From:	William Tan
To:	Lisa Stein
Cc:	Sarah Harris
Subject:	RE: IESO CFO
Date:	Thursday, July 05, 2018 3:46:34 PM

Thank you very much Lisa.

From: Lisa Stein
Sent: Thursday, July 05, 2018 3:46 PM
To: William Tan
Cc: Sarah Harris
Subject: RE: IESO CFO

Hi Will,

I agree that you should request a revised certificate of incumbency.

Lisa

From: William Tan
Sent: Thursday, July 05, 2018 1:11 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: IESO CFO

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To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: Anthony Martinello <Anthony.Martinello@ieso.ca>; Victor Buza <Victor.Buza@ieso.ca>; William Tan <William.Tan@ofina.on.ca>
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strictly prohibited. If you have received this message in error, or are not the named recipient(s), please notify the sender immediately and delete this e-mail message.

From:	Sarah Harris
To:	Sarah Neville
Subject:	RE: IESO FORM OF BORROWING NOTICE (WT) (003).docx
Date:	Wednesday, August 29, 2018 10:16:26 AM

Thank you, Sarah.

From: Sarah Neville
Sent: Wednesday, August 29, 2018 9:59 AM
To: Sarah Harris
Subject: IESO FORM OF BORROWING NOTICE (WT) (003).docx
As discussed

From: Sarah Harris
To: Sarah Neville
Cc: William Tan
Subject: RE: IESO FORM OF BORROWING NOTICE (WT).docx
Date: Wednesday, August 29, 2018 9:50:34 AM
Attachments: IESO FORM OF BORROWING NOTICE (WT).docx

Hi Sarah,
Thank you for the revised draft. I took a look and thought we could even simplify it more.
Could you please take a look, and let me know your thoughts?
Thanks,
Sarah

From: Sarah Neville
Sent: Wednesday, August 29, 2018 9:08 AM
To: William Tan
Cc: Sarah Harris
Subject: IESO FORM OF BORROWING NOTICE (WT).docx

Hi Will – apologies that I missed this yesterday evening. I see that you have already sent the template over to IESO.

I have reviewed the attached (I have made some changes in the draft and some comments in the right margin – highlighted in yellow to avoid getting lost in the format comments), although not sure it is still needed. I think the key legal issue is to make sure that the use of proceeds is correctly described in compliance with the agreement (amending agreement No. 6).

With respect to the breakdown between the $60 million I don't think this is an exact science. The objective should be that the transaction structure is clear and transparent for both parties from both an operational and documentation perspective.

Please let me know if you require anything further.

Thanks very much,
Sarah

SCHEDULE 1 TO AMENDING AGREEMENT NO. 6

FORM OF BORROWING NOTICE

Date:

Ontario Electricity Financial Corporation **("OEFC")**
c/o Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A1Y7

Attention: Cash Management
(Fax No. (416-204-7920)

Dear Sirs:

The undersigned, Independent Electricity System Operator ("IESO refers to the Revolving Credit Facility Agreement dated April 23, 2010 (as amended, supplemented or restated from time to time, the **"Agreement"**, the terms defined therein being used herein as therein defined) between IESO and OEFC, and gives you notice pursuant to Section 3.2 of the Agreement that IESO requests an Advance under the Agreement, and, in that connection, sets forth below the information relating to such Advance (the **"Proposed Advance"**) as required by Section 3.2 of the Agreement:

(a) The date of the proposed Advance, being a Business Day is September 4, 2018;
(b) The aggregate amount of the Proposed Advance is $60,000,000.00 which is comprised of:
    (i) $30,000,000 principal amount of the Advance due and payable on September 4, 2018 which will be rolled; and
    (ii) a new Advance in the amount of $30,000,000.00.

IESO confirms that it will pay interest accrued and outstanding in the amount of $57,008.22 on September 4, 2018.

~~IESO proposes to borrow $60,000,000 as follows:~~

~~$30,000,000 roll-over on September 4, 2018, repayable on October 1, 2018.~~

~~(IESO confirms This portion of the Proposed Aadvance is an Advance due of $30,000,000 due and payable on September 4, 2018 which . $30,000,000 is to be will be rolled-over and interest~~

Commented [SN1]: Formatting needs to be fixed – this should be (a)

Commented [SN2]: Do we need to provide more details of the rolled over Advance to provide documentary transparency? E.g. "a roll-over of $30 million Advanced on X date pursuant to a Borrowing Notice of Y date"

~~[accrued and outstanding?]] in the amount of $57,008.22 will be paid to the OFA in accordance with the Agreement on September 4, 2018..)~~

Commented [SN3]: Is this all the accrued and outstanding interest? If so, should probably confirm that too.

The undersigned herby certifies that the funds requested under this notice will be used for the following purposes:

~~*<indicate amount and purpose of funds requested>*~~

IESO hereby certifies that:

The representations and warranties of IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received previously as Advances under the Agreement have been expended or are being held solely for the purpose for which they were advanced; no part of said funds has been nor any part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Authorized Signature

Per: _____
Authorized Signature

*To be confirmed by telephone call to OEFC Cash Management (416) 325-8108

From:	William Tan
To:	Risa Thau
Cc:	CASHP; SETTLEMENT; Carlos Yep; James Devine; Sarah Harris; Opal Kandelas
Subject:	RE: IESO Notice for Nov 21/17
Date:	Friday, December 01, 2017 3:05:11 PM

Hello Risa,

Carlos is contacting Anthony Martinello to obtain more details with regards to his request.

Thanks,

Will

From: Risa Thau

Sent: Friday, December 01, 2017 1:43 PM

To: William Tan

Cc: CASHP ; SETTLEMENT ; Carlos Yep ; James Devine

Subject: FW: IESO Notice for Nov 21/17

Hi Will,

Is IESO allowed to change the maturity date of their advance according to the agreement?

Thanks,

Risa Thau

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]

Sent: Friday, December 01, 2017 12:59 PM

To: CASHP <CASHP@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; Serena Ly <Serena.Ly@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>

Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>

Subject: RE: IESO Notice for Nov 21/17

Just a question – will appreciate your reply.

I am discussing the first fair hydro purchase and resulting cash-flow timing with OPG.

Currently, the IESO's Repayment Date (see attached) is set for Dec 20th.

What are OFA comments if I were to ask OFA for this repayment date of Dec 20th 2017 to be changed to Dec 18th 2017?

Regards.

From: Olga Whiteley
Sent: November 16, 2017 5:53 PM
To: CASHP; SETTLEMENT; Carlos.Yep@ofina.on.ca; Serena.Ly@ofina.on.ca; James.Devine@ofina.on.ca
Cc: Anthony Martinello
Subject: IESO Notice for Nov 21/17

Please see attached two notices for November 21, 2017:

- Full repayment of RPP amount under IESO's $975 million facility;
- New borrowing of Fair Hydro amount under IESO's new $2 billion facility.

Please send us the net amount of **$179,900,804.31** (OFA to IESO $1,005,539,906.31 minus IESO to OFA $825,639,102.00).

Beneficiary: Independent Electricity System Operator

Bank: TD Bank

Bank ID: 0004

Transit Number: 10202

Account Number: 5509622

Thanks.

Olga Whiteley | Treasury and Pension Operations

Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
Station A, Box 4474, Toronto, ON M5W 4E5
Web: www.ieso.ca[ieso.ca] | Email: olga.whiteley@ieso.ca

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From:	Sarah Harris
To:	Carlos Yep
Subject:	RE: IESO Notice for Nov 21/17
Date:	Friday, November 17, 2017 8:57:19 AM

Thank you, Carlos!

From: Carlos Yep
Sent: Friday, November 17, 2017 8:21 AM
To: William Tan ; Sarah Harris
Subject: FW: IESO Notice for Nov 21/17

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]
Sent: Thursday, November 16, 2017 5:53 PM
To: CASHP <CASHP@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; Serena Ly <Serena.Ly@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>
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Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
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Cc:	CASHP; SETTLEMENT; Carlos Yep; James Devine; Sarah Harris; Opal Kandelas
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From:	William Tan
To:	Ryan Blackbyrne
Cc:	Jean-Francois Beaupre; Sarah Harris
Subject:	RE: IESO OEFC Update
Date:	Tuesday, November 07, 2017 3:28:41 PM
Attachments:	OFA IESO Amending Agreement No 10 - Execution Version - FINAL.DOCX FHP Revolving Credit Facility Agreement 2017-2022 Execution Version - F....docx FHP Credit Agreement OFA IESO - Nov 6 2017 - IESO Signed.pdf OFA_IESO Amending Agrmt#10 to Jan 1 2005 Credit Facility Nov 6 2017 - IE....pdf

---

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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AMENDING AGREEMENT NO. 10

This Amending Agreement No. 10 (this "**Amending Agreement**") is made as of the 21st day of November, 2017 (the "**Effective Date**")

BETWEEN:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, a statutory corporation without share capital existing under Part II of the *Electricity Act, 1998* ("**IESO**")

-and-

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* ("**OFA**")

(together, the "**Parties**")

WHEREAS the Ontario Power Authority ("**OPA**") and the OFA entered into a credit agreement dated January 1, 2005 (the "**Original Agreement**");

AND WHEREAS effective January 1, 2015, the OPA and the then existing Independent Electricity System Operator amalgamated and continued as a corporation without share capital under Part II of the *Electricity Act, 1998* with the name "Independent Electricity System Operator" (**"IESO")**, and the obligations of the OPA became obligations of the IESO;

AND WHEREAS pursuant to the amending agreements dated February 14, 2005, October 11, 2005 (titled, "Amending Agreement No. 3"), September 27, 2006 (titled, "Amending Agreement No. 4"), July 13, 2007 (titled, "Amending Agreement No. 5"), November 9, 2010 (titled, "Amending Agreement No. 6"), December 20, 2013 (titled, "Amending Agreement No. 7"), December 19, 2014 (titled, "Amending Agreement No. 8") and November 30, 2016 (titled, "Amending Agreement No. 9"), the OPA or IESO (as applicable) and the OFA amended the Original Agreement (as so amended, the "**Credit Agreement",** the terms defined therein being used herein as therein defined);

AND WHEREAS the Parties have now agreed to: (i) at the request of the IESO, decrease the total principal amount available under the Credit Agreement from $975,000,000 to a total principal amount of up to $475,000,000; (ii) amend the use of proceeds under the Credit Agreement; (iii) amend the Form of Election Notice and related provisions under the Credit Agreement; and (iv) make other amendments required as a consequence of the implementation of the OFHP (as defined below);

AND WHEREAS pursuant to Section 7.3 of the Credit Agreement, the Credit Agreement may only be amended or otherwise modified by written agreement executed by the Parties.

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby

acknowledged, and subject to the terms and conditions hereafter set out, the Parties agree that, as of the Effective Time (as defined below):

1. The definition of "Advances" in Section 1.1 of the Credit Agreement is deleted and replaced by the following:

   > "**Advances**" means advances made by the OFA to the IESO under Article 3 and "Advance" means any one of such advances, and in the case of an election by the IESO under Section 3.3, includes a "Continued Advance", as defined in Section 3.3(1), as applicable."

2. The definition of "**Commitment**" in Section 1.1 of the Credit Agreement is amended by deleting "$975,000,000" and substituting "$475,000,000" therefor.

3. The definition of "**Permitted Liens**" is amended by deleting the word "and" at the end of subsection (i); replacing the "." at the end of subsection (j) and replacing it with "; and" ; and adding the following subsection (k):

   > "(k) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

4. The following definitions are added to Section 1.1 of the Credit Agreement:

   > **"Clean Energy Adjustment"** has the same meaning as that term is defined in the OFHP.
   >
   > "**Continued Advance"** has the meaning specified in Section 3.3(1).
   >
   > "**Current Repayment Date**" has the meaning specified in Section 3.3(2).
   >
   > "**New Repayment Date**" has the meaning specified in Section 3.3(2).
   >
   > **"OFHP"** means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

5. Section 2.3 "Use of Proceeds" of the Credit Agreement is deleted in its entirety (with the exception of the title of the section, which exception also applies regarding the amendments made under sections 6, 7 and 8 hereof) and replaced by the following:

   > "The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the *Electricity Act, 1998,* as such regulation may be amended or replaced from time to time, provided that Advances may be used only for liquidity purposes."

6. Section 3.2 "Procedures for Advances" of the Credit Agreement is deleted in its entirety and replaced by the following:

"(1) Subject to Section 3.3(5), each Advance shall be made subject to two Business Days' prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each notice of an Advance (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1, other than a Borrowing Notice that is included in an Election Notice as permitted by Section 3.3(3). Each Borrowing Notice shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance; (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall be no earlier than 28 days and not later than 95 days after the date of the requested Advance. Each Borrowing Notice shall also certify the use of proceeds of the Advance which shall in any case be in accordance with Section 2.3. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, the IESO shall execute and deliver to the OFA a grid promissory note in respect of Advances substantially in the form of Schedule 3 (the **"Grid Note")**. The IESO authorizes the OFA to record on the Grid Note (a) the date and amount of each Advance or Continued Advance; (b) the applicable rate of interest for each Advance or Continued Advance; (c) the Repayment Date of each Advance or Continued Advance; (d) the date and amount of each payment of interest and each payment of principal or portion thereof in respect of each Advance or Continued Advance; and (e) Advances Outstanding. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such Advances and repayments; provided that the failure of the OFA to record any amount, rate or date shall not affect the obligation of the IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement."

7. Section 3.3 "Elections Regarding Advances" of the Credit Agreement is deleted in its entirety and replaced by the following:

"(1) The IESO may elect to continue all or a portion of the principal amount of any Advance and any amount of interest on such Advance (together, the "**Continued Advance**") for a further period of at least 28 days and up to a maximum of 95 days beginning on the then current Repayment Date in accordance with Section 3.3(2).

(2) Each notice to continue an Advance for a further period (an "**Election Notice**") shall be provided by the IESO to the OFA at least two Business Days prior to the Repayment Date of the Advance (the "**Current Repayment Date**"), and in each case, not later than 10:00 a.m. (Toronto time). Each such Election Notice shall be given substantially in the form of Schedule 2 and shall be irrevocable and binding upon the IESO and shall specify: (a) the Current Repayment Date; (b) the new aggregate total amount of the proposed Continued Advance; (c) the amount of interest or principal, if any, to be paid or re-paid by the IESO with respect to such Advance on the Current Repayment Date; and (d) the new Repayment Date of the proposed Continued Advance, which shall be no earlier than 28 days and not later than 95 days after the Current Repayment Date (the "**New Repayment Date"**). If the IESO fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date.

(3) An Election Notice with respect to a proposed Continued Advance may include a Borrowing Notice for a further Advance proposed to be made on the Current Repayment

Date. The Repayment Date of such further Advance shall be the New Repayment Date of the Continued Advance that is specified in the Election Notice. Such Borrowing Notice shall be given substantially in the form of Schedule 2.

(4) The calculation of interest on a Continued Advance shall be determined in the same manner as an Advance under Section 3.4 and shall be recorded on the grid promissory note in respect of Advances in accordance with Section 3.2(2).

(5) Any portion of an Advance not continued for a further period in accordance with Section 3.3(2) shall be repayable on the applicable Repayment Date."

8. Section 5.2 "Acceleration of Maturity; Recission and Annulement" of the Credit Agreement is deleted in its entirety and replaced by the following:

"If an Event of Default occurs and is continuing, then and in every such case the OFA may at its option, in addition to any other remedy available to the OFA at law, by written notice to the IESO, take any or all of the following actions:

(a) suspend the right of the IESO to request any further Advance until the Event of Default has been cured to the OFA's satisfaction or, if the Event of Default is not cured within three (3) Business Days after the date on which written notice of such Event of Default shall have been given to the IESO by the OFA, declare all amounts owing hereunder including all interest accrued to be due and payable immediately, by a notice in writing to the IESO, and upon any such declaration all such amounts shall become immediately due and payable.

(b) invoke the Intercept pursuant to section 5.7 of this Agreement to require payment of any amount due and payable under this Agreement."

9. Section 5.7 "Intercept" is added to the Credit Agreement, stating as follows:

"Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of November 6th , 2017 herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the *Capital Investment Plan Act, 1993* (the "**Intercept Letter**"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("**Appropriated Funds**"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("**Intercept**").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail."

10. Section 7.9 "Entire Agreement' is added to the Credit Agreement, stating as follows:

"Section 7.9 Entire Agreement

This Agreement as amended from time to time and including the schedules hereto and any other agreements expressly referred to herein, constitutes the whole agreement between the Parties with respect to the matters dealt with in it, and it supersedes any prior agreement, undertakings, discussions and the like respecting the matters dealt with in this Agreement and entered into by the Parties before the date the OFA signs this Agreement."

11. Schedule 1 of the Credit Agreement, Form of Borrowing Notice, is deleted in its entirety and replaced by the Form of Borrowing Notice attached hereto as Schedule 1.

12. Schedule 2 of the Credit Agreement, Form of Election Notice, is deleted in its entirety and replaced by the Form of Election Notice attached hereto as Schedule 2.

13. Schedule 3 of the Credit Agreement, IESO Grid Note, is deleted in its entirety and replaced by the Form of Grid Note attached hereto as Schedule 3.

14. For the purposes of this Amending Agreement and its coming into effect:

a. "**Effective Time**" means the time on the Effective Date by which the Transfers of Funds (defined below) have been completed; or such other time as the Parties may subsequently agree to in writing as being the "Effective Time";

b. "**Transfers of Funds**" means those transfers of funds to be completed between the Parties on the Effective Date, being:

   i. the First Advance as defined under section 3.2(3) of the credit agreement between the Parties in relation to the IESO's role in the implementation of the OFHP dated November 6, 2017; and,

   ii. the completion of all Advances described in the Election Notice to be provided by the IESO to the OFA no later than November 17, 2017 (such terms having the meanings defined in the Credit Agreement) that are to be funded under the Credit Agreement on the Effective Date; and,

   iii. the repayment by the IESO of all Advances Outstanding (as defined in the Credit Agreement) exceeding $475 million; and,

   iv. the payment by the IESO to OFA of the interest then owing under the Credit Agreement.

15. The Parties shall endeavour to complete and exchange all usual documentation relating to the Transfers of Funds, and to any other related matters occurring on the Effective Date, prior to 5:00 p.m. on the Effective Date, and in any case no later than the next business day.

16. After the Effective Time, and prior to any further Advances under the Credit Agreement, the IESO shall execute and deliver to the OFA a new grid promissory note in the principal amount of up to $475,000,000 substantially in the form attached hereto as Schedule 3 (the **"Grid Note"**) and indicating a total principal amount of Advances Outstanding as of the Effective Time. Upon receipt of the new Grid Note delivered hereunder, the OFA will cancel and return the grid promissory note dated November 30, 2016 to the IESO.

17. This Amending Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Amending Agreement.

IN ALL OTHER RESPECTS, the Credit Agreement is confirmed by the Parties.

[*signature page follows*]

IN WITNESS WHEREOF the Parties hereto have executed and delivered this Amending Agreement on the dates set out below, which shall come into effect as of the Effective Time as defined herein.

ONTARIO FINANCING AUTHORITY

Per: _____ Date: November _____, 2017.
Name:
Title:

I have authority to bind the corporation.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____ Date: November_____, 2017.
Name: Kimberly Marshall
Title: Vice President, Corporate Services;
Chief Financial Officer; Treasurer

I have authority to bind the corporation.

SCHEDULE 1 TO AMENDING AGREEMENT NO. 10

FORM OF BORROWING NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "**Agreement**", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "**Proposed Advance**"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The principal amount of the Proposed Advance is $_____;
(c) The Repayment Date of the Proposed Advance is _____. [Not earlier than 28 days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:

Authorized Signatory

SCHEDULE 2 TO AMENDING AGREEMENT NO. 10

FORM OF ELECTION NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is _____;

(b) The aggregate amount of the proposed Continued Advance is $_____, which is comprised of:

i. principal amount (or portion thereof) of Advance which is to be continued $_____; and
ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date $_____;

(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): $ _____

(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _____. [Insert date no earlier than 28 days and not later than 95 days after the Current Repayment Date for the Advance.]

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: $_____

The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:
Authorized Signatory

SCHEDULE 3 TO AMENDING AGREEMENT NO. 10

FORM OF GRID NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $475,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICTY SYSTEM OPERATOR (the **"IESO"**), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY ("OFA"**) at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Credit Agreement (as defined below). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Credit Agreement.

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the credit agreement dated January 1, 2005 as amended, supplemented or restated from time to time, between the Borrower and the OFA (the **"Credit Agreement"**).

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Credit Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Name:
Authorized Signatory

Line of Credit Grid Note

Entity : Independent Electricity System Operator
Loan Limit: $475,000,000

Project:
Schedule of loan transactions to:
Loan Advanced to:

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

as Borrower

and

ONTARIO FINANCING AUTHORITY

as Lender

REVOLVING CREDIT FACILITY AGREEMENT

Date: November ___, 2017

REVOLVING CREDIT FACILITY AGREEMENT

THIS AGREEMENT is made as of the ____ day of November 2017,

BETWEEN:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, a statutory corporation without share capital existing under Part II of the *Electricity Act, 1998* (the "**IESO**")
(as Borrower)

AND

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* (the "**OFA**" and together with the IESO, the "**Parties**")
(as Lender)

RECITALS:

WHEREAS the IESO has requested a revolving credit facility for up to a maximum principal amount of $2 billion from the OFA for the purpose of supporting the IESO's role in the implementation and administration of the *Ontario Fair Hydro Plan Act, 2017*.

THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the Parties agree as follows:

ARTICLE 1

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"Advances" means advances made by the OFA to the IESO under Article 3 and "Advance" means any one of such advances, and in the case of an election by the IESO under Section 3.3, includes a "Continued Advance", as defined in Section 3.3(1), as applicable.

"Advances Outstanding" means, at any time, an amount equal to the aggregate principal amount of all Advances outstanding at such time.

"Agreement", "herein", "hereby", "hereor', "hereunder" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression "Article" or "Section" followed by a number means the specified Article or Section of this Agreement.

"Borrowing Notice" has the meaning specified in Section 3.2(1).

"Business Day" means any day that is not a day on which banks are generally authorized or required by law or executive order to be closed in the City of Toronto.

"**Clean Energy Adjustment"** has the same meaning as that term is defined in the OFHP.

"Commitment" means, at any time, an amount equal to $2 billion.

"Consolidated Assets" means, at any time, the book value of the assets of the IESO and the Subsidiaries, determined as of such time on a consolidated basis in accordance with GAAP.

"**Continued Advance"** has the meaning specified in Section 3.3(1).

"Credit Facility" means the revolving credit facility to be made available to the IESO by the OFA under this Agreement for the purposes specified in Section 2.2.

"**Current Repayment Date**" has the meaning specified in Section 3.3(2).

"Default" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"Dollars" or **"$**" means lawful currency of Canada.

"Election Notice" has the meaning specified in Section 3.3(2).

"Event of Default" has the meaning specified in Section 5.1.

"**First Advance**" has the meaning specified in Section 3.2(3).

"GAAP" means accounting policies and standards as established by the Chartered Professional Accountants of Canada, at the relevant time and applied on a consistent basis.

"Grid Note" has the meaning specified in Section 3.2(2).

"Indebtedness" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) every obligation of such Person for borrowed money;

(b) every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments;

(c) every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) every capital lease obligation of such Person;

(f) the Swap Termination Value of each Swap Contract of such Person; and

(g) every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"Lien" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"Material Subsidiary" means, at any time, a Subsidiary which has consolidated assets with a book value of more than $25 million determined in accordance with GAAP.

"**New Repayment Date**" has the meaning specified in Section 3.3(2).

"**OFHP**" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

"Permitted Liens" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) any obligations or duties, affecting the property of the IESO to any municipality or governmental, statutory or public authority, with respect to any franchise, grant, license

or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by the IESO or such Material Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by the IESO or such Material Subsidiary;

(d) any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) the right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) any undetermined or inchoate Liens and charges incidental to the current operations of the IESO or a Material Subsidiary that have not at the time been filed against the IESO or such Material Subsidiary; provided, however, that if any such Lien or charge shall have been filed, the IESO or such Material Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) any Lien the validity of which is being contested at the time by the IESO or a Material Subsidiary in good faith and the enforcement of which has been stayed;

(h) any easements, rights-of-way and servitudes that in the opinion of the IESO will not in the aggregate materially and adversely impair the use or value of the land for the purpose for which it is held or occupied by the IESO or a Material Subsidiary;

(i) any Liens and privileges arising out of judgments or awards with respect to which the IESO or a Material Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall have secured a stay of execution pending such appeal or proceedings for review;

(j) any other Liens of a nature similar to the foregoing which do not in the opinion of the IESO, acting reasonably, materially impair the use of the property subject thereto or the operation of the business of the IESO or any Material Subsidiary or the value of such property for the purpose of any such business; and

(k) any Lien arising from the IESO’s role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other

lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

"Person" means any individual, corporation, partnership joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"Purchase Money Mortgage" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or part of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"Repayment Date" means, in respect of the repayment of Advances, the repayment date contained in the most recent Borrowing Notice or Election Notice.

"Stated Maturity" when used with respect to any Indebtedness or any installment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such installment of interest is due and payable.

"Subsidiary" means:

(a) a corporation more than 50% of the voting power or the outstanding Voting Shares of which is owned, directly or indirectly, by the IESO or by one or more other Subsidiaries or by the IESO and one or more other Subsidiaries; or

(b) any Person (other than a corporation) in which the IESO, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

"Swap Contract" means any agreement whether or not in writing, relating to any transaction or derivative transaction including a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction currency swap, cross-currency rate swap, swaption, currency option or other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.

“Swap Termination Value” means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap contracts:

(a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and

(b) for any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.

“Voting Shares” of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings.

The division of this Agreement into Articles and Sections and the insertion of headings are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and vice versa and words importing gender may include any gender. In this Agreement, (a) the words "including" and "includes" mean "including (or includes) without limitation", and (b) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" each mean “to but excluding".

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with GAAP.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the next succeeding Business Day.

ARTICLE 2
REVOLVING CREDIT FACILITY

Section 2.1 Availability.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO. The OFA shall make each Advance in Dollars.

Section 2.2 Use of Proceeds.

The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the *Electricity Act, 1998*, as such regulation may be amended or replaced from time to time, subject to the condition that proceeds of Advances may be used only for IESO's financing needs and requirements of any kind arising in connection with the IESO's role with respect to and obligations under the OFHP.

Section 2.3 Credit Facility Limit.

The Advances Outstanding shall not at any time exceed the Commitment. The Credit Facility shall revolve and no payment under the Credit Facility shall reduce the Commitment.

Section 2.4 Mandatory Repayment.

Subject to Sections 2.5 and 5.2, the IESO shall repay each Advance together with the interest accrued thereon on the applicable Repayment Date, and, in any event, shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder on September 30, 2022.

Section 2.5 Prepayments.

The IESO is not entitled to prepay any part of the Advances Outstanding or the interest accrued thereon without the prior written consent of the OFA.

Section 2.6 Payments under this Agreement.

(1) The OFA shall make Advances to the IESO under this Agreement to or to the order of the IESO by wire transfer of immediately available funds in accordance with wire transfer instructions given by the IESO to the OFA from time to time, or in such other manner as the IESO may specify to the OFA from time to time.

(2) The IESO shall make any payment required hereunder to be made by it to the OFA, to or to the order of the OFA, by wire transfer of immediately available funds in accordance with wire transfer instruction given by the OFA to the IESO from time to time, or in such other manner as the OFA may specify to the IESO from time to time. The IESO shall make each such payment in Canadian Dollars.

Section 2.7 Computations of Interest.

(1) All computations of interest shall be made by the OFA taking into account the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest is payable on the basis of a year of 365 days or 366 days, as the case may be.

(2) For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Agreement for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

Section 2.8 Limit on Rate of Interest.

(1) Notwithstanding any provision contained in this Agreement, the IESO shall not be obliged to make any payments of interest or other amounts payable to the OFA hereunder in excess of the amount or rate which would be prohibited by applicable law or would result in the receipt by the OFA of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada)).

(2) In the event that any such payments are limited or prohibited as provided in Section 2.8(1), the OFA shall have no further obligation to make any Advances available hereunder and the Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, shall become immediately due and payable.

Section 2.9 Application of Payments.

All payments made by the IESO under this Agreement shall be applied firstly to the payment of interest payable to the OFA on late payments of principal or interest hereunder, secondly, to the payment of accrued and unpaid interest payable to the OFA hereunder and thirdly, to the payment of the outstanding principal amount of any Advances payable to the OFA.

ARTICLE 3
ADVANCES

Section 3.1 Advances.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO under the Credit Facility from time to time on any Business Day prior to September 23, 2022.

Section 3.2 Procedure for Advances.

(1) Subject to Section 3.3(5), each Advance shall be made subject to two Business Days' prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each notice of an Advance (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1, other than a Borrowing Notice that is included in an Election Notice as permitted by Section 3.3(3). Each Borrowing Notice shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance; (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall not be earlier than 5 days and not later than 95 days after the date of the requested Advance. Each Borrowing Notice shall also certify the use of proceeds of the Advance which shall in any case be in accordance with Section 2.2. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, the IESO shall execute and deliver to the OFA a grid promissory note in respect of Advances substantially in the form of Schedule 3 (the "**Grid Note**"). The IESO authorizes the OFA to record on the Grid Note (a) the date and amount of each Advance or Continued Advance; (b) the applicable rate of interest for each Advance or Continued Advance; (c) the Repayment Date of each Advance or Continued Advance; (d) the date and amount of each payment of interest and each payment of principal or portion thereof in respect of each Advance or Continued Advance; and (e) Advances Outstanding. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such Advances and repayments; provided that the failure of the OFA to record any amount, rate or date shall not affect the obligation of the IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement.

(3) Respecting the first Advance to be made under this Agreement (the "**First Advance**"), a specified portion thereof (the "**Repayment Amount**") shall be used to repay a portion of the IESO's outstanding indebtedness to the OFA under the credit agreement between the Parties dated January 1, 2005, as amended (the "**Existing Credit Facility**"). The amount of the Repayment Amount shall be detailed in the Borrowing Notice issued in respect of the First Advance. Concurrently with the First Advance, OFA shall provide to IESO an updated grid in respect of the grid note issued under the Existing Credit Facility evidencing the repayment of the Repayment Amount thereunder.

Section 3.3 Elections Regarding Advances.

(1) The IESO may elect to continue all or a portion of the principal amount of any Advance and any amount of interest on such Advance (together, the "**Continued Advance**") for a further period of at least 5 days and up to a maximum of 95 days beginning on the then current Repayment Date in accordance with Section 3.3(2).

(2) Each notice to continue an Advance for a further period (an "**Election Notice**") shall be provided by the IESO to the OFA at least two Business Days prior to the Repayment Date of the Advance (the "**Current Repayment Date**"), and in each case, not later than

10:00 a.m. (Toronto time). Each such Election Notice shall be given substantially in the form of Schedule 2 and shall be irrevocable and binding upon the IESO and shall specify: (a) the Current Repayment Date; (b) the new aggregate total amount of the proposed Continued Advance; (c) the amount of interest or principal, if any, to be paid or re-paid by the IESO with respect to such Advance on the Current Repayment Date; and (d) the new Repayment Date of the proposed Continued Advance, which shall be no earlier than 5 days and not later than 95 days after the current Repayment Date (the "**New Repayment Date"**). If the IESO fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date.

(3) An Election Notice with respect to a proposed Continued Advance may include a Borrowing Notice for a further Advance proposed to be made on the Current Repayment Date. The Repayment Date of such further Advance shall be the New Repayment Date of the Continued Advance that is specified in the Election Notice. Such Borrowing Notice shall be given substantially in the form of Schedule 2.

(4) The calculation of interest on a Continued Advance shall be determined in the same manner as an Advance under Section 3.4 and shall be recorded on the Grid Note in accordance with Section 3.2(2).

(5) Any portion of an Advance not continued for a further period in accordance with Section 3.3(2) shall be repayable on the applicable Repayment Date.

(6) The Credit Facility shall at all times rank *pari passu* with all other unsubordinated and unsecured Indebtedness of the IESO, subject to the existence of any Liens that secure Indebtedness, as permitted by subections 4.6 (a) through (e) hereof.

(7) All amounts owing in respect of the Advances shall be paid without exercising any right of set off or counterclaim by the IESO.

Section 3.4 Interest on Advances.

(1) The IESO shall pay interest on the unpaid principal amount of each Advance in accordance with this Section 3.4 from and including the date of such Advance until the principal amount of such Advance is repaid in full.

(2) Interest shall accrue on the principal amount of each Advance from and including the date of the Advance to but excluding the Repayment Date of such Advance, at an annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum, before as well as after the date such principal amount or interest thereon becomes due hereunder and both before and after Default and shall be payable on the Repayment Date for such Advance. Any amount of interest arising hereunder which is not paid when due shall bear interest at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment. The amount of interest payable on an Advance will be calculated by the

OFA by dividing the interest rate applicable to the Advance by 365 or 366, as the case may be, and multiplying the result by the principal amount of the Advance and further multiplying the result by the number of days in the period from the date of the Advance to the Repayment Date of the Advance.

(3) If the IESO elects to continue an Advance in accordance with Section 3.3(2), the OFA shall determine the interest rate applicable after the original Repayment Date of the Advance and endorse the said rate on the grid forming part of the Grid Note in respect of Advances held by it.

Section 3.5 Conditions Precedent

The obligation of the OFA to make the Advances to the IESO pursuant to Section 2.1 is subject to the following conditions being satisfied to the OFA's satisfaction at the time of making each Advance:

(a) that the representations and warranties of the IESO contained in this Agreement are true and correct as at the date of making the Advance;

(b) that no Event of Default has occurred and is continuing;

(c) that there shall, in the reasonable opinion of the OFA, have been no material adverse change in the financial condition of the IESO or a Material Subsidiary; and

(d) that the OFA has received such other documentation which it has reasonably requested to ensure that the IESO is in compliance with the terms and conditions of this Agreement, including certified true copies of any necessary resolutions, a written legal opinion from counsel to the IESO confirming that the borrowing is within the legal powers of the IESO and that the Agreement is a direct, unsecured obligation of the IESO enforceable against the IESO in form satisfactory to the OFA.

ARTICLE 4
COVENANTS OF THE IESO

Section 4.1 Repayment of Advances.

The IESO will duly and punctually pay all amounts owing under this Agreement in accordance with the terms and subject to the conditions of this Agreement.

Section 4.2 IESO will Maintain its Corporate Existence.

The IESO will at all times maintain its corporate existence.

Section 4.3 Maintenance of Properties.

The IESO will cause all property owned by the IESO or any Material Subsidiary to be maintained and kept in good condition, repair and working order, all as in the judgment of the IESO or any Material Subsidiary may be necessary for the proper operation of such property, except as and to the extent that the IESO or any Material Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 4.3 shall prevent the IESO or any Material Subsidiary from discontinuing the maintenance of any such property or decommissioning any such property if such discontinuance or decommissioning is, in the judgment of the IESO or any such Material Subsidiary, desirable in the conduct of its business or the business of any such Material Subsidiary, or has been directly or indirectly requested or required by the Province of Ontario.

Section 4.4 Insurance.

The IESO will cause all property owned by the IESO or any Material Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the mature and to the extent that such property is usually insured by companies operating similar businesses.

Section 4.5 Conduct of Business.

The IESO will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in accordance with good business practice.

Section 4.6 Negative Pledge.

The IESO will not, and will not permit any Material Subsidiary to, create, incur or assume any Lien, charging the interest of the IESO or any Material Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, all amounts owing under this Agreement are secured equally and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) the creation, incurrence or assumption of any Purchase Money Mortgage;

(b) the grant of any Lien in the normal course of business to any banks or financial institutions for present or future Indebtedness of the IESO or any Material Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) any extension, renewal or replacement of any of the Liens referred to in Sections 4.6(a), (b) or (c), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased; and

(e) any Lien charging the interest of the IESO or any Material Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 4.6(a), (b) or (c), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 4.6(e) which is outstanding at such time does not exceed 10% of Consolidated Assets at such time.

Section 4.7 Payment of OFA Expenses

In addition to any liability of the IESO to the OFA under any other provision of this Agreement, the IESO will, on demand, reimburse and indemnify OFA for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OFA in connection with the Agreement (including those services incurred in the preservation of rights under or enforcement of this Agreement at any time during the continuance of a Default or Event of Default and for any reasonable loss or expense incurred by OFA as a result of any failure by the IESO to fulfill any of its obligations under this Agreement). All such costs, charges and expenses shall bear interest at the Province of Ontario's cost of funds plus 0.25 percent per annum (as determined by the OFA) calculated and payable monthly not in advance from in each case from the date on which the OFA incurs the cost, charge or expense until the date on which the IESO reimbursement the OFA therefor. The OFA agrees, acting reasonably, to invoice the IESO for any such costs, charges and expense as they are incurred, together with interest at the aforesaid rate (with interest on overdue interest).

Section 4.8 Reporting.

The IESO will promptly provide to the OFA any reports or supporting documents that the OFA may request from time to time.

Section 4.9 Late Repayment of Advance.

In the event that the IESO fails to repay the principal amount of any Advance and all interest accrued thereon when due, the IESO shall pay interest on the unpaid amount of such Advance at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment.

ARTICLE 5
EVENTS OF DEFAULT AND REMEDIES

Section 5.1 Event of Default.

Wherever used in this Agreement, the term "Event of Default" means any of the following:

(a) the IESO's failure to pay any interest upon any Advance when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) failure to pay the principal amount of any Advance on the applicable Repayment Date or the Advances Outstanding, all interest accrued thereon and all other amounts owing under this Agreement on September 30, 2022;

(c) failure on the part of the IESO to observe or perform its obligations set forth in Section 4.1;

(d) failure on the part of the IESO to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 20 days after the date on which written notice of such failure shall have been given to the IESO by the OFA;

(e) any representation or warranty made by the IESO in this Agreement or in any certificate or other document at any time delivered hereunder to the OFA was incorrect or misleading in any material respect;

(f) one or more breaches by the IESO of its covenants under one or more evidences of Indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $5 million, which breaches:

(i) constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist, or

(ii) have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived or rescinded);

(g) the IESO or any Material Subsidiary:

(i) becomes unable to meet its obligations as they generally become due or has ceased paying its current obligations in the ordinary course of business as they generally become due;

(ii) admits in writing its inability to pay its debts generally or makes a general assignment for the benefit its creditors or files a proposal or other scheme

of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) institutes or has instituted against it any proceeding seeking:

(A) to adjudicate it as bankrupt or insolvent,

(B) liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors, or

(C) the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets,

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismissed or unstayed for a period of 30 days, or any remedy sought in any such proceeding (including the entry of order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

(iv) takes any corporate action to authorize any of the actions in Sections 5.l (g)(i) to (iii); or

(h) if there shall be rendered against the IESO or any Material Subsidiary a final judgment or judgments for the payment of money in an aggregate amount in excess of $5 million by a court or courts of competent jurisdiction, and the IESO or any Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 5.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case the OFA may at its option, in addition to any other remedy available to the OFA at law, by written notice to the IESO, take any or all of the following actions:

(a) suspend the right of the IESO to request any further Advance until the Event of Default has been cured to the OFA's satisfaction or, if the Event of Default is not

cured within three (3) Business Days after the date on which written notice of such Event of Default shall have been given to the IESO by the OFA, declare all amounts owing hereunder including all interest accrued to be due and payable immediately, by a notice in writing to the IESO, and upon any such declaration all such amounts shall become immediately due and payable.

(b) invoke the Intercept pursuant to section 5.7 of this Agreement to require payment of any amount due and payable under this Agreement.

Section 5.3 Suits for Enforcement by the OFA.

If an Event of Default occurs and is continuing, the OFA may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in the OFA by this Agreement or by law.

Section 5.4 OFA May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of the IESO under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property of the IESO, or if any other judicial proceedings relative to the IESO, its creditors or its property are pending, the OFA shall be entitled and empowered, by intention in such proceeding or otherwise:

(a) to file and prove a claim for all amounts owing under this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of the OFA (including any claim for fees and disbursements of the OFA, its agents and counsel) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claim.

Section 5.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to the OFA is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.6 Delay or Omission not Waiver.

No delay or omission of the OFA to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right or remedy given by this Article 5 or by law to OFA may be exercised from time to time, and as often as may be deemed expedient, by the OFA.

Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of even date herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the *Capital Investment Plan Act, 1993* (the "**Intercept Letter**"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("**Appropriated Funds**"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("**Intercept**").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

(e) The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or

inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail.

ARTICLE 6
REPRESENTATIONS AND WARRANTIES OF IESO

Section 6.1 Representations and Warranties of IESO

The IESO represents and warrants to the OFA that:

(a) the borrowing of money (including principal and accrued interest) by the IESO and the execution, delivery and performance of this Agreement are within the powers and capacities of the IESO and have been duly authorized by all necessary legal action and proper proceedings;

(b) the execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the compliance with the terms and conditions of this Agreement will not conflict with or result in a breach of any of the terms or provisions of the constituting documents or by-laws of the IESO, laws of Ontario, including laws of Canada applicable therein, applicable to the IESO or any contractual or other obligation binding on the IESO;

(c) this Agreement will, when executed and delivered, constitute the legal, valid and binding obligation of the IESO enforceable against it in accordance with its terms; and

(d) the monies advanced under this Agreement shall be used only by the IESO for the purposes set out in Section 2.2.

Section 6.2 Continuation of Representation and Warranties

The representations and warranties set out in Section 6.1 herein shall survive the execution and delivery of this Agreement, the making of each Advance by the OFA, notwithstanding any investigations or examinations which may be made by counsel for the OFA.

ARTICLE 7
GENERAL

Section 7.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy or other means of electronic communication addressed:

If to the IESO, to it at:

Independent Electricity System Operator
120 Adelaide Street West, Suite 1600
Toronto, ON M5H 1T1

Attention: Chief Financial Officer
Telephone: (416)969-6232
Facsimile: (905)403-6913

If to the OFA, to it at:

Ontario Financing Authority 1 Dundas Street West
Suite 1400 Toronto, Ontario M7A 1Y7

Attention: Executive Director & Chief Investment Officer – Capital Markets Division
Telephone: (416)325-8930
Facsimile: (416)860-8346

provided that any Borrowing Notice or Election Notice shall be addressed as indicated on Schedule 1 or Schedule 2 respectively.

Any communication hereunder shall be deemed to have been validly and effectively given if (a) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p.m. (Toronto time), otherwise on the next Business Day, (b) transmitted by facsimile or other means of electronic communication, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice give in accordance with this Section 7.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 7.1.

Section 7.2 Successors and Assigns.

This Agreement shall be binding on and enure to the benefit of the OFA and the IESO and their respective successors and permitted assigns, except that the IESO shall not, without the

prior written consent of the OFA assign, pledge or hypothecate any rights or obligations with respect to this Agreement.

Section 7.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of the Parties.

Section 7.4 Waiver.

(1) No waiver of any provisions of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) of this Agreement nor shall such waiver be binding unless executed in writing by the party to be bound by the waiver.

(2) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude another or further exercise of such right or the exercise of any other right.

Section 7.5 Further Assurances.

Each of the IESO and the OFA shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement

Section 7.6 Severability.

In case any provision in this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement shall not in any way be affected or impaired thereby.

Section 7.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 7.8 Entire Agreement.

This Agreement, including the schedules hereto and any other agreements expressly referred to herein, constitutes the whole agreement between the Parties with respect to the matters dealt with in it, and it supersedes any prior agreement, undertakings, discussions and the like respecting the matters dealt with in this Agreement and entered into by the Parties before the date the OFA signs this Agreement.

Section 7.9 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Agreement.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first written above.

ONTARIO FINANCING AUTHORITY

Per: _____

Name:
Title:

I have authority to bind the corporation.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; Treasurer

I have authority to bind the corporation.

SCHEDULE 1

FORM OF BORROWING NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The principal amount of the Proposed Advance is $_____;
(c) The Repayment Date of the Proposed Advance is _____. [Not earlier than 5 days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:

Authorized Signatory

SCHEDULE 2

FORM OF ELECTION NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is _____.

(b) The aggregate amount of the proposed Continued Advance is $_____, which is comprised of:

i. principal amount (or portion thereof) of Advance which is to be continued $_____; and
ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date $_____;

(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): $ _____

(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _____. [Insert date not earlier than 5 days and not later than 95 days after the current Repayment Date for the Advance.]

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: $_____
The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Name:

Authorized Signatory

SCHEDULE 3 – FORM OF GRID NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $2,000,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR (the "**IESO**"), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY** ("**OFA**") at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement (as defined below).

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the Revolving Credit Facility Agreement dated **[INSERT DATE]** as amended, supplemented or restated from time to time, between the Borrower and the OFA (the "Agreement"). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:
Authorized Signatory

Revolving Credit Facility Grid Note

Ontario Financing Authority
Line of Credit Grid Note

Entity : **Independent Electricity System Operator**
Loan Limit:

Project:
Schedule of loan transactions to:
Loan Advanced to:

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

as Borrower

and

ONTARIO FINANCING AUTHORITY

as Lender

REVOLVING CREDIT FACILITY AGREEMENT

Date: November 6, 2017

REVOLVING CREDIT FACILITY AGREEMENT

THIS AGREEMENT is made as of the 6th day of November 2017,

BETWEEN:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, a statutory corporation without share capital existing under Part II of the *Electricity Act, 1998* (the "**IESO**")
(as Borrower)

AND

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* (the "**OFA**" and together with the IESO, the "**Parties**")
(as Lender)

RECITALS:

WHEREAS the IESO has requested a revolving credit facility for up to a maximum principal amount of $2 billion from the OFA for the purpose of supporting the IESO's role in the implementation and administration of the *Ontario Fair Hydro Plan Act, 2017*.

THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the Parties agree as follows:

ARTICLE 1

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"Advances" means advances made by the OFA to the IESO under Article 3 and "Advance" means any one of such advances, and in the case of an election by the IESO under Section 3.3, includes a "Continued Advance", as defined in Section 3.3(1), as applicable.

"Advances Outstanding" means, at any time, an amount equal to the aggregate principal amount of all Advances outstanding at such time.

"Agreement", "herein", "hereby", "hereor', "hereunder" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression "Article" or "Section" followed by a number means the specified Article or Section of this Agreement.

"Borrowing Notice" has the meaning specified in Section 3.2(1).

"Business Day" means any day that is not a day on which banks are generally authorized or required by law or executive order to be closed in the City of Toronto.

"Clean Energy Adjustment" has the same meaning as that term is defined in the OFHP.

"Commitment" means, at any time, an amount equal to $2 billion.

"Consolidated Assets" means, at any time, the book value of the assets of the IESO and the Subsidiaries, determined as of such time on a consolidated basis in accordance with GAAP.

"Continued Advance" has the meaning specified in Section 3.3(1).

"Credit Facility" means the revolving credit facility to be made available to the IESO by the OFA under this Agreement for the purposes specified in Section 2.2.

"Current Repayment Date" has the meaning specified in Section 3.3(2).

"Default" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"Dollars" or **"$"** means lawful currency of Canada.

"Election Notice" has the meaning specified in Section 3.3(2).

"Event of Default" has the meaning specified in Section 5.1.

"First Advance" has the meaning specified in Section 3.2(3).

"GAAP" means accounting policies and standards as established by the Chartered Professional Accountants of Canada, at the relevant time and applied on a consistent basis.

"Grid Note" has the meaning specified in Section 3.2(2).

"Indebtedness" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) every obligation of such Person for borrowed money;

(b) every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments;

(c) every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) every capital lease obligation of such Person;

(f) the Swap Termination Value of each Swap Contract of such Person; and

(g) every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"Lien" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"Material Subsidiary" means, at any time, a Subsidiary which has consolidated assets with a book value of more than $25 million determined in accordance with GAAP.

"**New Repayment Date**" has the meaning specified in Section 3.3(2).

"**OFHP**" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

"Permitted Liens" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) any obligations or duties, affecting the property of the IESO to any municipality or governmental, statutory or public authority, with respect to any franchise, grant, license

or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by the IESO or such Material Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by the IESO or such Material Subsidiary;

(d) any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) the right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) any undetermined or inchoate Liens and charges incidental to the current operations of the IESO or a Material Subsidiary that have not at the time been filed against the IESO or such Material Subsidiary; provided, however, that if any such Lien or charge shall have been filed, the IESO or such Material Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) any Lien the validity of which is being contested at the time by the IESO or a Material Subsidiary in good faith and the enforcement of which has been stayed;

(h) any easements, rights-of-way and servitudes that in the opinion of the IESO will not in the aggregate materially and adversely impair the use or value of the land for the purpose for which it is held or occupied by the IESO or a Material Subsidiary;

(i) any Liens and privileges arising out of judgments or awards with respect to which the IESO or a Material Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall have secured a stay of execution pending such appeal or proceedings for review;

(j) any other Liens of a nature similar to the foregoing which do not in the opinion of the IESO, acting reasonably, materially impair the use of the property subject thereto or the operation of the business of the IESO or any Material Subsidiary or the value of such property for the purpose of any such business; and

(k) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other

lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

"Person" means any individual, corporation, partnership joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"Purchase Money Mortgage" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or part of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"Repayment Date" means, in respect of the repayment of Advances, the repayment date contained in the most recent Borrowing Notice or Election Notice.

"Stated Maturity" when used with respect to any Indebtedness or any installment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such installment of interest is due and payable.

"Subsidiary" means:

(a) a corporation more than 50% of the voting power or the outstanding Voting Shares of which is owned, directly or indirectly, by the IESO or by one or more other Subsidiaries or by the IESO and one or more other Subsidiaries; or

(b) any Person (other than a corporation) in which the IESO, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

"Swap Contract" means any agreement whether or not in writing, relating to any transaction or derivative transaction including a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction currency swap, cross-currency rate swap, swaption, currency option or other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.

"Swap Termination Value" means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap contracts:

(a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and

(b) for any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.

"Voting Shares" of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings.

The division of this Agreement into Articles and Sections and the insertion of headings are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and vice versa and words importing gender may include any gender. In this Agreement, (a) the words "including" and "includes" mean "including (or includes) without limitation", and (b) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" each mean "to but excluding".

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with GAAP.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the next succeeding Business Day.

ARTICLE 2
REVOLVING CREDIT FACILITY

Section 2.1 Availability.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO. The OFA shall make each Advance in Dollars.

Section 2.2 Use of Proceeds.

The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the *Electricity Act, 1998*, as such regulation may be amended or replaced from time to time, subject to the condition that proceeds of Advances may be used only for IESO's financing needs and requirements of any kind arising in connection with the IESO's role with respect to and obligations under the OFHP.

Section 2.3 Credit Facility Limit.

The Advances Outstanding shall not at any time exceed the Commitment. The Credit Facility shall revolve and no payment under the Credit Facility shall reduce the Commitment.

Section 2.4 Mandatory Repayment.

Subject to Sections 2.5 and 5.2, the IESO shall repay each Advance together with the interest accrued thereon on the applicable Repayment Date, and, in any event, shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder on September 30, 2022.

Section 2.5 Prepayments.

The IESO is not entitled to prepay any part of the Advances Outstanding or the interest accrued thereon without the prior written consent of the OFA.

Section 2.6 Payments under this Agreement.

(1) The OFA shall make Advances to the IESO under this Agreement to or to the order of the IESO by wire transfer of immediately available funds in accordance with wire transfer instructions given by the IESO to the OFA from time to time, or in such other manner as the IESO may specify to the OFA from time to time.

(2) The IESO shall make any payment required hereunder to be made by it to the OFA, to or to the order of the OFA, by wire transfer of immediately available funds in accordance with wire transfer instruction given by the OFA to the IESO from time to time, or in such other manner as the OFA may specify to the IESO from time to time. The IESO shall make each such payment in Canadian Dollars.

Section 2.7 Computations of Interest.

(1) All computations of interest shall be made by the OFA taking into account the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest is payable on the basis of a year of 365 days or 366 days, as the case may be.

(2) For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Agreement for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

Section 2.8 Limit on Rate of Interest.

(1) Notwithstanding any provision contained in this Agreement, the IESO shall not be obliged to make any payments of interest or other amounts payable to the OFA hereunder in excess of the amount or rate which would be prohibited by applicable law or would result in the receipt by the OFA of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada)).

(2) In the event that any such payments are limited or prohibited as provided in Section 2.8(1), the OFA shall have no further obligation to make any Advances available hereunder and the Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, shall become immediately due and payable.

Section 2.9 Application of Payments.

All payments made by the IESO under this Agreement shall be applied firstly to the payment of interest payable to the OFA on late payments of principal or interest hereunder, secondly, to the payment of accrued and unpaid interest payable to the OFA hereunder and thirdly, to the payment of the outstanding principal amount of any Advances payable to the OFA.

ARTICLE 3
ADVANCES

Section 3.1 Advances.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO under the Credit Facility from time to time on any Business Day prior to September 23, 2022.

Section 3.2 Procedure for Advances.

(1) Subject to Section 3.3(5), each Advance shall be made subject to two Business Days' prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each notice of an Advance (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1, other than a Borrowing Notice that is included in an Election Notice as permitted by Section 3.3(3). Each Borrowing Notice shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance; (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall not be earlier than 5 days and not later than 95 days after the date of the requested Advance. Each Borrowing Notice shall also certify the use of proceeds of the Advance which shall in any case be in accordance with Section 2.2. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, the IESO shall execute and deliver to the OFA a grid promissory note in respect of Advances substantially in the form of Schedule 3 (the "**Grid Note**"). The IESO authorizes the OFA to record on the Grid Note (a) the date and amount of each Advance or Continued Advance; (b) the applicable rate of interest for each Advance or Continued Advance; (c) the Repayment Date of each Advance or Continued Advance; (d) the date and amount of each payment of interest and each payment of principal or portion thereof in respect of each Advance or Continued Advance; and (e) Advances Outstanding. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such Advances and repayments; provided that the failure of the OFA to record any amount, rate or date shall not affect the obligation of the IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement.

(3) Respecting the first Advance to be made under this Agreement (the "**First Advance**"), a specified portion thereof (the "**Repayment Amount**") shall be used to repay a portion of the IESO's outstanding indebtedness to the OFA under the credit agreement between the Parties dated January 1, 2005, as amended (the "**Existing Credit Facility**"). The amount of the Repayment Amount shall be detailed in the Borrowing Notice issued in respect of the First Advance. Concurrently with the First Advance, OFA shall provide to IESO an updated grid in respect of the grid note issued under the Existing Credit Facility evidencing the repayment of the Repayment Amount thereunder.

Section 3.3 Elections Regarding Advances.

(1) The IESO may elect to continue all or a portion of the principal amount of any Advance and any amount of interest on such Advance (together, the "**Continued Advance**") for a further period of at least 5 days and up to a maximum of 95 days beginning on the then current Repayment Date in accordance with Section 3.3(2).

(2) Each notice to continue an Advance for a further period (an "**Election Notice**") shall be provided by the IESO to the OFA at least two Business Days prior to the Repayment Date of the Advance (the "**Current Repayment Date**"), and in each case, not later than

10:00 a.m. (Toronto time). Each such Election Notice shall be given substantially in the form of Schedule 2 and shall be irrevocable and binding upon the IESO and shall specify: (a) the Current Repayment Date; (b) the new aggregate total amount of the proposed Continued Advance; (c) the amount of interest or principal, if any, to be paid or re-paid by the IESO with respect to such Advance on the Current Repayment Date; and (d) the new Repayment Date of the proposed Continued Advance, which shall be no earlier than 5 days and not later than 95 days after the current Repayment Date (the "**New Repayment Date**"). If the IESO fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date.

(3) An Election Notice with respect to a proposed Continued Advance may include a Borrowing Notice for a further Advance proposed to be made on the Current Repayment Date. The Repayment Date of such further Advance shall be the New Repayment Date of the Continued Advance that is specified in the Election Notice. Such Borrowing Notice shall be given substantially in the form of Schedule 2.

(4) The calculation of interest on a Continued Advance shall be determined in the same manner as an Advance under Section 3.4 and shall be recorded on the Grid Note in accordance with Section 3.2(2).

(5) Any portion of an Advance not continued for a further period in accordance with Section 3.3(2) shall be repayable on the applicable Repayment Date.

(6) The Credit Facility shall at all times rank *pari passu* with all other unsubordinated and unsecured Indebtedness of the IESO, subject to the existence of any Liens that secure Indebtedness, as permitted by subections 4.6 (a) through (e) hereof.

(7) All amounts owing in respect of the Advances shall be paid without exercising any right of set off or counterclaim by the IESO.

Section 3.4 Interest on Advances.

(1) The IESO shall pay interest on the unpaid principal amount of each Advance in accordance with this Section 3.4 from and including the date of such Advance until the principal amount of such Advance is repaid in full.

(2) Interest shall accrue on the principal amount of each Advance from and including the date of the Advance to but excluding the Repayment Date of such Advance, at an annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum, before as well as after the date such principal amount or interest thereon becomes due hereunder and both before and after Default and shall be payable on the Repayment Date for such Advance. Any amount of interest arising hereunder which is not paid when due shall bear interest at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment. The amount of interest payable on an Advance will be calculated by the

OFA by dividing the interest rate applicable to the Advance by 365 or 366, as the case may be, and multiplying the result by the principal amount of the Advance and further multiplying the result by the number of days in the period from the date of the Advance to the Repayment Date of the Advance.

(3) If the IESO elects to continue an Advance in accordance with Section 3.3(2), the OFA shall determine the interest rate applicable after the original Repayment Date of the Advance and endorse the said rate on the grid forming part of the Grid Note in respect of Advances held by it.

Section 3.5 Conditions Precedent

The obligation of the OFA to make the Advances to the IESO pursuant to Section 2.1 is subject to the following conditions being satisfied to the OFA's satisfaction at the time of making each Advance:

(a) that the representations and warranties of the IESO contained in this Agreement are true and correct as at the date of making the Advance;

(b) that no Event of Default has occurred and is continuing;

(c) that there shall, in the reasonable opinion of the OFA, have been no material adverse change in the financial condition of the IESO or a Material Subsidiary; and

(d) that the OFA has received such other documentation which it has reasonably requested to ensure that the IESO is in compliance with the terms and conditions of this Agreement, including certified true copies of any necessary resolutions, a written legal opinion from counsel to the IESO confirming that the borrowing is within the legal powers of the IESO and that the Agreement is a direct, unsecured obligation of the IESO enforceable against the IESO in form satisfactory to the OFA.

ARTICLE 4
COVENANTS OF THE IESO

Section 4.1 Repayment of Advances.

The IESO will duly and punctually pay all amounts owing under this Agreement in accordance with the terms and subject to the conditions of this Agreement.

Section 4.2 IESO will Maintain its Corporate Existence.

The IESO will at all times maintain its corporate existence.

Section 4.3 Maintenance of Properties.

The IESO will cause all property owned by the IESO or any Material Subsidiary to be maintained and kept in good condition, repair and working order, all as in the judgment of the IESO or any Material Subsidiary may be necessary for the proper operation of such property, except as and to the extent that the IESO or any Material Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 4.3 shall prevent the IESO or any Material Subsidiary from discontinuing the maintenance of any such property or decommissioning any such property if such discontinuance or decommissioning is, in the judgment of the IESO or any such Material Subsidiary, desirable in the conduct of its business or the business of any such Material Subsidiary, or has been directly or indirectly requested or required by the Province of Ontario.

Section 4.4 Insurance.

The IESO will cause all property owned by the IESO or any Material Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the mature and to the extent that such property is usually insured by companies operating similar businesses.

Section 4.5 Conduct of Business.

The IESO will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in accordance with good business practice.

Section 4.6 Negative Pledge.

The IESO will not, and will not permit any Material Subsidiary to, create, incur or assume any Lien, charging the interest of the IESO or any Material Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, all amounts owing under this Agreement are secured equally and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) the creation, incurrence or assumption of any Purchase Money Mortgage;

(b) the grant of any Lien in the normal course of business to any banks or financial institutions for present or future Indebtedness of the IESO or any Material Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) any extension, renewal or replacement of any of the Liens referred to in Sections 4.6(a), (b) or (c), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased; and

(e) any Lien charging the interest of the IESO or any Material Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 4.6(a), (b) or (c), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 4.6(e) which is outstanding at such time does not exceed 10% of Consolidated Assets at such time.

Section 4.7 Payment of OFA Expenses

In addition to any liability of the IESO to the OFA under any other provision of this Agreement, the IESO will, on demand, reimburse and indemnify OFA for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OFA in connection with the Agreement (including those services incurred in the preservation of rights under or enforcement of this Agreement at any time during the continuance of a Default or Event of Default and for any reasonable loss or expense incurred by OFA as a result of any failure by the IESO to fulfill any of its obligations under this Agreement). All such costs, charges and expenses shall bear interest at the Province of Ontario's cost of funds plus 0.25 percent per annum (as determined by the OFA) calculated and payable monthly not in advance from in each case from the date on which the OFA incurs the cost, charge or expense until the date on which the IESO reimbursement the OFA therefor. The OFA agrees, acting reasonably, to invoice the IESO for any such costs, charges and expense as they are incurred, together with interest at the aforesaid rate (with interest on overdue interest).

Section 4.8 Reporting.

The IESO will promptly provide to the OFA any reports or supporting documents that the OFA may request from time to time.

Section 4.9 Late Repayment of Advance.

In the event that the IESO fails to repay the principal amount of any Advance and all interest accrued thereon when due, the IESO shall pay interest on the unpaid amount of such Advance at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment.

ARTICLE 5
EVENTS OF DEFAULT AND REMEDIES

Section 5.1 Event of Default.

Wherever used in this Agreement, the term "Event of Default" means any of the following:

(a) the IESO's failure to pay any interest upon any Advance when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) failure to pay the principal amount of any Advance on the applicable Repayment Date or the Advances Outstanding, all interest accrued thereon and all other amounts owing under this Agreement on September 30, 2022;

(c) failure on the part of the IESO to observe or perform its obligations set forth in Section 4.1;

(d) failure on the part of the IESO to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 20 days after the date on which written notice of such failure shall have been given to the IESO by the OFA;

(e) any representation or warranty made by the IESO in this Agreement or in any certificate or other document at any time delivered hereunder to the OFA was incorrect or misleading in any material respect;

(f) one or more breaches by the IESO of its covenants under one or more evidences of Indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $5 million, which breaches:

(i) constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist, or

(ii) have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived or rescinded);

(g) the IESO or any Material Subsidiary:

(i) becomes unable to meet its obligations as they generally become due or has ceased paying its current obligations in the ordinary course of business as they generally become due;

(ii) admits in writing its inability to pay its debts generally or makes a general assignment for the benefit its creditors or files a proposal or other scheme

of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) institutes or has instituted against it any proceeding seeking:

(A) to adjudicate it as bankrupt or insolvent,

(B) liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors, or

(C) the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets,

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismissed or unstayed for a period of 30 days, or any remedy sought in any such proceeding (including the entry of order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

(iv) takes any corporate action to authorize any of the actions in Sections 5.1 (g)(i) to (iii); or

(h) if there shall be rendered against the IESO or any Material Subsidiary a final judgment or judgments for the payment of money in an aggregate amount in excess of $5 million by a court or courts of competent jurisdiction, and the IESO or any Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 5.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case the OFA may at its option, in addition to any other remedy available to the OFA at law, by written notice to the IESO, take any or all of the following actions:

(a) suspend the right of the IESO to request any further Advance until the Event of Default has been cured to the OFA's satisfaction or, if the Event of Default is not

cured within three (3) Business Days after the date on which written notice of such Event of Default shall have been given to the IESO by the OFA, declare all amounts owing hereunder including all interest accrued to be due and payable immediately, by a notice in writing to the IESO, and upon any such declaration all such amounts shall become immediately due and payable.

(b) invoke the Intercept pursuant to section 5.7 of this Agreement to require payment of any amount due and payable under this Agreement.

Section 5.3 Suits for Enforcement by the OFA.

If an Event of Default occurs and is continuing, the OFA may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in the OFA by this Agreement or by law.

Section 5.4 OFA May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of the IESO under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property of the IESO, or if any other judicial proceedings relative to the IESO, its creditors or its property are pending, the OFA shall be entitled and empowered, by intention in such proceeding or otherwise:

(a) to file and prove a claim for all amounts owing under this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of the OFA (including any claim for fees and disbursements of the OFA, its agents and counsel) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claim.

Section 5.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to the OFA is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.6 Delay or Omission not Waiver.

No delay or omission of the OFA to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right or remedy given by this Article 5 or by law to OFA may be exercised from time to time, and as often as may be deemed expedient, by the OFA.

Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of even date herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the *Capital Investment Plan Act, 1993* (the "**Intercept Letter**"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("**Appropriated Funds**"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("**Intercept**").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

(e) The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or

inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail.

ARTICLE 6
REPRESENTATIONS AND WARRANTIES OF IESO

Section 6.1 Representations and Warranties of IESO

The IESO represents and warrants to the OFA that:

(a) the borrowing of money (including principal and accrued interest) by the IESO and the execution, delivery and performance of this Agreement are within the powers and capacities of the IESO and have been duly authorized by all necessary legal action and proper proceedings;

(b) the execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the compliance with the terms and conditions of this Agreement will not conflict with or result in a breach of any of the terms or provisions of the constituting documents or by-laws of the IESO, laws of Ontario, including laws of Canada applicable therein, applicable to the IESO or any contractual or other obligation binding on the IESO;

(c) this Agreement will, when executed and delivered, constitute the legal, valid and binding obligation of the IESO enforceable against it in accordance with its terms; and

(d) the monies advanced under this Agreement shall be used only by the IESO for the purposes set out in Section 2.2.

Section 6.2 Continuation of Representation and Warranties

The representations and warranties set out in Section 6.1 herein shall survive the execution and delivery of this Agreement, the making of each Advance by the OFA, notwithstanding any investigations or examinations which may be made by counsel for the OFA.

ARTICLE 7
GENERAL

Section 7.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy or other means of electronic communication addressed:

If to the IESO, to it at:

Independent Electricity System Operator
120 Adelaide Street West, Suite 1600
Toronto, ON M5H 1T1

Attention: Chief Financial Officer
Telephone: (416)969-6232
Facsimile: (905)403-6913

If to the OFA, to it at:

Ontario Financing Authority 1 Dundas Street West
Suite 1400 Toronto, Ontario M7A 1Y7

Attention: Executive Director & Chief Investment Officer – Capital Markets Division
Telephone: (416)325-8930
Facsimile: (416)860-8346

provided that any Borrowing Notice or Election Notice shall be addressed as indicated on Schedule 1 or Schedule 2 respectively.

Any communication hereunder shall be deemed to have been validly and effectively given if (a) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p.m. (Toronto time), otherwise on the next Business Day, (b) transmitted by facsimile or other means of electronic communication, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice give in accordance with this Section 7.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 7.1.

Section 7.2 Successors and Assigns.

This Agreement shall be binding on and enure to the benefit of the OFA and the IESO and their respective successors and permitted assigns, except that the IESO shall not, without the

prior written consent of the OFA assign, pledge or hypothecate any rights or obligations with respect to this Agreement.

Section 7.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of the Parties.

Section 7.4 Waiver.

(1) No waiver of any provisions of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) of this Agreement nor shall such waiver be binding unless executed in writing by the party to be bound by the waiver.

(2) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude another or further exercise of such right or the exercise of any other right.

Section 7.5 Further Assurances.

Each of the IESO and the OFA shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement

Section 7.6 Severability.

In case any provision in this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement shall not in any way be affected or impaired thereby.

Section 7.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 7.8 Entire Agreement.

This Agreement, including the schedules hereto and any other agreements expressly referred to herein, constitutes the whole agreement between the Parties with respect to the matters dealt with in it, and it supersedes any prior agreement, undertakings, discussions and the like respecting the matters dealt with in this Agreement and entered into by the Parties before the date the OFA signs this Agreement.

Section 7.9 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Agreement.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first written above.

ONTARIO FINANCING AUTHORITY

Per: _____

Name:
Title:

I have authority to bind the corporation.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: K Marshall

Name: Kimberly Marshall
Title: Vice President, Corporate Services;
Chief Financial Officer; Treasurer

I have authority to bind the corporation.

SCHEDULE 1

FORM OF BORROWING NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The principal amount of the Proposed Advance is $_____;
(c) The Repayment Date of the Proposed Advance is _____. [Not earlier than 5 days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:

Authorized Signatory

SCHEDULE 2

FORM OF ELECTION NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is _____.

(b) The aggregate amount of the proposed Continued Advance is $_____, which is comprised of:
   i. principal amount (or portion thereof) of Advance which is to be continued $_____; and
   ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date $_____;

(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): $ _____

(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _____. [Insert date not earlier than 5 days and not later than 95 days after the current Repayment Date for the Advance.]

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: $_____
The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Name:

Authorized Signatory

SCHEDULE 3 – FORM OF GRID NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $2,000,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR (the "**IESO**"), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY** ("**OFA**") at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement (as defined below).

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the Revolving Credit Facility Agreement dated **[INSERT DATE]** as amended, supplemented or restated from time to time, between the Borrower and the OFA (the "Agreement"). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:
Authorized Signatory

Revolving Credit Facility Grid Note

Ontario Financing Authority
Line of Credit Grid Note

Entity : Independent Electricity System Operator
Loan Limit:

Project:
Schedule of loan transactions to:
Loan Advanced to:

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days

AMENDING AGREEMENT NO. 10

This Amending Agreement No. 10 (this "**Amending Agreement**") is made as of the 21st day of November, 2017 (the "**Effective Date**")

BETWEEN:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, a statutory corporation without share capital existing under Part II of the *Electricity Act, 1998* ("**IESO**")

-and-

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* ("**OFA**")

(together, the "**Parties**")

WHEREAS the Ontario Power Authority ("**OPA**") and the OFA entered into a credit agreement dated January 1, 2005 (the "**Original Agreement**");

AND WHEREAS effective January 1, 2015, the OPA and the then existing Independent Electricity System Operator amalgamated and continued as a corporation without share capital under Part II of the *Electricity Act, 1998* with the name "Independent Electricity System Operator" (**"IESO"),** and the obligations of the OPA became obligations of the IESO;

AND WHEREAS pursuant to the amending agreements dated February 14, 2005, October 11, 2005 (titled, "Amending Agreement No. 3"), September 27, 2006 (titled, "Amending Agreement No. 4"), July 13, 2007 (titled, "Amending Agreement No. 5"), November 9, 2010 (titled, "Amending Agreement No. 6"), December 20, 2013 (titled, "Amending Agreement No. 7"), December 19, 2014 (titled, "Amending Agreement No. 8") and November 30, 2016 (titled, "Amending Agreement No. 9"), the OPA or IESO (as applicable) and the OFA amended the Original Agreement (as so amended, the **"Credit Agreement",** the terms defined therein being used herein as therein defined);

AND WHEREAS the Parties have now agreed to: (i) at the request of the IESO, decrease the total principal amount available under the Credit Agreement from $975,000,000 to a total principal amount of up to $475,000,000; (ii) amend the use of proceeds under the Credit Agreement; (iii) amend the Form of Election Notice and related provisions under the Credit Agreement; and (iv) make other amendments required as a consequence of the implementation of the OFHP (as defined below);

AND WHEREAS pursuant to Section 7.3 of the Credit Agreement, the Credit Agreement may only be amended or otherwise modified by written agreement executed by the Parties.

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby

acknowledged, and subject to the terms and conditions hereafter set out, the Parties agree that, as of the Effective Time (as defined below):

1. The definition of "Advances" in Section 1.1 of the Credit Agreement is deleted and replaced by the following:

   "**Advances**" means advances made by the OFA to the IESO under Article 3 and "Advance" means any one of such advances, and in the case of an election by the IESO under Section 3.3, includes a "Continued Advance", as defined in Section 3.3(1), as applicable."

2. The definition of "**Commitment**" in Section 1.1 of the Credit Agreement is amended by deleting "$975,000,000" and substituting "$475,000,000" therefor.

3. The definition of "**Permitted Liens**" is amended by deleting the word "and" at the end of subsection (i); replacing the "." at the end of subsection (j) and replacing it with "; and" ; and adding the following subsection (k):

   "(k) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

4. The following definitions are added to Section 1.1 of the Credit Agreement:

   "Clean Energy Adjustment" has the same meaning as that term is defined in the OFHP.

   "Continued Advance" has the meaning specified in Section 3.3(1).

   "**Current Repayment Date**" has the meaning specified in Section 3.3(2).

   "**New Repayment Date**" has the meaning specified in Section 3.3(2).

   "OFHP" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

5. Section 2.3 "Use of Proceeds" of the Credit Agreement is deleted in its entirety (with the exception of the title of the section, which exception also applies regarding the amendments made under sections 6, 7 and 8 hereof) and replaced by the following:

   "The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the *Electricity Act, 1998,* as such regulation may be amended or replaced from time to time, provided that Advances may be used only for liquidity purposes."

6. Section 3.2 "Procedures for Advances" of the Credit Agreement is deleted in its entirety and replaced by the following:

"(1) Subject to Section 3.3(5), each Advance shall be made subject to two Business Days' prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each notice of an Advance (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1, other than a Borrowing Notice that is included in an Election Notice as permitted by Section 3.3(3). Each Borrowing Notice shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance; (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall be no earlier than 28 days and not later than 95 days after the date of the requested Advance. Each Borrowing Notice shall also certify the use of proceeds of the Advance which shall in any case be in accordance with Section 2.3. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, the IESO shall execute and deliver to the OFA a grid promissory note in respect of Advances substantially in the form of Schedule 3 (the **"Grid Note")**. The IESO authorizes the OFA to record on the Grid Note (a) the date and amount of each Advance or Continued Advance; (b) the applicable rate of interest for each Advance or Continued Advance; (c) the Repayment Date of each Advance or Continued Advance; (d) the date and amount of each payment of interest and each payment of principal or portion thereof in respect of each Advance or Continued Advance; and (e) Advances Outstanding. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such Advances and repayments; provided that the failure of the OFA to record any amount, rate or date shall not affect the obligation of the IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement."

7. Section 3.3 "Elections Regarding Advances" of the Credit Agreement is deleted in its entirety and replaced by the following:

"(1) The IESO may elect to continue all or a portion of the principal amount of any Advance and any amount of interest on such Advance (together, the "**Continued Advance**") for a further period of at least 28 days and up to a maximum of 95 days beginning on the then current Repayment Date in accordance with Section 3.3(2).

(2) Each notice to continue an Advance for a further period (an "**Election Notice**") shall be provided by the IESO to the OFA at least two Business Days prior to the Repayment Date of the Advance (the "**Current Repayment Date**"), and in each case, not later than 10:00 a.m. (Toronto time). Each such Election Notice shall be given substantially in the form of Schedule 2 and shall be irrevocable and binding upon the IESO and shall specify: (a) the Current Repayment Date; (b) the new aggregate total amount of the proposed Continued Advance; (c) the amount of interest or principal, if any, to be paid or re-paid by the IESO with respect to such Advance on the Current Repayment Date; and (d) the new Repayment Date of the proposed Continued Advance, which shall be no earlier than 28 days and not later than 95 days after the Current Repayment Date (the "**New Repayment Date**"). If the IESO fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date.

(3) An Election Notice with respect to a proposed Continued Advance may include a Borrowing Notice for a further Advance proposed to be made on the Current Repayment

Date. The Repayment Date of such further Advance shall be the New Repayment Date of the Continued Advance that is specified in the Election Notice. Such Borrowing Notice shall be given substantially in the form of Schedule 2.

(4) The calculation of interest on a Continued Advance shall be determined in the same manner as an Advance under Section 3.4 and shall be recorded on the grid promissory note in respect of Advances in accordance with Section 3.2(2).

(5) Any portion of an Advance not continued for a further period in accordance with Section 3.3(2) shall be repayable on the applicable Repayment Date."

8. Section 5.2 "Acceleration of Maturity; Recission and Annulement" of the Credit Agreement is deleted in its entirety and replaced by the following:

"If an Event of Default occurs and is continuing, then and in every such case the OFA may at its option, in addition to any other remedy available to the OFA at law, by written notice to the IESO, take any or all of the following actions:

(a) suspend the right of the IESO to request any further Advance until the Event of Default has been cured to the OFA's satisfaction or, if the Event of Default is not cured within three (3) Business Days after the date on which written notice of such Event of Default shall have been given to the IESO by the OFA, declare all amounts owing hereunder including all interest accrued to be due and payable immediately, by a notice in writing to the IESO, and upon any such declaration all such amounts shall become immediately due and payable.

(b) invoke the Intercept pursuant to section 5.7 of this Agreement to require payment of any amount due and payable under this Agreement."

9. Section 5.7 "Intercept" is added to the Credit Agreement, stating as follows:

"Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of November 6th , 2017 herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the *Capital Investment Plan Act, 1993* (the "**Intercept Letter**"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("**Appropriated Funds**"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("**Intercept**").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail."

10. Section 7.9 "Entire Agreement' is added to the Credit Agreement, stating as follows:

"Section 7.9 Entire Agreement

This Agreement as amended from time to time and including the schedules hereto and any other agreements expressly referred to herein, constitutes the whole agreement between the Parties with respect to the matters dealt with in it, and it supersedes any prior agreement, undertakings, discussions and the like respecting the matters dealt with in this Agreement and entered into by the Parties before the date the OFA signs this Agreement."

11. Schedule 1 of the Credit Agreement, Form of Borrowing Notice, is deleted in its entirety and replaced by the Form of Borrowing Notice attached hereto as Schedule 1.

12. Schedule 2 of the Credit Agreement, Form of Election Notice, is deleted in its entirety and replaced by the Form of Election Notice attached hereto as Schedule 2.

13. Schedule 3 of the Credit Agreement, IESO Grid Note, is deleted in its entirety and replaced by the Form of Grid Note attached hereto as Schedule 3.

14. For the purposes of this Amending Agreement and its coming into effect:

a. "**Effective Time**" means the time on the Effective Date by which the Transfers of Funds (defined below) have been completed; or such other time as the Parties may subsequently agree to in writing as being the "Effective Time";

b. "**Transfers of Funds**" means those transfers of funds to be completed between the Parties on the Effective Date, being:

   i. the First Advance as defined under section 3.2(3) of the credit agreement between the Parties in relation to the IESO's role in the implementation of the OFHP dated November 6, 2017; and,

   ii. the completion of all Advances described in the Election Notice to be provided by the IESO to the OFA no later than November 17, 2017 (such terms having the meanings defined in the Credit Agreement) that are to be funded under the Credit Agreement on the Effective Date; and,

   iii. the repayment by the IESO of all Advances Outstanding (as defined in the Credit Agreement) exceeding $475 million; and,

   iv. the payment by the IESO to OFA of the interest then owing under the Credit Agreement.

15. The Parties shall endeavour to complete and exchange all usual documentation relating to the Transfers of Funds, and to any other related matters occurring on the Effective Date, prior to 5:00 p.m. on the Effective Date, and in any case no later than the next business day.

16. After the Effective Time, and prior to any further Advances under the Credit Agreement, the IESO shall execute and deliver to the OFA a new grid promissory note in the principal amount of up to $475,000,000 substantially in the form attached hereto as Schedule 3 (the "**Grid Note**") and indicating a total principal amount of Advances Outstanding as of the Effective Time. Upon receipt of the new Grid Note delivered hereunder, the OFA will cancel and return the grid promissory note dated November 30, 2016 to the IESO.

17. This Amending Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Amending Agreement.

IN ALL OTHER RESPECTS, the Credit Agreement is confirmed by the Parties.

[*signature page follows*]

IN WITNESS WHEREOF the Parties hereto have executed and delivered this Amending Agreement on the dates set out below, which shall come into effect as of the Effective Time as defined herein.

ONTARIO FINANCING AUTHORITY

Per: _____ Date: November _____, 2017.
Name:
Title:

I have authority to bind the corporation.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: K Marshall Date: November 6th, 2017.
Name: Kimberly Marshall
Title: Vice President, Corporate Services;
Chief Financial Officer; Treasurer

I have authority to bind the corporation.

SCHEDULE 1 TO AMENDING AGREEMENT NO. 10

FORM OF BORROWING NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "**Agreement**", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "**Proposed Advance**"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The principal amount of the Proposed Advance is $_____;
(c) The Repayment Date of the Proposed Advance is _____. [Not earlier than 28 days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:

Authorized Signatory

SCHEDULE 2 TO AMENDING AGREEMENT NO. 10

FORM OF ELECTION NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is _____;

(b) The aggregate amount of the proposed Continued Advance is $_____, which is comprised of:

i. principal amount (or portion thereof) of Advance which is to be continued $_____; and
ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date $_____;

(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): $ _____

(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _____. [Insert date no earlier than 28 days and not later than 95 days after the Current Repayment Date for the Advance.]

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: $_____

The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:
Authorized Signatory

SCHEDULE 3 TO AMENDING AGREEMENT NO. 10

FORM OF GRID NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $475,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICTY SYSTEM OPERATOR (the **"IESO"**), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY ("OFA")** at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Credit Agreement (as defined below). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Credit Agreement.

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the credit agreement dated January 1, 2005 as amended, supplemented or restated from time to time, between the Borrower and the OFA (the **"Credit Agreement"**).

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Credit Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Name:
Authorized Signatory

Line of Credit Grid Note

Entity : Independent Electricity System Operator
Loan Limit: $475,000,000

Project:
Schedule of loan transactions to:
Loan Advanced to:

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days

From:	William Tan
To:	Ryan Blackbyrne
Cc:	Jean-Francois Beaupre; Sarah Harris
Subject:	RE: IESO OEFC Update
Date:	Tuesday, November 07, 2017 3:28:41 PM
Attachments:	OFA IESO Amending Agreement No 10 - Execution Version - FINAL.DOCX FHP Revolving Credit Facility Agreement 2017-2022 Execution Version - F....docx FHP Credit Agreement OFA IESO - Nov 6 2017 - IESO Signed.pdf OFA IESO Amending Agrmt#10 to Jan 1 2005 Credit Facility Nov 6 2017 - IE....pdf

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Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

This message, including any attachments, is intended only for the use of the individual(s) to which it is addressed and may contain information that is privileged and confidential. Any other distribution, copying or disclosure is strictly prohibited. If you are not the intended recipient or have received this message in error, please notify us immediately by reply e-mail and permanently delete this message including any attachments, without reading it or making a copy. Thank you

AMENDING AGREEMENT NO. 10

This Amending Agreement No. 10 (this "**Amending Agreement**") is made as of the 21st day of November, 2017 (the "**Effective Date**")

BETWEEN:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, a statutory corporation without share capital existing under Part II of the *Electricity Act, 1998* ("**IESO**")

-and-

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* ("**OFA**")

(together, the "**Parties**")

WHEREAS the Ontario Power Authority ("**OPA**") and the OFA entered into a credit agreement dated January 1, 2005 (the "**Original Agreement**");

AND WHEREAS effective January 1, 2015, the OPA and the then existing Independent Electricity System Operator amalgamated and continued as a corporation without share capital under Part II of the *Electricity Act, 1998* with the name "Independent Electricity System Operator" (**"IESO")**, and the obligations of the OPA became obligations of the IESO;

AND WHEREAS pursuant to the amending agreements dated February 14, 2005, October 11, 2005 (titled, "Amending Agreement No. 3"), September 27, 2006 (titled, "Amending Agreement No. 4"), July 13, 2007 (titled, "Amending Agreement No. 5"), November 9, 2010 (titled, "Amending Agreement No. 6"), December 20, 2013 (titled, "Amending Agreement No. 7"), December 19, 2014 (titled, "Amending Agreement No. 8") and November 30, 2016 (titled, "Amending Agreement No. 9"), the OPA or IESO (as applicable) and the OFA amended the Original Agreement (as so amended, the "**Credit Agreement",** the terms defined therein being used herein as therein defined);

AND WHEREAS the Parties have now agreed to: (i) at the request of the IESO, decrease the total principal amount available under the Credit Agreement from $975,000,000 to a total principal amount of up to $475,000,000; (ii) amend the use of proceeds under the Credit Agreement; (iii) amend the Form of Election Notice and related provisions under the Credit Agreement; and (iv) make other amendments required as a consequence of the implementation of the OFHP (as defined below);

AND WHEREAS pursuant to Section 7.3 of the Credit Agreement, the Credit Agreement may only be amended or otherwise modified by written agreement executed by the Parties.

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby

acknowledged, and subject to the terms and conditions hereafter set out, the Parties agree that, as of the Effective Time (as defined below):

1. The definition of "Advances" in Section 1.1 of the Credit Agreement is deleted and replaced by the following:

   > "**Advances**" means advances made by the OFA to the IESO under Article 3 and "Advance" means any one of such advances, and in the case of an election by the IESO under Section 3.3, includes a "Continued Advance", as defined in Section 3.3(1), as applicable."

2. The definition of "**Commitment**" in Section 1.1 of the Credit Agreement is amended by deleting "$975,000,000" and substituting "$475,000,000" therefor.

3. The definition of "**Permitted Liens**" is amended by deleting the word "and" at the end of subsection (i); replacing the "." at the end of subsection (j) and replacing it with "; and" ; and adding the following subsection (k):

   > "(k) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

4. The following definitions are added to Section 1.1 of the Credit Agreement:

   > **"Clean Energy Adjustment"** has the same meaning as that term is defined in the OFHP.
   >
   > "**Continued Advance"** has the meaning specified in Section 3.3(1).
   >
   > "**Current Repayment Date**" has the meaning specified in Section 3.3(2).
   >
   > "**New Repayment Date**" has the meaning specified in Section 3.3(2).
   >
   > **"OFHP"** means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

5. Section 2.3 "Use of Proceeds" of the Credit Agreement is deleted in its entirety (with the exception of the title of the section, which exception also applies regarding the amendments made under sections 6, 7 and 8 hereof) and replaced by the following:

   > "The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the *Electricity Act, 1998,* as such regulation may be amended or replaced from time to time, provided that Advances may be used only for liquidity purposes."

6. Section 3.2 "Procedures for Advances" of the Credit Agreement is deleted in its entirety and replaced by the following:

"(1) Subject to Section 3.3(5), each Advance shall be made subject to two Business Days' prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each notice of an Advance (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1, other than a Borrowing Notice that is included in an Election Notice as permitted by Section 3.3(3). Each Borrowing Notice shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance; (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall be no earlier than 28 days and not later than 95 days after the date of the requested Advance. Each Borrowing Notice shall also certify the use of proceeds of the Advance which shall in any case be in accordance with Section 2.3. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, the IESO shall execute and deliver to the OFA a grid promissory note in respect of Advances substantially in the form of Schedule 3 (the **"Grid Note")**. The IESO authorizes the OFA to record on the Grid Note (a) the date and amount of each Advance or Continued Advance; (b) the applicable rate of interest for each Advance or Continued Advance; (c) the Repayment Date of each Advance or Continued Advance; (d) the date and amount of each payment of interest and each payment of principal or portion thereof in respect of each Advance or Continued Advance; and (e) Advances Outstanding. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such Advances and repayments; provided that the failure of the OFA to record any amount, rate or date shall not affect the obligation of the IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement."

7. Section 3.3 "Elections Regarding Advances" of the Credit Agreement is deleted in its entirety and replaced by the following:

"(1) The IESO may elect to continue all or a portion of the principal amount of any Advance and any amount of interest on such Advance (together, the "**Continued Advance**") for a further period of at least 28 days and up to a maximum of 95 days beginning on the then current Repayment Date in accordance with Section 3.3(2).

(2) Each notice to continue an Advance for a further period (an "**Election Notice**") shall be provided by the IESO to the OFA at least two Business Days prior to the Repayment Date of the Advance (the "**Current Repayment Date**"), and in each case, not later than 10:00 a.m. (Toronto time). Each such Election Notice shall be given substantially in the form of Schedule 2 and shall be irrevocable and binding upon the IESO and shall specify: (a) the Current Repayment Date; (b) the new aggregate total amount of the proposed Continued Advance; (c) the amount of interest or principal, if any, to be paid or re-paid by the IESO with respect to such Advance on the Current Repayment Date; and (d) the new Repayment Date of the proposed Continued Advance, which shall be no earlier than 28 days and not later than 95 days after the Current Repayment Date (the "**New Repayment Date"**). If the IESO fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date.

(3) An Election Notice with respect to a proposed Continued Advance may include a Borrowing Notice for a further Advance proposed to be made on the Current Repayment

Date. The Repayment Date of such further Advance shall be the New Repayment Date of the Continued Advance that is specified in the Election Notice. Such Borrowing Notice shall be given substantially in the form of Schedule 2.

(4) The calculation of interest on a Continued Advance shall be determined in the same manner as an Advance under Section 3.4 and shall be recorded on the grid promissory note in respect of Advances in accordance with Section 3.2(2).

(5) Any portion of an Advance not continued for a further period in accordance with Section 3.3(2) shall be repayable on the applicable Repayment Date."

8. Section 5.2 "Acceleration of Maturity; Recission and Annulement" of the Credit Agreement is deleted in its entirety and replaced by the following:

"If an Event of Default occurs and is continuing, then and in every such case the OFA may at its option, in addition to any other remedy available to the OFA at law, by written notice to the IESO, take any or all of the following actions:

(a) suspend the right of the IESO to request any further Advance until the Event of Default has been cured to the OFA's satisfaction or, if the Event of Default is not cured within three (3) Business Days after the date on which written notice of such Event of Default shall have been given to the IESO by the OFA, declare all amounts owing hereunder including all interest accrued to be due and payable immediately, by a notice in writing to the IESO, and upon any such declaration all such amounts shall become immediately due and payable.

(b) invoke the Intercept pursuant to section 5.7 of this Agreement to require payment of any amount due and payable under this Agreement."

9. Section 5.7 "Intercept" is added to the Credit Agreement, stating as follows:

"Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of November 6th , 2017 herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the *Capital Investment Plan Act, 1993* (the "**Intercept Letter**"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("**Appropriated Funds**"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("**Intercept**").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail."

10. Section 7.9 "Entire Agreement' is added to the Credit Agreement, stating as follows:

"Section 7.9 Entire Agreement

This Agreement as amended from time to time and including the schedules hereto and any other agreements expressly referred to herein, constitutes the whole agreement between the Parties with respect to the matters dealt with in it, and it supersedes any prior agreement, undertakings, discussions and the like respecting the matters dealt with in this Agreement and entered into by the Parties before the date the OFA signs this Agreement."

11. Schedule 1 of the Credit Agreement, Form of Borrowing Notice, is deleted in its entirety and replaced by the Form of Borrowing Notice attached hereto as Schedule 1.

12. Schedule 2 of the Credit Agreement, Form of Election Notice, is deleted in its entirety and replaced by the Form of Election Notice attached hereto as Schedule 2.

13. Schedule 3 of the Credit Agreement, IESO Grid Note, is deleted in its entirety and replaced by the Form of Grid Note attached hereto as Schedule 3.

14. For the purposes of this Amending Agreement and its coming into effect:

a. "**Effective Time**" means the time on the Effective Date by which the Transfers of Funds (defined below) have been completed; or such other time as the Parties may subsequently agree to in writing as being the "Effective Time";

b. "**Transfers of Funds**" means those transfers of funds to be completed between the Parties on the Effective Date, being:

   i. the First Advance as defined under section 3.2(3) of the credit agreement between the Parties in relation to the IESO's role in the implementation of the OFHP dated November 6, 2017; and,

   ii. the completion of all Advances described in the Election Notice to be provided by the IESO to the OFA no later than November 17, 2017 (such terms having the meanings defined in the Credit Agreement) that are to be funded under the Credit Agreement on the Effective Date; and,

   iii. the repayment by the IESO of all Advances Outstanding (as defined in the Credit Agreement) exceeding $475 million; and,

   iv. the payment by the IESO to OFA of the interest then owing under the Credit Agreement.

15. The Parties shall endeavour to complete and exchange all usual documentation relating to the Transfers of Funds, and to any other related matters occurring on the Effective Date, prior to 5:00 p.m. on the Effective Date, and in any case no later than the next business day.

16. After the Effective Time, and prior to any further Advances under the Credit Agreement, the IESO shall execute and deliver to the OFA a new grid promissory note in the principal amount of up to $475,000,000 substantially in the form attached hereto as Schedule 3 (the **"Grid Note"**) and indicating a total principal amount of Advances Outstanding as of the Effective Time. Upon receipt of the new Grid Note delivered hereunder, the OFA will cancel and return the grid promissory note dated November 30, 2016 to the IESO.

17. This Amending Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Amending Agreement.

IN ALL OTHER RESPECTS, the Credit Agreement is confirmed by the Parties.

[*signature page follows*]

IN WITNESS WHEREOF the Parties hereto have executed and delivered this Amending Agreement on the dates set out below, which shall come into effect as of the Effective Time as defined herein.

ONTARIO FINANCING AUTHORITY

Per: _____ Date: November _____, 2017.
Name:
Title:

I have authority to bind the corporation.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____ Date: November_____, 2017.
Name: Kimberly Marshall
Title: Vice President, Corporate Services;
Chief Financial Officer; Treasurer

I have authority to bind the corporation.

SCHEDULE 1 TO AMENDING AGREEMENT NO. 10

FORM OF BORROWING NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "**Agreement**", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "**Proposed Advance**"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The principal amount of the Proposed Advance is $_____;
(c) The Repayment Date of the Proposed Advance is _____. [Not earlier than 28 days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:

Authorized Signatory

SCHEDULE 2 TO AMENDING AGREEMENT NO. 10

FORM OF ELECTION NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is _____;

(b) The aggregate amount of the proposed Continued Advance is $_____, which is comprised of:

i. principal amount (or portion thereof) of Advance which is to be continued $_____; and
ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date $_____;

(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): $ _____

(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _____. [Insert date no earlier than 28 days and not later than 95 days after the Current Repayment Date for the Advance.]

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: $_____

The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:
Authorized Signatory

SCHEDULE 3 TO AMENDING AGREEMENT NO. 10

FORM OF GRID NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $475,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICTY SYSTEM OPERATOR (the **"IESO"**), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY ("OFA"**) at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Credit Agreement (as defined below). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Credit Agreement.

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the credit agreement dated January 1, 2005 as amended, supplemented or restated from time to time, between the Borrower and the OFA (the **"Credit Agreement"**).

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Credit Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Name:
Authorized Signatory

Line of Credit Grid Note

Entity : Independent Electricity System Operator
Loan Limit: $475,000,000

Project:
Schedule of loan transactions to:
Loan Advanced to:

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

as Borrower

and

ONTARIO FINANCING AUTHORITY

as Lender

REVOLVING CREDIT FACILITY AGREEMENT

Date: November ___, 2017

REVOLVING CREDIT FACILITY AGREEMENT

THIS AGREEMENT is made as of the ____ day of November 2017,

BETWEEN:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, a statutory corporation without share capital existing under Part II of the *Electricity Act, 1998* (the "**IESO**")
(as Borrower)

AND

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* (the "**OFA**" and together with the IESO, the "**Parties**")
(as Lender)

RECITALS:

WHEREAS the IESO has requested a revolving credit facility for up to a maximum principal amount of $2 billion from the OFA for the purpose of supporting the IESO's role in the implementation and administration of the *Ontario Fair Hydro Plan Act, 2017*.

THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the Parties agree as follows:

ARTICLE 1

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"Advances" means advances made by the OFA to the IESO under Article 3 and "Advance" means any one of such advances, and in the case of an election by the IESO under Section 3.3, includes a "Continued Advance", as defined in Section 3.3(1), as applicable.

"Advances Outstanding" means, at any time, an amount equal to the aggregate principal amount of all Advances outstanding at such time.

"Agreement", "herein", "hereby", "hereor', "hereunder" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression "Article" or "Section" followed by a number means the specified Article or Section of this Agreement.

"Borrowing Notice" has the meaning specified in Section 3.2(1).

"Business Day" means any day that is not a day on which banks are generally authorized or required by law or executive order to be closed in the City of Toronto.

"**Clean Energy Adjustment"** has the same meaning as that term is defined in the OFHP.

"Commitment" means, at any time, an amount equal to $2 billion.

"Consolidated Assets" means, at any time, the book value of the assets of the IESO and the Subsidiaries, determined as of such time on a consolidated basis in accordance with GAAP.

"**Continued Advance"** has the meaning specified in Section 3.3(1).

"Credit Facility" means the revolving credit facility to be made available to the IESO by the OFA under this Agreement for the purposes specified in Section 2.2.

"**Current Repayment Date**" has the meaning specified in Section 3.3(2).

"Default" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"Dollars" or **"$**" means lawful currency of Canada.

"Election Notice" has the meaning specified in Section 3.3(2).

"Event of Default" has the meaning specified in Section 5.1.

"**First Advance**" has the meaning specified in Section 3.2(3).

"GAAP" means accounting policies and standards as established by the Chartered Professional Accountants of Canada, at the relevant time and applied on a consistent basis.

"Grid Note" has the meaning specified in Section 3.2(2).

"Indebtedness" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) every obligation of such Person for borrowed money;

(b) every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments;

(c) every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) every capital lease obligation of such Person;

(f) the Swap Termination Value of each Swap Contract of such Person; and

(g) every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"Lien" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"Material Subsidiary" means, at any time, a Subsidiary which has consolidated assets with a book value of more than $25 million determined in accordance with GAAP.

"**New Repayment Date**" has the meaning specified in Section 3.3(2).

"**OFHP**" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

"Permitted Liens" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) any obligations or duties, affecting the property of the IESO to any municipality or governmental, statutory or public authority, with respect to any franchise, grant, license

or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by the IESO or such Material Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by the IESO or such Material Subsidiary;

(d) any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) the right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) any undetermined or inchoate Liens and charges incidental to the current operations of the IESO or a Material Subsidiary that have not at the time been filed against the IESO or such Material Subsidiary; provided, however, that if any such Lien or charge shall have been filed, the IESO or such Material Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) any Lien the validity of which is being contested at the time by the IESO or a Material Subsidiary in good faith and the enforcement of which has been stayed;

(h) any easements, rights-of-way and servitudes that in the opinion of the IESO will not in the aggregate materially and adversely impair the use or value of the land for the purpose for which it is held or occupied by the IESO or a Material Subsidiary;

(i) any Liens and privileges arising out of judgments or awards with respect to which the IESO or a Material Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall have secured a stay of execution pending such appeal or proceedings for review;

(j) any other Liens of a nature similar to the foregoing which do not in the opinion of the IESO, acting reasonably, materially impair the use of the property subject thereto or the operation of the business of the IESO or any Material Subsidiary or the value of such property for the purpose of any such business; and

(k) any Lien arising from the IESO’s role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other

lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

"Person" means any individual, corporation, partnership joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"Purchase Money Mortgage" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or part of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"Repayment Date" means, in respect of the repayment of Advances, the repayment date contained in the most recent Borrowing Notice or Election Notice.

"Stated Maturity" when used with respect to any Indebtedness or any installment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such installment of interest is due and payable.

"Subsidiary" means:

(a) a corporation more than 50% of the voting power or the outstanding Voting Shares of which is owned, directly or indirectly, by the IESO or by one or more other Subsidiaries or by the IESO and one or more other Subsidiaries; or

(b) any Person (other than a corporation) in which the IESO, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

"Swap Contract" means any agreement whether or not in writing, relating to any transaction or derivative transaction including a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction currency swap, cross-currency rate swap, swaption, currency option or other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.

“Swap Termination Value” means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap contracts:

(a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and

(b) for any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.

“Voting Shares” of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings.

The division of this Agreement into Articles and Sections and the insertion of headings are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and vice versa and words importing gender may include any gender. In this Agreement, (a) the words "including" and "includes" mean "including (or includes) without limitation", and (b) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" each mean “to but excluding".

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with GAAP.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the next succeeding Business Day.

ARTICLE 2
REVOLVING CREDIT FACILITY

Section 2.1 Availability.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO. The OFA shall make each Advance in Dollars.

Section 2.2 Use of Proceeds.

The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the *Electricity Act, 1998*, as such regulation may be amended or replaced from time to time, subject to the condition that proceeds of Advances may be used only for IESO's financing needs and requirements of any kind arising in connection with the IESO's role with respect to and obligations under the OFHP.

Section 2.3 Credit Facility Limit.

The Advances Outstanding shall not at any time exceed the Commitment. The Credit Facility shall revolve and no payment under the Credit Facility shall reduce the Commitment.

Section 2.4 Mandatory Repayment.

Subject to Sections 2.5 and 5.2, the IESO shall repay each Advance together with the interest accrued thereon on the applicable Repayment Date, and, in any event, shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder on September 30, 2022.

Section 2.5 Prepayments.

The IESO is not entitled to prepay any part of the Advances Outstanding or the interest accrued thereon without the prior written consent of the OFA.

Section 2.6 Payments under this Agreement.

(1) The OFA shall make Advances to the IESO under this Agreement to or to the order of the IESO by wire transfer of immediately available funds in accordance with wire transfer instructions given by the IESO to the OFA from time to time, or in such other manner as the IESO may specify to the OFA from time to time.

(2) The IESO shall make any payment required hereunder to be made by it to the OFA, to or to the order of the OFA, by wire transfer of immediately available funds in accordance with wire transfer instruction given by the OFA to the IESO from time to time, or in such other manner as the OFA may specify to the IESO from time to time. The IESO shall make each such payment in Canadian Dollars.

Section 2.7 Computations of Interest.

(1) All computations of interest shall be made by the OFA taking into account the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest is payable on the basis of a year of 365 days or 366 days, as the case may be.

(2) For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Agreement for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

Section 2.8 Limit on Rate of Interest.

(1) Notwithstanding any provision contained in this Agreement, the IESO shall not be obliged to make any payments of interest or other amounts payable to the OFA hereunder in excess of the amount or rate which would be prohibited by applicable law or would result in the receipt by the OFA of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada)).

(2) In the event that any such payments are limited or prohibited as provided in Section 2.8(1), the OFA shall have no further obligation to make any Advances available hereunder and the Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, shall become immediately due and payable.

Section 2.9 Application of Payments.

All payments made by the IESO under this Agreement shall be applied firstly to the payment of interest payable to the OFA on late payments of principal or interest hereunder, secondly, to the payment of accrued and unpaid interest payable to the OFA hereunder and thirdly, to the payment of the outstanding principal amount of any Advances payable to the OFA.

ARTICLE 3
ADVANCES

Section 3.1 Advances.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO under the Credit Facility from time to time on any Business Day prior to September 23, 2022.

Section 3.2 Procedure for Advances.

(1) Subject to Section 3.3(5), each Advance shall be made subject to two Business Days' prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each notice of an Advance (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1, other than a Borrowing Notice that is included in an Election Notice as permitted by Section 3.3(3). Each Borrowing Notice shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance; (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall not be earlier than 5 days and not later than 95 days after the date of the requested Advance. Each Borrowing Notice shall also certify the use of proceeds of the Advance which shall in any case be in accordance with Section 2.2. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, the IESO shall execute and deliver to the OFA a grid promissory note in respect of Advances substantially in the form of Schedule 3 (the "**Grid Note**"). The IESO authorizes the OFA to record on the Grid Note (a) the date and amount of each Advance or Continued Advance; (b) the applicable rate of interest for each Advance or Continued Advance; (c) the Repayment Date of each Advance or Continued Advance; (d) the date and amount of each payment of interest and each payment of principal or portion thereof in respect of each Advance or Continued Advance; and (e) Advances Outstanding. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such Advances and repayments; provided that the failure of the OFA to record any amount, rate or date shall not affect the obligation of the IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement.

(3) Respecting the first Advance to be made under this Agreement (the "**First Advance**"), a specified portion thereof (the "**Repayment Amount**") shall be used to repay a portion of the IESO's outstanding indebtedness to the OFA under the credit agreement between the Parties dated January 1, 2005, as amended (the "**Existing Credit Facility**"). The amount of the Repayment Amount shall be detailed in the Borrowing Notice issued in respect of the First Advance. Concurrently with the First Advance, OFA shall provide to IESO an updated grid in respect of the grid note issued under the Existing Credit Facility evidencing the repayment of the Repayment Amount thereunder.

Section 3.3 Elections Regarding Advances.

(1) The IESO may elect to continue all or a portion of the principal amount of any Advance and any amount of interest on such Advance (together, the "**Continued Advance**") for a further period of at least 5 days and up to a maximum of 95 days beginning on the then current Repayment Date in accordance with Section 3.3(2).

(2) Each notice to continue an Advance for a further period (an "**Election Notice**") shall be provided by the IESO to the OFA at least two Business Days prior to the Repayment Date of the Advance (the "**Current Repayment Date**"), and in each case, not later than

10:00 a.m. (Toronto time). Each such Election Notice shall be given substantially in the form of Schedule 2 and shall be irrevocable and binding upon the IESO and shall specify: (a) the Current Repayment Date; (b) the new aggregate total amount of the proposed Continued Advance; (c) the amount of interest or principal, if any, to be paid or re-paid by the IESO with respect to such Advance on the Current Repayment Date; and (d) the new Repayment Date of the proposed Continued Advance, which shall be no earlier than 5 days and not later than 95 days after the current Repayment Date (the "**New Repayment Date"**). If the IESO fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date.

(3) An Election Notice with respect to a proposed Continued Advance may include a Borrowing Notice for a further Advance proposed to be made on the Current Repayment Date. The Repayment Date of such further Advance shall be the New Repayment Date of the Continued Advance that is specified in the Election Notice. Such Borrowing Notice shall be given substantially in the form of Schedule 2.

(4) The calculation of interest on a Continued Advance shall be determined in the same manner as an Advance under Section 3.4 and shall be recorded on the Grid Note in accordance with Section 3.2(2).

(5) Any portion of an Advance not continued for a further period in accordance with Section 3.3(2) shall be repayable on the applicable Repayment Date.

(6) The Credit Facility shall at all times rank *pari passu* with all other unsubordinated and unsecured Indebtedness of the IESO, subject to the existence of any Liens that secure Indebtedness, as permitted by subections 4.6 (a) through (e) hereof.

(7) All amounts owing in respect of the Advances shall be paid without exercising any right of set off or counterclaim by the IESO.

Section 3.4 Interest on Advances.

(1) The IESO shall pay interest on the unpaid principal amount of each Advance in accordance with this Section 3.4 from and including the date of such Advance until the principal amount of such Advance is repaid in full.

(2) Interest shall accrue on the principal amount of each Advance from and including the date of the Advance to but excluding the Repayment Date of such Advance, at an annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum, before as well as after the date such principal amount or interest thereon becomes due hereunder and both before and after Default and shall be payable on the Repayment Date for such Advance. Any amount of interest arising hereunder which is not paid when due shall bear interest at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment. The amount of interest payable on an Advance will be calculated by the

OFA by dividing the interest rate applicable to the Advance by 365 or 366, as the case may be, and multiplying the result by the principal amount of the Advance and further multiplying the result by the number of days in the period from the date of the Advance to the Repayment Date of the Advance.

(3) If the IESO elects to continue an Advance in accordance with Section 3.3(2), the OFA shall determine the interest rate applicable after the original Repayment Date of the Advance and endorse the said rate on the grid forming part of the Grid Note in respect of Advances held by it.

Section 3.5 Conditions Precedent

The obligation of the OFA to make the Advances to the IESO pursuant to Section 2.1 is subject to the following conditions being satisfied to the OFA's satisfaction at the time of making each Advance:

(a) that the representations and warranties of the IESO contained in this Agreement are true and correct as at the date of making the Advance;

(b) that no Event of Default has occurred and is continuing;

(c) that there shall, in the reasonable opinion of the OFA, have been no material adverse change in the financial condition of the IESO or a Material Subsidiary; and

(d) that the OFA has received such other documentation which it has reasonably requested to ensure that the IESO is in compliance with the terms and conditions of this Agreement, including certified true copies of any necessary resolutions, a written legal opinion from counsel to the IESO confirming that the borrowing is within the legal powers of the IESO and that the Agreement is a direct, unsecured obligation of the IESO enforceable against the IESO in form satisfactory to the OFA.

ARTICLE 4
COVENANTS OF THE IESO

Section 4.1 Repayment of Advances.

The IESO will duly and punctually pay all amounts owing under this Agreement in accordance with the terms and subject to the conditions of this Agreement.

Section 4.2 IESO will Maintain its Corporate Existence.

The IESO will at all times maintain its corporate existence.

Section 4.3 Maintenance of Properties.

The IESO will cause all property owned by the IESO or any Material Subsidiary to be maintained and kept in good condition, repair and working order, all as in the judgment of the IESO or any Material Subsidiary may be necessary for the proper operation of such property, except as and to the extent that the IESO or any Material Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 4.3 shall prevent the IESO or any Material Subsidiary from discontinuing the maintenance of any such property or decommissioning any such property if such discontinuance or decommissioning is, in the judgment of the IESO or any such Material Subsidiary, desirable in the conduct of its business or the business of any such Material Subsidiary, or has been directly or indirectly requested or required by the Province of Ontario.

Section 4.4 Insurance.

The IESO will cause all property owned by the IESO or any Material Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the mature and to the extent that such property is usually insured by companies operating similar businesses.

Section 4.5 Conduct of Business.

The IESO will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in accordance with good business practice.

Section 4.6 Negative Pledge.

The IESO will not, and will not permit any Material Subsidiary to, create, incur or assume any Lien, charging the interest of the IESO or any Material Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, all amounts owing under this Agreement are secured equally and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) the creation, incurrence or assumption of any Purchase Money Mortgage;

(b) the grant of any Lien in the normal course of business to any banks or financial institutions for present or future Indebtedness of the IESO or any Material Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) any extension, renewal or replacement of any of the Liens referred to in Sections 4.6(a), (b) or (c), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased; and

(e) any Lien charging the interest of the IESO or any Material Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 4.6(a), (b) or (c), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 4.6(e) which is outstanding at such time does not exceed 10% of Consolidated Assets at such time.

Section 4.7 Payment of OFA Expenses

In addition to any liability of the IESO to the OFA under any other provision of this Agreement, the IESO will, on demand, reimburse and indemnify OFA for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OFA in connection with the Agreement (including those services incurred in the preservation of rights under or enforcement of this Agreement at any time during the continuance of a Default or Event of Default and for any reasonable loss or expense incurred by OFA as a result of any failure by the IESO to fulfill any of its obligations under this Agreement). All such costs, charges and expenses shall bear interest at the Province of Ontario's cost of funds plus 0.25 percent per annum (as determined by the OFA) calculated and payable monthly not in advance from in each case from the date on which the OFA incurs the cost, charge or expense until the date on which the IESO reimbursement the OFA therefor. The OFA agrees, acting reasonably, to invoice the IESO for any such costs, charges and expense as they are incurred, together with interest at the aforesaid rate (with interest on overdue interest).

Section 4.8 Reporting.

The IESO will promptly provide to the OFA any reports or supporting documents that the OFA may request from time to time.

Section 4.9 Late Repayment of Advance.

In the event that the IESO fails to repay the principal amount of any Advance and all interest accrued thereon when due, the IESO shall pay interest on the unpaid amount of such Advance at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment.

ARTICLE 5
EVENTS OF DEFAULT AND REMEDIES

Section 5.1 Event of Default.

Wherever used in this Agreement, the term "Event of Default" means any of the following:

(a) the IESO's failure to pay any interest upon any Advance when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) failure to pay the principal amount of any Advance on the applicable Repayment Date or the Advances Outstanding, all interest accrued thereon and all other amounts owing under this Agreement on September 30, 2022;

(c) failure on the part of the IESO to observe or perform its obligations set forth in Section 4.1;

(d) failure on the part of the IESO to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 20 days after the date on which written notice of such failure shall have been given to the IESO by the OFA;

(e) any representation or warranty made by the IESO in this Agreement or in any certificate or other document at any time delivered hereunder to the OFA was incorrect or misleading in any material respect;

(f) one or more breaches by the IESO of its covenants under one or more evidences of Indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $5 million, which breaches:

(i) constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist, or

(ii) have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived or rescinded);

(g) the IESO or any Material Subsidiary:

(i) becomes unable to meet its obligations as they generally become due or has ceased paying its current obligations in the ordinary course of business as they generally become due;

(ii) admits in writing its inability to pay its debts generally or makes a general assignment for the benefit its creditors or files a proposal or other scheme

of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) institutes or has instituted against it any proceeding seeking:

(A) to adjudicate it as bankrupt or insolvent,

(B) liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors, or

(C) the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets,

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismissed or unstayed for a period of 30 days, or any remedy sought in any such proceeding (including the entry of order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

(iv) takes any corporate action to authorize any of the actions in Sections 5.l (g)(i) to (iii); or

(h) if there shall be rendered against the IESO or any Material Subsidiary a final judgment or judgments for the payment of money in an aggregate amount in excess of $5 million by a court or courts of competent jurisdiction, and the IESO or any Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 5.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case the OFA may at its option, in addition to any other remedy available to the OFA at law, by written notice to the IESO, take any or all of the following actions:

(a) suspend the right of the IESO to request any further Advance until the Event of Default has been cured to the OFA's satisfaction or, if the Event of Default is not

cured within three (3) Business Days after the date on which written notice of such Event of Default shall have been given to the IESO by the OFA, declare all amounts owing hereunder including all interest accrued to be due and payable immediately, by a notice in writing to the IESO, and upon any such declaration all such amounts shall become immediately due and payable.

(b) invoke the Intercept pursuant to section 5.7 of this Agreement to require payment of any amount due and payable under this Agreement.

Section 5.3 Suits for Enforcement by the OFA.

If an Event of Default occurs and is continuing, the OFA may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in the OFA by this Agreement or by law.

Section 5.4 OFA May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of the IESO under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property of the IESO, or if any other judicial proceedings relative to the IESO, its creditors or its property are pending, the OFA shall be entitled and empowered, by intention in such proceeding or otherwise:

(a) to file and prove a claim for all amounts owing under this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of the OFA (including any claim for fees and disbursements of the OFA, its agents and counsel) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claim.

Section 5.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to the OFA is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.6 Delay or Omission not Waiver.

No delay or omission of the OFA to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right or remedy given by this Article 5 or by law to OFA may be exercised from time to time, and as often as may be deemed expedient, by the OFA.

Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of even date herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the *Capital Investment Plan Act, 1993* (the "**Intercept Letter**"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("**Appropriated Funds**"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("**Intercept**").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

(e) The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or

inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail.

ARTICLE 6
REPRESENTATIONS AND WARRANTIES OF IESO

Section 6.1 Representations and Warranties of IESO

The IESO represents and warrants to the OFA that:

(a) the borrowing of money (including principal and accrued interest) by the IESO and the execution, delivery and performance of this Agreement are within the powers and capacities of the IESO and have been duly authorized by all necessary legal action and proper proceedings;

(b) the execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the compliance with the terms and conditions of this Agreement will not conflict with or result in a breach of any of the terms or provisions of the constituting documents or by-laws of the IESO, laws of Ontario, including laws of Canada applicable therein, applicable to the IESO or any contractual or other obligation binding on the IESO;

(c) this Agreement will, when executed and delivered, constitute the legal, valid and binding obligation of the IESO enforceable against it in accordance with its terms; and

(d) the monies advanced under this Agreement shall be used only by the IESO for the purposes set out in Section 2.2.

Section 6.2 Continuation of Representation and Warranties

The representations and warranties set out in Section 6.1 herein shall survive the execution and delivery of this Agreement, the making of each Advance by the OFA, notwithstanding any investigations or examinations which may be made by counsel for the OFA.

ARTICLE 7
GENERAL

Section 7.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy or other means of electronic communication addressed:

If to the IESO, to it at:

Independent Electricity System Operator
120 Adelaide Street West, Suite 1600
Toronto, ON M5H 1T1

Attention: Chief Financial Officer
Telephone: (416)969-6232
Facsimile: (905)403-6913

If to the OFA, to it at:

Ontario Financing Authority 1 Dundas Street West
Suite 1400 Toronto, Ontario M7A 1Y7

Attention: Executive Director & Chief Investment Officer – Capital Markets Division
Telephone: (416)325-8930
Facsimile: (416)860-8346

provided that any Borrowing Notice or Election Notice shall be addressed as indicated on Schedule 1 or Schedule 2 respectively.

Any communication hereunder shall be deemed to have been validly and effectively given if (a) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p.m. (Toronto time), otherwise on the next Business Day, (b) transmitted by facsimile or other means of electronic communication, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice give in accordance with this Section 7.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 7.1.

Section 7.2 Successors and Assigns.

This Agreement shall be binding on and enure to the benefit of the OFA and the IESO and their respective successors and permitted assigns, except that the IESO shall not, without the

prior written consent of the OFA assign, pledge or hypothecate any rights or obligations with respect to this Agreement.

Section 7.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of the Parties.

Section 7.4 Waiver.

(1) No waiver of any provisions of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) of this Agreement nor shall such waiver be binding unless executed in writing by the party to be bound by the waiver.

(2) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude another or further exercise of such right or the exercise of any other right.

Section 7.5 Further Assurances.

Each of the IESO and the OFA shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement

Section 7.6 Severability.

In case any provision in this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement shall not in any way be affected or impaired thereby.

Section 7.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 7.8 Entire Agreement.

This Agreement, including the schedules hereto and any other agreements expressly referred to herein, constitutes the whole agreement between the Parties with respect to the matters dealt with in it, and it supersedes any prior agreement, undertakings, discussions and the like respecting the matters dealt with in this Agreement and entered into by the Parties before the date the OFA signs this Agreement.

Section 7.9 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Agreement.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first written above.

ONTARIO FINANCING AUTHORITY

Per: _____

Name:
Title:

I have authority to bind the corporation.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; Treasurer

I have authority to bind the corporation.

SCHEDULE 1

FORM OF BORROWING NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The principal amount of the Proposed Advance is $_____;
(c) The Repayment Date of the Proposed Advance is _____. [Not earlier than 5 days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:

Authorized Signatory

SCHEDULE 2

FORM OF ELECTION NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is _____.

(b) The aggregate amount of the proposed Continued Advance is $_____, which is comprised of:

i. principal amount (or portion thereof) of Advance which is to be continued $_____; and
ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date $_____;

(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): $ _____

(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _____. [Insert date not earlier than 5 days and not later than 95 days after the current Repayment Date for the Advance.]

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: $_____
The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Name:

Authorized Signatory

SCHEDULE 3 – FORM OF GRID NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $2,000,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR (the "**IESO**"), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY** ("**OFA**") at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement (as defined below).

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the Revolving Credit Facility Agreement dated **[INSERT DATE]** as amended, supplemented or restated from time to time, between the Borrower and the OFA (the "Agreement"). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:
Authorized Signatory

Revolving Credit Facility Grid Note

Ontario Financing Authority
Line of Credit Grid Note

Entity : **Independent Electricity System Operator**
Loan Limit:

Project:
Schedule of loan transactions to:
Loan Advanced to:

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

as Borrower

and

ONTARIO FINANCING AUTHORITY

as Lender

REVOLVING CREDIT FACILITY AGREEMENT

Date: November 6, 2017

REVOLVING CREDIT FACILITY AGREEMENT

THIS AGREEMENT is made as of the 6th day of November 2017,

BETWEEN:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, a statutory corporation without share capital existing under Part II of the *Electricity Act, 1998* (the "**IESO**")
(as Borrower)

AND

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* (the "**OFA**" and together with the IESO, the "**Parties**")
(as Lender)

RECITALS:

WHEREAS the IESO has requested a revolving credit facility for up to a maximum principal amount of $2 billion from the OFA for the purpose of supporting the IESO's role in the implementation and administration of the *Ontario Fair Hydro Plan Act, 2017*.

THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the Parties agree as follows:

ARTICLE 1

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"Advances" means advances made by the OFA to the IESO under Article 3 and "Advance" means any one of such advances, and in the case of an election by the IESO under Section 3.3, includes a "Continued Advance", as defined in Section 3.3(1), as applicable.

"Advances Outstanding" means, at any time, an amount equal to the aggregate principal amount of all Advances outstanding at such time.

"Agreement", "herein", "hereby", "hereor', "hereunder" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression "Article" or "Section" followed by a number means the specified Article or Section of this Agreement.

"Borrowing Notice" has the meaning specified in Section 3.2(1).

"Business Day" means any day that is not a day on which banks are generally authorized or required by law or executive order to be closed in the City of Toronto.

"Clean Energy Adjustment" has the same meaning as that term is defined in the OFHP.

"Commitment" means, at any time, an amount equal to $2 billion.

"Consolidated Assets" means, at any time, the book value of the assets of the IESO and the Subsidiaries, determined as of such time on a consolidated basis in accordance with GAAP.

"Continued Advance" has the meaning specified in Section 3.3(1).

"Credit Facility" means the revolving credit facility to be made available to the IESO by the OFA under this Agreement for the purposes specified in Section 2.2.

"Current Repayment Date" has the meaning specified in Section 3.3(2).

"Default" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"Dollars" or **"$"** means lawful currency of Canada.

"Election Notice" has the meaning specified in Section 3.3(2).

"Event of Default" has the meaning specified in Section 5.1.

"First Advance" has the meaning specified in Section 3.2(3).

"GAAP" means accounting policies and standards as established by the Chartered Professional Accountants of Canada, at the relevant time and applied on a consistent basis.

"Grid Note" has the meaning specified in Section 3.2(2).

"Indebtedness" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) every obligation of such Person for borrowed money;

(b) every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments;

(c) every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) every capital lease obligation of such Person;

(f) the Swap Termination Value of each Swap Contract of such Person; and

(g) every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"Lien" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"Material Subsidiary" means, at any time, a Subsidiary which has consolidated assets with a book value of more than $25 million determined in accordance with GAAP.

"**New Repayment Date**" has the meaning specified in Section 3.3(2).

"**OFHP**" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

"Permitted Liens" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) any obligations or duties, affecting the property of the IESO to any municipality or governmental, statutory or public authority, with respect to any franchise, grant, license

or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by the IESO or such Material Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by the IESO or such Material Subsidiary;

(d) any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) the right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) any undetermined or inchoate Liens and charges incidental to the current operations of the IESO or a Material Subsidiary that have not at the time been filed against the IESO or such Material Subsidiary; provided, however, that if any such Lien or charge shall have been filed, the IESO or such Material Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) any Lien the validity of which is being contested at the time by the IESO or a Material Subsidiary in good faith and the enforcement of which has been stayed;

(h) any easements, rights-of-way and servitudes that in the opinion of the IESO will not in the aggregate materially and adversely impair the use or value of the land for the purpose for which it is held or occupied by the IESO or a Material Subsidiary;

(i) any Liens and privileges arising out of judgments or awards with respect to which the IESO or a Material Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall have secured a stay of execution pending such appeal or proceedings for review;

(j) any other Liens of a nature similar to the foregoing which do not in the opinion of the IESO, acting reasonably, materially impair the use of the property subject thereto or the operation of the business of the IESO or any Material Subsidiary or the value of such property for the purpose of any such business; and

(k) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other

lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

"Person" means any individual, corporation, partnership joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"Purchase Money Mortgage" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or part of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"Repayment Date" means, in respect of the repayment of Advances, the repayment date contained in the most recent Borrowing Notice or Election Notice.

"Stated Maturity" when used with respect to any Indebtedness or any installment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such installment of interest is due and payable.

"Subsidiary" means:

(a) a corporation more than 50% of the voting power or the outstanding Voting Shares of which is owned, directly or indirectly, by the IESO or by one or more other Subsidiaries or by the IESO and one or more other Subsidiaries; or

(b) any Person (other than a corporation) in which the IESO, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

"Swap Contract" means any agreement whether or not in writing, relating to any transaction or derivative transaction including a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction currency swap, cross-currency rate swap, swaption, currency option or other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.

"Swap Termination Value" means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap contracts:

(a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and

(b) for any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.

"Voting Shares" of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings.

The division of this Agreement into Articles and Sections and the insertion of headings are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and vice versa and words importing gender may include any gender. In this Agreement, (a) the words "including" and "includes" mean "including (or includes) without limitation", and (b) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" each mean "to but excluding".

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with GAAP.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the next succeeding Business Day.

ARTICLE 2
REVOLVING CREDIT FACILITY

Section 2.1 Availability.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO. The OFA shall make each Advance in Dollars.

Section 2.2 Use of Proceeds.

The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the *Electricity Act, 1998*, as such regulation may be amended or replaced from time to time, subject to the condition that proceeds of Advances may be used only for IESO's financing needs and requirements of any kind arising in connection with the IESO's role with respect to and obligations under the OFHP.

Section 2.3 Credit Facility Limit.

The Advances Outstanding shall not at any time exceed the Commitment. The Credit Facility shall revolve and no payment under the Credit Facility shall reduce the Commitment.

Section 2.4 Mandatory Repayment.

Subject to Sections 2.5 and 5.2, the IESO shall repay each Advance together with the interest accrued thereon on the applicable Repayment Date, and, in any event, shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder on September 30, 2022.

Section 2.5 Prepayments.

The IESO is not entitled to prepay any part of the Advances Outstanding or the interest accrued thereon without the prior written consent of the OFA.

Section 2.6 Payments under this Agreement.

(1) The OFA shall make Advances to the IESO under this Agreement to or to the order of the IESO by wire transfer of immediately available funds in accordance with wire transfer instructions given by the IESO to the OFA from time to time, or in such other manner as the IESO may specify to the OFA from time to time.

(2) The IESO shall make any payment required hereunder to be made by it to the OFA, to or to the order of the OFA, by wire transfer of immediately available funds in accordance with wire transfer instruction given by the OFA to the IESO from time to time, or in such other manner as the OFA may specify to the IESO from time to time. The IESO shall make each such payment in Canadian Dollars.

Section 2.7 Computations of Interest.

(1) All computations of interest shall be made by the OFA taking into account the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest is payable on the basis of a year of 365 days or 366 days, as the case may be.

(2) For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Agreement for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

Section 2.8 Limit on Rate of Interest.

(1) Notwithstanding any provision contained in this Agreement, the IESO shall not be obliged to make any payments of interest or other amounts payable to the OFA hereunder in excess of the amount or rate which would be prohibited by applicable law or would result in the receipt by the OFA of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada)).

(2) In the event that any such payments are limited or prohibited as provided in Section 2.8(1), the OFA shall have no further obligation to make any Advances available hereunder and the Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, shall become immediately due and payable.

Section 2.9 Application of Payments.

All payments made by the IESO under this Agreement shall be applied firstly to the payment of interest payable to the OFA on late payments of principal or interest hereunder, secondly, to the payment of accrued and unpaid interest payable to the OFA hereunder and thirdly, to the payment of the outstanding principal amount of any Advances payable to the OFA.

ARTICLE 3
ADVANCES

Section 3.1 Advances.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO under the Credit Facility from time to time on any Business Day prior to September 23, 2022.

Section 3.2 Procedure for Advances.

(1) Subject to Section 3.3(5), each Advance shall be made subject to two Business Days' prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each notice of an Advance (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1, other than a Borrowing Notice that is included in an Election Notice as permitted by Section 3.3(3). Each Borrowing Notice shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance; (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall not be earlier than 5 days and not later than 95 days after the date of the requested Advance. Each Borrowing Notice shall also certify the use of proceeds of the Advance which shall in any case be in accordance with Section 2.2. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, the IESO shall execute and deliver to the OFA a grid promissory note in respect of Advances substantially in the form of Schedule 3 (the "**Grid Note**"). The IESO authorizes the OFA to record on the Grid Note (a) the date and amount of each Advance or Continued Advance; (b) the applicable rate of interest for each Advance or Continued Advance; (c) the Repayment Date of each Advance or Continued Advance; (d) the date and amount of each payment of interest and each payment of principal or portion thereof in respect of each Advance or Continued Advance; and (e) Advances Outstanding. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such Advances and repayments; provided that the failure of the OFA to record any amount, rate or date shall not affect the obligation of the IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement.

(3) Respecting the first Advance to be made under this Agreement (the "**First Advance**"), a specified portion thereof (the "**Repayment Amount**") shall be used to repay a portion of the IESO's outstanding indebtedness to the OFA under the credit agreement between the Parties dated January 1, 2005, as amended (the "**Existing Credit Facility**"). The amount of the Repayment Amount shall be detailed in the Borrowing Notice issued in respect of the First Advance. Concurrently with the First Advance, OFA shall provide to IESO an updated grid in respect of the grid note issued under the Existing Credit Facility evidencing the repayment of the Repayment Amount thereunder.

Section 3.3 Elections Regarding Advances.

(1) The IESO may elect to continue all or a portion of the principal amount of any Advance and any amount of interest on such Advance (together, the "**Continued Advance**") for a further period of at least 5 days and up to a maximum of 95 days beginning on the then current Repayment Date in accordance with Section 3.3(2).

(2) Each notice to continue an Advance for a further period (an "**Election Notice**") shall be provided by the IESO to the OFA at least two Business Days prior to the Repayment Date of the Advance (the "**Current Repayment Date**"), and in each case, not later than

10:00 a.m. (Toronto time). Each such Election Notice shall be given substantially in the form of Schedule 2 and shall be irrevocable and binding upon the IESO and shall specify: (a) the Current Repayment Date; (b) the new aggregate total amount of the proposed Continued Advance; (c) the amount of interest or principal, if any, to be paid or re-paid by the IESO with respect to such Advance on the Current Repayment Date; and (d) the new Repayment Date of the proposed Continued Advance, which shall be no earlier than 5 days and not later than 95 days after the current Repayment Date (the "**New Repayment Date**"). If the IESO fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date.

(3) An Election Notice with respect to a proposed Continued Advance may include a Borrowing Notice for a further Advance proposed to be made on the Current Repayment Date. The Repayment Date of such further Advance shall be the New Repayment Date of the Continued Advance that is specified in the Election Notice. Such Borrowing Notice shall be given substantially in the form of Schedule 2.

(4) The calculation of interest on a Continued Advance shall be determined in the same manner as an Advance under Section 3.4 and shall be recorded on the Grid Note in accordance with Section 3.2(2).

(5) Any portion of an Advance not continued for a further period in accordance with Section 3.3(2) shall be repayable on the applicable Repayment Date.

(6) The Credit Facility shall at all times rank *pari passu* with all other unsubordinated and unsecured Indebtedness of the IESO, subject to the existence of any Liens that secure Indebtedness, as permitted by subections 4.6 (a) through (e) hereof.

(7) All amounts owing in respect of the Advances shall be paid without exercising any right of set off or counterclaim by the IESO.

Section 3.4 Interest on Advances.

(1) The IESO shall pay interest on the unpaid principal amount of each Advance in accordance with this Section 3.4 from and including the date of such Advance until the principal amount of such Advance is repaid in full.

(2) Interest shall accrue on the principal amount of each Advance from and including the date of the Advance to but excluding the Repayment Date of such Advance, at an annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum, before as well as after the date such principal amount or interest thereon becomes due hereunder and both before and after Default and shall be payable on the Repayment Date for such Advance. Any amount of interest arising hereunder which is not paid when due shall bear interest at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment. The amount of interest payable on an Advance will be calculated by the

OFA by dividing the interest rate applicable to the Advance by 365 or 366, as the case may be, and multiplying the result by the principal amount of the Advance and further multiplying the result by the number of days in the period from the date of the Advance to the Repayment Date of the Advance.

(3) If the IESO elects to continue an Advance in accordance with Section 3.3(2), the OFA shall determine the interest rate applicable after the original Repayment Date of the Advance and endorse the said rate on the grid forming part of the Grid Note in respect of Advances held by it.

Section 3.5 Conditions Precedent

The obligation of the OFA to make the Advances to the IESO pursuant to Section 2.1 is subject to the following conditions being satisfied to the OFA's satisfaction at the time of making each Advance:

(a) that the representations and warranties of the IESO contained in this Agreement are true and correct as at the date of making the Advance;

(b) that no Event of Default has occurred and is continuing;

(c) that there shall, in the reasonable opinion of the OFA, have been no material adverse change in the financial condition of the IESO or a Material Subsidiary; and

(d) that the OFA has received such other documentation which it has reasonably requested to ensure that the IESO is in compliance with the terms and conditions of this Agreement, including certified true copies of any necessary resolutions, a written legal opinion from counsel to the IESO confirming that the borrowing is within the legal powers of the IESO and that the Agreement is a direct, unsecured obligation of the IESO enforceable against the IESO in form satisfactory to the OFA.

ARTICLE 4
COVENANTS OF THE IESO

Section 4.1 Repayment of Advances.

The IESO will duly and punctually pay all amounts owing under this Agreement in accordance with the terms and subject to the conditions of this Agreement.

Section 4.2 IESO will Maintain its Corporate Existence.

The IESO will at all times maintain its corporate existence.

Section 4.3 Maintenance of Properties.

The IESO will cause all property owned by the IESO or any Material Subsidiary to be maintained and kept in good condition, repair and working order, all as in the judgment of the IESO or any Material Subsidiary may be necessary for the proper operation of such property, except as and to the extent that the IESO or any Material Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 4.3 shall prevent the IESO or any Material Subsidiary from discontinuing the maintenance of any such property or decommissioning any such property if such discontinuance or decommissioning is, in the judgment of the IESO or any such Material Subsidiary, desirable in the conduct of its business or the business of any such Material Subsidiary, or has been directly or indirectly requested or required by the Province of Ontario.

Section 4.4 Insurance.

The IESO will cause all property owned by the IESO or any Material Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the mature and to the extent that such property is usually insured by companies operating similar businesses.

Section 4.5 Conduct of Business.

The IESO will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in accordance with good business practice.

Section 4.6 Negative Pledge.

The IESO will not, and will not permit any Material Subsidiary to, create, incur or assume any Lien, charging the interest of the IESO or any Material Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, all amounts owing under this Agreement are secured equally and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) the creation, incurrence or assumption of any Purchase Money Mortgage;

(b) the grant of any Lien in the normal course of business to any banks or financial institutions for present or future Indebtedness of the IESO or any Material Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) any extension, renewal or replacement of any of the Liens referred to in Sections 4.6(a), (b) or (c), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased; and

(e) any Lien charging the interest of the IESO or any Material Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 4.6(a), (b) or (c), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 4.6(e) which is outstanding at such time does not exceed 10% of Consolidated Assets at such time.

Section 4.7 Payment of OFA Expenses

In addition to any liability of the IESO to the OFA under any other provision of this Agreement, the IESO will, on demand, reimburse and indemnify OFA for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OFA in connection with the Agreement (including those services incurred in the preservation of rights under or enforcement of this Agreement at any time during the continuance of a Default or Event of Default and for any reasonable loss or expense incurred by OFA as a result of any failure by the IESO to fulfill any of its obligations under this Agreement). All such costs, charges and expenses shall bear interest at the Province of Ontario's cost of funds plus 0.25 percent per annum (as determined by the OFA) calculated and payable monthly not in advance from in each case from the date on which the OFA incurs the cost, charge or expense until the date on which the IESO reimbursement the OFA therefor. The OFA agrees, acting reasonably, to invoice the IESO for any such costs, charges and expense as they are incurred, together with interest at the aforesaid rate (with interest on overdue interest).

Section 4.8 Reporting.

The IESO will promptly provide to the OFA any reports or supporting documents that the OFA may request from time to time.

Section 4.9 Late Repayment of Advance.

In the event that the IESO fails to repay the principal amount of any Advance and all interest accrued thereon when due, the IESO shall pay interest on the unpaid amount of such Advance at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment.

ARTICLE 5
EVENTS OF DEFAULT AND REMEDIES

Section 5.1 Event of Default.

Wherever used in this Agreement, the term "Event of Default" means any of the following:

(a) the IESO's failure to pay any interest upon any Advance when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) failure to pay the principal amount of any Advance on the applicable Repayment Date or the Advances Outstanding, all interest accrued thereon and all other amounts owing under this Agreement on September 30, 2022;

(c) failure on the part of the IESO to observe or perform its obligations set forth in Section 4.1;

(d) failure on the part of the IESO to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 20 days after the date on which written notice of such failure shall have been given to the IESO by the OFA;

(e) any representation or warranty made by the IESO in this Agreement or in any certificate or other document at any time delivered hereunder to the OFA was incorrect or misleading in any material respect;

(f) one or more breaches by the IESO of its covenants under one or more evidences of Indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $5 million, which breaches:

(i) constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist, or

(ii) have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived or rescinded);

(g) the IESO or any Material Subsidiary:

(i) becomes unable to meet its obligations as they generally become due or has ceased paying its current obligations in the ordinary course of business as they generally become due;

(ii) admits in writing its inability to pay its debts generally or makes a general assignment for the benefit its creditors or files a proposal or other scheme

of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) institutes or has instituted against it any proceeding seeking:

(A) to adjudicate it as bankrupt or insolvent,

(B) liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors, or

(C) the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets,

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismissed or unstayed for a period of 30 days, or any remedy sought in any such proceeding (including the entry of order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

(iv) takes any corporate action to authorize any of the actions in Sections 5.1 (g)(i) to (iii); or

(h) if there shall be rendered against the IESO or any Material Subsidiary a final judgment or judgments for the payment of money in an aggregate amount in excess of $5 million by a court or courts of competent jurisdiction, and the IESO or any Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 5.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case the OFA may at its option, in addition to any other remedy available to the OFA at law, by written notice to the IESO, take any or all of the following actions:

(a) suspend the right of the IESO to request any further Advance until the Event of Default has been cured to the OFA's satisfaction or, if the Event of Default is not

cured within three (3) Business Days after the date on which written notice of such Event of Default shall have been given to the IESO by the OFA, declare all amounts owing hereunder including all interest accrued to be due and payable immediately, by a notice in writing to the IESO, and upon any such declaration all such amounts shall become immediately due and payable.

(b) invoke the Intercept pursuant to section 5.7 of this Agreement to require payment of any amount due and payable under this Agreement.

Section 5.3 Suits for Enforcement by the OFA.

If an Event of Default occurs and is continuing, the OFA may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in the OFA by this Agreement or by law.

Section 5.4 OFA May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of the IESO under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property of the IESO, or if any other judicial proceedings relative to the IESO, its creditors or its property are pending, the OFA shall be entitled and empowered, by intention in such proceeding or otherwise:

(a) to file and prove a claim for all amounts owing under this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of the OFA (including any claim for fees and disbursements of the OFA, its agents and counsel) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claim.

Section 5.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to the OFA is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.6 Delay or Omission not Waiver.

No delay or omission of the OFA to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right or remedy given by this Article 5 or by law to OFA may be exercised from time to time, and as often as may be deemed expedient, by the OFA.

Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of even date herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the *Capital Investment Plan Act, 1993* (the "**Intercept Letter**"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("**Appropriated Funds**"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("**Intercept**").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

(e) The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or

inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail.

ARTICLE 6
REPRESENTATIONS AND WARRANTIES OF IESO

Section 6.1 Representations and Warranties of IESO

The IESO represents and warrants to the OFA that:

(a) the borrowing of money (including principal and accrued interest) by the IESO and the execution, delivery and performance of this Agreement are within the powers and capacities of the IESO and have been duly authorized by all necessary legal action and proper proceedings;

(b) the execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the compliance with the terms and conditions of this Agreement will not conflict with or result in a breach of any of the terms or provisions of the constituting documents or by-laws of the IESO, laws of Ontario, including laws of Canada applicable therein, applicable to the IESO or any contractual or other obligation binding on the IESO;

(c) this Agreement will, when executed and delivered, constitute the legal, valid and binding obligation of the IESO enforceable against it in accordance with its terms; and

(d) the monies advanced under this Agreement shall be used only by the IESO for the purposes set out in Section 2.2.

Section 6.2 Continuation of Representation and Warranties

The representations and warranties set out in Section 6.1 herein shall survive the execution and delivery of this Agreement, the making of each Advance by the OFA, notwithstanding any investigations or examinations which may be made by counsel for the OFA.

ARTICLE 7
GENERAL

Section 7.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy or other means of electronic communication addressed:

If to the IESO, to it at:

Independent Electricity System Operator
120 Adelaide Street West, Suite 1600
Toronto, ON M5H 1T1

Attention: Chief Financial Officer
Telephone: (416)969-6232
Facsimile: (905)403-6913

If to the OFA, to it at:

Ontario Financing Authority 1 Dundas Street West
Suite 1400 Toronto, Ontario M7A 1Y7

Attention: Executive Director & Chief Investment Officer – Capital Markets Division
Telephone: (416)325-8930
Facsimile: (416)860-8346

provided that any Borrowing Notice or Election Notice shall be addressed as indicated on Schedule 1 or Schedule 2 respectively.

Any communication hereunder shall be deemed to have been validly and effectively given if (a) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p.m. (Toronto time), otherwise on the next Business Day, (b) transmitted by facsimile or other means of electronic communication, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice give in accordance with this Section 7.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 7.1.

Section 7.2 Successors and Assigns.

This Agreement shall be binding on and enure to the benefit of the OFA and the IESO and their respective successors and permitted assigns, except that the IESO shall not, without the

prior written consent of the OFA assign, pledge or hypothecate any rights or obligations with respect to this Agreement.

Section 7.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of the Parties.

Section 7.4 Waiver.

(1) No waiver of any provisions of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) of this Agreement nor shall such waiver be binding unless executed in writing by the party to be bound by the waiver.

(2) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude another or further exercise of such right or the exercise of any other right.

Section 7.5 Further Assurances.

Each of the IESO and the OFA shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement

Section 7.6 Severability.

In case any provision in this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement shall not in any way be affected or impaired thereby.

Section 7.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 7.8 Entire Agreement.

This Agreement, including the schedules hereto and any other agreements expressly referred to herein, constitutes the whole agreement between the Parties with respect to the matters dealt with in it, and it supersedes any prior agreement, undertakings, discussions and the like respecting the matters dealt with in this Agreement and entered into by the Parties before the date the OFA signs this Agreement.

Section 7.9 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Agreement.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first written above.

ONTARIO FINANCING AUTHORITY

Per: _____

Name:
Title:

I have authority to bind the corporation.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: K Marshall

Name: Kimberly Marshall
Title: Vice President, Corporate Services;
Chief Financial Officer; Treasurer

I have authority to bind the corporation.

SCHEDULE 1

FORM OF BORROWING NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The principal amount of the Proposed Advance is $_____;
(c) The Repayment Date of the Proposed Advance is _____. [Not earlier than 5 days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:

Authorized Signatory

SCHEDULE 2

FORM OF ELECTION NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is _____.

(b) The aggregate amount of the proposed Continued Advance is $_____, which is comprised of:
   i. principal amount (or portion thereof) of Advance which is to be continued $_____; and
   ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date $_____;

(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): $ _____

(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _____. [Insert date not earlier than 5 days and not later than 95 days after the current Repayment Date for the Advance.]

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: $_____
The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Name:

Authorized Signatory

SCHEDULE 3 – FORM OF GRID NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $2,000,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR (the "**IESO**"), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY** ("**OFA**") at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement (as defined below).

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the Revolving Credit Facility Agreement dated **[INSERT DATE]** as amended, supplemented or restated from time to time, between the Borrower and the OFA (the "Agreement"). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:
Authorized Signatory

Revolving Credit Facility Grid Note

Ontario Financing Authority
Line of Credit Grid Note

Entity : Independent Electricity System Operator
Loan Limit:

Project:
Schedule of loan transactions to:
Loan Advanced to:

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days

AMENDING AGREEMENT NO. 10

This Amending Agreement No. 10 (this "**Amending Agreement**") is made as of the 21st day of November, 2017 (the "**Effective Date**")

BETWEEN:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, a statutory corporation without share capital existing under Part II of the *Electricity Act, 1998* ("**IESO**")

-and-

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* ("**OFA**")

(together, the "**Parties**")

WHEREAS the Ontario Power Authority ("**OPA**") and the OFA entered into a credit agreement dated January 1, 2005 (the "**Original Agreement**");

AND WHEREAS effective January 1, 2015, the OPA and the then existing Independent Electricity System Operator amalgamated and continued as a corporation without share capital under Part II of the *Electricity Act, 1998* with the name "Independent Electricity System Operator" (**"IESO"),** and the obligations of the OPA became obligations of the IESO;

AND WHEREAS pursuant to the amending agreements dated February 14, 2005, October 11, 2005 (titled, "Amending Agreement No. 3"), September 27, 2006 (titled, "Amending Agreement No. 4"), July 13, 2007 (titled, "Amending Agreement No. 5"), November 9, 2010 (titled, "Amending Agreement No. 6"), December 20, 2013 (titled, "Amending Agreement No. 7"), December 19, 2014 (titled, "Amending Agreement No. 8") and November 30, 2016 (titled, "Amending Agreement No. 9"), the OPA or IESO (as applicable) and the OFA amended the Original Agreement (as so amended, the **"Credit Agreement",** the terms defined therein being used herein as therein defined);

AND WHEREAS the Parties have now agreed to: (i) at the request of the IESO, decrease the total principal amount available under the Credit Agreement from $975,000,000 to a total principal amount of up to $475,000,000; (ii) amend the use of proceeds under the Credit Agreement; (iii) amend the Form of Election Notice and related provisions under the Credit Agreement; and (iv) make other amendments required as a consequence of the implementation of the OFHP (as defined below);

AND WHEREAS pursuant to Section 7.3 of the Credit Agreement, the Credit Agreement may only be amended or otherwise modified by written agreement executed by the Parties.

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby

acknowledged, and subject to the terms and conditions hereafter set out, the Parties agree that, as of the Effective Time (as defined below):

1. The definition of "Advances" in Section 1.1 of the Credit Agreement is deleted and replaced by the following:

   "**Advances**" means advances made by the OFA to the IESO under Article 3 and "Advance" means any one of such advances, and in the case of an election by the IESO under Section 3.3, includes a "Continued Advance", as defined in Section 3.3(1), as applicable."

2. The definition of "**Commitment**" in Section 1.1 of the Credit Agreement is amended by deleting "$975,000,000" and substituting "$475,000,000" therefor.

3. The definition of "**Permitted Liens**" is amended by deleting the word "and" at the end of subsection (i); replacing the "." at the end of subsection (j) and replacing it with "; and" ; and adding the following subsection (k):

   "(k) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

4. The following definitions are added to Section 1.1 of the Credit Agreement:

   "Clean Energy Adjustment" has the same meaning as that term is defined in the OFHP.

   "Continued Advance" has the meaning specified in Section 3.3(1).

   "**Current Repayment Date**" has the meaning specified in Section 3.3(2).

   "**New Repayment Date**" has the meaning specified in Section 3.3(2).

   "OFHP" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

5. Section 2.3 "Use of Proceeds" of the Credit Agreement is deleted in its entirety (with the exception of the title of the section, which exception also applies regarding the amendments made under sections 6, 7 and 8 hereof) and replaced by the following:

   "The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the *Electricity Act, 1998,* as such regulation may be amended or replaced from time to time, provided that Advances may be used only for liquidity purposes."

6. Section 3.2 "Procedures for Advances" of the Credit Agreement is deleted in its entirety and replaced by the following:

"(1) Subject to Section 3.3(5), each Advance shall be made subject to two Business Days' prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each notice of an Advance (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1, other than a Borrowing Notice that is included in an Election Notice as permitted by Section 3.3(3). Each Borrowing Notice shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance; (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall be no earlier than 28 days and not later than 95 days after the date of the requested Advance. Each Borrowing Notice shall also certify the use of proceeds of the Advance which shall in any case be in accordance with Section 2.3. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, the IESO shall execute and deliver to the OFA a grid promissory note in respect of Advances substantially in the form of Schedule 3 (the **"Grid Note")**. The IESO authorizes the OFA to record on the Grid Note (a) the date and amount of each Advance or Continued Advance; (b) the applicable rate of interest for each Advance or Continued Advance; (c) the Repayment Date of each Advance or Continued Advance; (d) the date and amount of each payment of interest and each payment of principal or portion thereof in respect of each Advance or Continued Advance; and (e) Advances Outstanding. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such Advances and repayments; provided that the failure of the OFA to record any amount, rate or date shall not affect the obligation of the IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement."

7. Section 3.3 "Elections Regarding Advances" of the Credit Agreement is deleted in its entirety and replaced by the following:

"(1) The IESO may elect to continue all or a portion of the principal amount of any Advance and any amount of interest on such Advance (together, the "**Continued Advance**") for a further period of at least 28 days and up to a maximum of 95 days beginning on the then current Repayment Date in accordance with Section 3.3(2).

(2) Each notice to continue an Advance for a further period (an "**Election Notice**") shall be provided by the IESO to the OFA at least two Business Days prior to the Repayment Date of the Advance (the "**Current Repayment Date**"), and in each case, not later than 10:00 a.m. (Toronto time). Each such Election Notice shall be given substantially in the form of Schedule 2 and shall be irrevocable and binding upon the IESO and shall specify: (a) the Current Repayment Date; (b) the new aggregate total amount of the proposed Continued Advance; (c) the amount of interest or principal, if any, to be paid or re-paid by the IESO with respect to such Advance on the Current Repayment Date; and (d) the new Repayment Date of the proposed Continued Advance, which shall be no earlier than 28 days and not later than 95 days after the Current Repayment Date (the "**New Repayment Date**"). If the IESO fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date.

(3) An Election Notice with respect to a proposed Continued Advance may include a Borrowing Notice for a further Advance proposed to be made on the Current Repayment

Date. The Repayment Date of such further Advance shall be the New Repayment Date of the Continued Advance that is specified in the Election Notice. Such Borrowing Notice shall be given substantially in the form of Schedule 2.

(4) The calculation of interest on a Continued Advance shall be determined in the same manner as an Advance under Section 3.4 and shall be recorded on the grid promissory note in respect of Advances in accordance with Section 3.2(2).

(5) Any portion of an Advance not continued for a further period in accordance with Section 3.3(2) shall be repayable on the applicable Repayment Date."

8. Section 5.2 "Acceleration of Maturity; Recission and Annulement" of the Credit Agreement is deleted in its entirety and replaced by the following:

"If an Event of Default occurs and is continuing, then and in every such case the OFA may at its option, in addition to any other remedy available to the OFA at law, by written notice to the IESO, take any or all of the following actions:

(a) suspend the right of the IESO to request any further Advance until the Event of Default has been cured to the OFA's satisfaction or, if the Event of Default is not cured within three (3) Business Days after the date on which written notice of such Event of Default shall have been given to the IESO by the OFA, declare all amounts owing hereunder including all interest accrued to be due and payable immediately, by a notice in writing to the IESO, and upon any such declaration all such amounts shall become immediately due and payable.

(b) invoke the Intercept pursuant to section 5.7 of this Agreement to require payment of any amount due and payable under this Agreement."

9. Section 5.7 "Intercept" is added to the Credit Agreement, stating as follows:

"Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of November 6th , 2017 herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the *Capital Investment Plan Act, 1993* (the "**Intercept Letter**"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("**Appropriated Funds**"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("**Intercept**").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail."

10. Section 7.9 "Entire Agreement' is added to the Credit Agreement, stating as follows:

"Section 7.9 Entire Agreement

This Agreement as amended from time to time and including the schedules hereto and any other agreements expressly referred to herein, constitutes the whole agreement between the Parties with respect to the matters dealt with in it, and it supersedes any prior agreement, undertakings, discussions and the like respecting the matters dealt with in this Agreement and entered into by the Parties before the date the OFA signs this Agreement."

11. Schedule 1 of the Credit Agreement, Form of Borrowing Notice, is deleted in its entirety and replaced by the Form of Borrowing Notice attached hereto as Schedule 1.

12. Schedule 2 of the Credit Agreement, Form of Election Notice, is deleted in its entirety and replaced by the Form of Election Notice attached hereto as Schedule 2.

13. Schedule 3 of the Credit Agreement, IESO Grid Note, is deleted in its entirety and replaced by the Form of Grid Note attached hereto as Schedule 3.

14. For the purposes of this Amending Agreement and its coming into effect:

a. "**Effective Time**" means the time on the Effective Date by which the Transfers of Funds (defined below) have been completed; or such other time as the Parties may subsequently agree to in writing as being the "Effective Time";

b. "**Transfers of Funds**" means those transfers of funds to be completed between the Parties on the Effective Date, being:

   i. the First Advance as defined under section 3.2(3) of the credit agreement between the Parties in relation to the IESO's role in the implementation of the OFHP dated November 6, 2017; and,

   ii. the completion of all Advances described in the Election Notice to be provided by the IESO to the OFA no later than November 17, 2017 (such terms having the meanings defined in the Credit Agreement) that are to be funded under the Credit Agreement on the Effective Date; and,

   iii. the repayment by the IESO of all Advances Outstanding (as defined in the Credit Agreement) exceeding $475 million; and,

   iv. the payment by the IESO to OFA of the interest then owing under the Credit Agreement.

15. The Parties shall endeavour to complete and exchange all usual documentation relating to the Transfers of Funds, and to any other related matters occurring on the Effective Date, prior to 5:00 p.m. on the Effective Date, and in any case no later than the next business day.

16. After the Effective Time, and prior to any further Advances under the Credit Agreement, the IESO shall execute and deliver to the OFA a new grid promissory note in the principal amount of up to $475,000,000 substantially in the form attached hereto as Schedule 3 (the "**Grid Note**") and indicating a total principal amount of Advances Outstanding as of the Effective Time. Upon receipt of the new Grid Note delivered hereunder, the OFA will cancel and return the grid promissory note dated November 30, 2016 to the IESO.

17. This Amending Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Amending Agreement.

IN ALL OTHER RESPECTS, the Credit Agreement is confirmed by the Parties.

[*signature page follows*]

IN WITNESS WHEREOF the Parties hereto have executed and delivered this Amending Agreement on the dates set out below, which shall come into effect as of the Effective Time as defined herein.

ONTARIO FINANCING AUTHORITY

Per: _____ Date: November _____, 2017.
Name:
Title:

I have authority to bind the corporation.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: K Marshall Date: November 6th, 2017.
Name: Kimberly Marshall
Title: Vice President, Corporate Services;
Chief Financial Officer; Treasurer

I have authority to bind the corporation.

SCHEDULE 1 TO AMENDING AGREEMENT NO. 10

FORM OF BORROWING NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "**Agreement**", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "**Proposed Advance**"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The principal amount of the Proposed Advance is $_____;
(c) The Repayment Date of the Proposed Advance is _____. [Not earlier than 28 days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:

Authorized Signatory

SCHEDULE 2 TO AMENDING AGREEMENT NO. 10

FORM OF ELECTION NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is _____;

(b) The aggregate amount of the proposed Continued Advance is $_____, which is comprised of:

i. principal amount (or portion thereof) of Advance which is to be continued $_____; and
ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date $_____;

(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): $ _____

(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _____. [Insert date no earlier than 28 days and not later than 95 days after the Current Repayment Date for the Advance.]

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: $_____

The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:
Authorized Signatory

SCHEDULE 3 TO AMENDING AGREEMENT NO. 10

FORM OF GRID NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $475,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICTY SYSTEM OPERATOR (the **"IESO"**), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY ("OFA")** at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Credit Agreement (as defined below). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Credit Agreement.

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the credit agreement dated January 1, 2005 as amended, supplemented or restated from time to time, between the Borrower and the OFA (the **"Credit Agreement"**).

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Credit Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Name:
Authorized Signatory

Line of Credit Grid Note

Entity : Independent Electricity System Operator
Loan Limit: $475,000,000

Project:
Schedule of loan transactions to:
Loan Advanced to:

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days

From:	Lisa Stein
To:	Ryan Blackbyrne
Cc:	Sarah Harris
Subject:	RE: IESO OEFC credit facilities
Date:	Monday, November 27, 2017 2:23:13 PM

My suggestion has been for IESO to send us the requested amendments. Have they done so?

From: Ryan Blackbyrne
Sent: Monday, November 27, 2017 1:03 PM
To: Lisa Stein
Subject: FW: IESO OEFC credit facilities

Hi Lisa,

As per Sarah's comments below, I just wanted to give you a heads up that we are working on draft amending agreements for the two IESO-OEFC agreements which we will need you to review.

Thank You,

Ryan

From: Sarah Harris
Sent: Monday, November 27, 2017 11:46 AM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Subject: FW: IESO OEFC credit facilities

Hi Ryan,

Per Opal's e-mail below, please start preparing draft amending agreements for the two IESO-OEFC agreements. Please also give Lisa a heads-up so she will be ready to review.

Thanks,

Sarah

From: Opal Kandelas
Sent: Monday, November 27, 2017 11:25 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO OEFC credit facilities

Hi Sarah,

He's waiting for final signoff. Please operate under the assumption of an approval for now, and have the agreements ready for that eventuality.

Opal

From: Sarah Harris
Sent: Monday, November 27, 2017 10:16 AM
To: Opal Kandelas <Opal.Kandelas@ofina.on.ca>
Subject: RE: IESO OEFC credit facilities

Hi Opal,

I'm a little confused about John's statement below "that an effort would be made to bring everyone onside." Has John indicated to you who or how this effort was being made? Thought John was going to let us know. If the decision is to be made to amend the OEFC agreements, IESO was looking for completion by this Thursday.

Thanks,

Sarah

From: John Kim
Sent: Friday, November 24, 2017 6:29 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>
Subject: Re: IESO OEFC credit facilities

Hi Lisa,

As you will recall, we circulated earlier version of the note which you had reviewed and Sarah Neville as well. My understanding was the Legal took the position that this was a business decision. I can share the latest version of the note Monday. I am off today so am not sure where things are but understood that an effort would be made to bring everyone onside.

Thanks,

John

Sent from my iPad

On Nov 24, 2017, at 5:17 PM, Lisa Stein <Lisa.Stein@ofina.on.ca> wrote:

> Hi John,
>
> Do you have a status update regarding the IESO's request to amend the IESO-OEFC credit facilities? I understand that a briefing note is being circulated – please let me know if you require legal review.
>
> Thank you,
>
> Lisa
>
> ***Lisa N. Stein***
> Legal Counsel
> Ontario Financing Authority
> 416-325-2320
> **********
> This message, including any attachments, is intended only for the use of the individual(s) to which it is addressed and contains information that is privileged/confidential. Any other distribution, copying or disclosure is strictly prohibited. If you are not the intended recipient or have received this message in error, please notify the sender immediately by reply e-mail and permanently delete this message, including any attachments, without reading it or making a copy. Thank you.
> **********

From:	Sarah Harris
To:	Opal Kandelas
Subject:	RE: IESO OEFC credit facilities
Date:	Monday, November 27, 2017 11:29:39 AM

Thanks, Opal.

From: Opal Kandelas
Sent: Monday, November 27, 2017 11:25 AM
To: Sarah Harris
Subject: RE: IESO OEFC credit facilities

Hi Sarah,
He's waiting for final signoff. Please operate under the assumption of an approval for now, and have the agreements ready for that eventuality.
Opal

From: Sarah Harris
Sent: Monday, November 27, 2017 10:16 AM
To: Opal Kandelas <Opal.Kandelas@ofina.on.ca>
Subject: RE: IESO OEFC credit facilities

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To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>
Subject: Re: IESO OEFC credit facilities

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Thanks,
John

Sent from my iPad

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> Do you have a status update regarding the IESO's request to amend the IESO-OEFC credit facilities? I understand that a briefing note is being circulated – please let me

know if you require legal review.

Thank you,

Lisa

Lisa N. Stein
Legal Counsel
Ontario Financing Authority
416-325-2320

****
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****

From: Opal Kandelas
To: Sarah Harris
Subject: RE: IESO OEFC credit facilities
Date: Monday, November 27, 2017 11:24:53 AM

Hi Sarah,
He's waiting for final signoff. Please operate under the assumption of an approval for now, and have the agreements ready for that eventuality.
Opal

From: Sarah Harris
Sent: Monday, November 27, 2017 10:16 AM
To: Opal Kandelas
Subject: RE: IESO OEFC credit facilities
Hi Opal,
I'm a little confused about John's statement below "that an effort would be made to bring everyone onside." Has John indicated to you who or how this effort was being made? Thought John was going to let us know. If the decision is to be made to amend the OEFC agreements, IESO was looking for completion by this Thursday.
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Sarah

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Sent: Friday, November 24, 2017 6:29 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>
Subject: Re: IESO OEFC credit facilities
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> Lisa
> ***Lisa N. Stein***
> Legal Counsel

Ontario Financing Authority
416-325-2320
****
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****

From: Sarah Harris
To: Opal Kandelas
Subject: RE: IESO OEFC credit facilities
Date: Monday, November 27, 2017 10:15:36 AM

Hi Opal,
I'm a little confused about John's statement below "that an effort would be made to bring everyone onside." Has John indicated to you who or how this effort was being made? Thought John was going to let us know. If the decision is to be made to amend the OEFC agreements, IESO was looking for completion by this Thursday.
Thanks,
Sarah

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Sent: Friday, November 24, 2017 6:29 PM
To: Lisa Stein
Cc: Sarah Harris ; William Tan ; Opal Kandelas
Subject: Re: IESO OEFC credit facilities
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John

Sent from my iPad

On Nov 24, 2017, at 5:17 PM, Lisa Stein <Lisa.Stein@ofina.on.ca> wrote:

> Hi John,
> Do you have a status update regarding the IESO's request to amend the IESO-OEFC credit facilities? I understand that a briefing note is being circulated – please let me know if you require legal review.
> Thank you,
> Lisa
> ***Lisa N. Stein***
> Legal Counsel
> Ontario Financing Authority
> 416-325-2320
> **********
> This message, including any attachments, is intended only for the use of the individual(s) to which it is addressed and contains information that is privileged/confidential. Any other distribution, copying or disclosure is strictly prohibited. If you are not the intended recipient or have received this message in error, please notify the sender immediately by reply e-mail and permanently delete this message, including any attachments, without reading it or making a copy. Thank you.
> **********

From: Sarah Harris
To: Lisa Stein
Subject: RE: IESO OEFC credit facilities
Date: Monday, November 27, 2017 2:30:19 PM

Hi Lisa,
Back in early November, Anthony circulated some proposed amendments. I'll ask Ryan to forward them to you, with the understanding that the intercept language will not go into the OEFC amendments.
As a more discrete note, I would ask that you please not forward the e-mail below to any further persons. My questions to Opal regarding getting direction from John were meant to be more of an 'internal' Doc conversation.
Thanks,
Sarah

From: Lisa Stein
Sent: Monday, November 27, 2017 2:23 PM
To: Ryan Blackbyrne
Cc: Sarah Harris
Subject: RE: IESO OEFC credit facilities
My suggestion has been for IESO to send us the requested amendments. Have they done so?

From: Ryan Blackbyrne
Sent: Monday, November 27, 2017 1:03 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: FW: IESO OEFC credit facilities
Hi Lisa,
As per Sarah's comments below, I just wanted to give you a heads up that we are working on draft amending agreements for the two IESO-OEFC agreements which we will need you to review.
Thank You,
Ryan

From: Sarah Harris
Sent: Monday, November 27, 2017 11:46 AM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Subject: FW: IESO OEFC credit facilities
Hi Ryan,
Per Opal's e-mail below, please start preparing draft amending agreements for the two IESO-OEFC agreements. Please also give Lisa a heads-up so she will be ready to review.
Thanks,
Sarah

From: Opal Kandelas
Sent: Monday, November 27, 2017 11:25 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO OEFC credit facilities
Hi Sarah,
He's waiting for final signoff. Please operate under the assumption of an approval for now, and have

the agreements ready for that eventuality.
Opal

From: Sarah Harris
Sent: Monday, November 27, 2017 10:16 AM
To: Opal Kandelas <Opal.Kandelas@ofina.on.ca>
Subject: RE: IESO OEFC credit facilities

Hi Opal,
I'm a little confused about John's statement below "that an effort would be made to bring everyone onside." Has John indicated to you who or how this effort was being made? Thought John was going to let us know. If the decision is to be made to amend the OEFC agreements, IESO was looking for completion by this Thursday.
Thanks,
Sarah

From: John Kim
Sent: Friday, November 24, 2017 6:29 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>
Subject: Re: IESO OEFC credit facilities

Hi Lisa,
As you will recall, we circulated earlier version of the note which you had reviewed and Sarah Neville as well. My understanding was the Legal took the position that this was a business decision. I can share the latest version of the note Monday. I am off today so am not sure where things are but understood that an effort would be made to bring everyone onside.
Thanks,
John

Sent from my iPad

On Nov 24, 2017, at 5:17 PM, Lisa Stein <Lisa.Stein@ofina.on.ca> wrote:

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> Thank you,
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> ***Lisa N. Stein***
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> **********

From:	Faran Ali
To:	William Tan
Cc:	Sarah Harris; Siva Nathan; San Rajaratnam
Subject:	RE: IESO OFA FHP and Existing Credit Facility key provisions and Expected Advancements - Agreements
Date:	Wednesday, January 03, 2018 3:27:56 PM

Thank you Will.
Regards
Faran

From: William Tan
Sent: Wednesday, January 03, 2018 3:14 PM
To: Faran Ali
Cc: Sarah Harris ; Siva Nathan ; San Rajaratnam
Subject: RE: IESO OFA FHP and Existing Credit Facility key provisions and Expected Advancements - Agreements

Hello Faran,
The FHP agreement was executed in counterparts.
Thanks,
Will

From: Faran Ali
Sent: Wednesday, January 03, 2018 3:02 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>; San Rajaratnam <San.Rajaratnam@ofina.on.ca>
Subject: RE: IESO OFA FHP and Existing Credit Facility key provisions and Expected Advancements - Agreements

Hi Will
Thank you for sending the agreements.
Regards
Faran

From: William Tan
Sent: Wednesday, January 03, 2018 3:00 PM
To: Faran Ali <Faran.Ali@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>; San Rajaratnam <San.Rajaratnam@ofina.on.ca>
Subject: FW: IESO OFA FHP and Existing Credit Facility key provisions and Expected Advancements - Agreements

Hello Faran,
Agreement for the Existing Credit Facility along with ten amendments.
Amending agreements 5 through 10
2 of 2 emails.
Thanks,
Will

From: Faran Ali
Sent: Wednesday, January 03, 2018 1:46 PM

To: William Tan <William.Tan@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>; San Rajaratnam <San.Rajaratnam@ofina.on.ca>
Subject: RE: IESO OFA FHP and Existing Credit Facility key provisions and Expected Advancements - Agreements

Hi William

As discussed, kindly provide both the FHP Credit Facility Agreement and the updated Agreement for the Existing Credit Facility, including any amendments.

Thanks

Faran

From: William Tan
Sent: Wednesday, January 03, 2018 1:42 PM
To: Faran Ali <Faran.Ali@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>; San Rajaratnam <San.Rajaratnam@ofina.on.ca>
Subject: RE: IESO OFA FHP and Existing Credit Facility key provisions and Expected Advancements - Agreements

Hello Faran,

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Thanks,

Will

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Hi William

We are in process of providing audit confirmation to IESO auditors. In this regard, can you please send me the loan agreement for IESO for the under mentioned new provisions.

For the purpose of OFA year-end audit (April 1, 2017 to March 31, 2018) we provide loan agreements/borrowing notices to OFA auditors, so if you or any other member of your group happens to have any other agreements/borrowing notices, kindly email it to us, or let me know who should I be contacting to receive loan agreements, for this period.

Thank you

Faran Ali

Financial Reporting Leader

From: Siva Nathan
Sent: Wednesday, November 15, 2017 7:22 PM
To: Robert Bozinoski <Robert.Bozinoski@ofina.on.ca>; San Rajaratnam <San.Rajaratnam@ofina.on.ca>; Faran Ali <Faran.Ali@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: Fw: IESO OFA FHP and Existing Credit Facility key provisions and Expected Advancements

FYI

From: William Tan

Sent: 15 November 2017 16:46

To: Siva Nathan; John Psinas; Alfonso Soriano; Jensen Chong; Risa Thau; Nurudin Kaba; Carlos Yep; George Sakura

Cc: Opal Kandelas; Sarah Harris; Ken Kandeepan; James Devine; Mike Manning

Subject: IESO OFA FHP and Existing Credit Facility key provisions and Expected Advancements

Dear all,

We have executed the following credit facilities:

1) $2B OFA-IESO Credit Facility in relation to the Ontario Fair Hydro Plan (FHP).

The FHP Credit Facility has the following key provisions:

- Revolving Credit Facility with a maximum limit at any time of C$2 billion;
- Term: 5 year term which expires September 30, 2022, with last draw possible on September 22, 2022;
- Draws: to be based on minimum of 5 days to a maximum of 95 days;
- IESO may roll-over some or all of the principal and interest;
- Notice Period: For an advance or a rollover, IESO is required to provide two business day prior notice given not later than 10:00 a.m.;
- Business day convention: Following;
- Use of Proceeds: Proceeds of Advances may be used only for IESO's financing needs and requirements of any kind arising in connection with the IESO's role with respect to and obligations under the FHP;
- Interest Rate on Advances: Annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum.

2) **Amending Agreement to reduce limit on Existing IESO-OFA $975M Revolving Credit Facility to $475M (with an Effective Date of November 21, end of day).**

Once effective, the existing Credit Facility will have the following key provisions:

- Revolving Credit Facility with a maximum limit at any time of $475M;
- Term: Agreement expires December 31, 2019, with last draw possible on November 29, 2019;
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NEXT DRAW FROM IESO

In relation to the next IESO draw on November 21st, the following transactions will occur:

November 17, 2017 -Three Notices to be received from IESO:

1) **Existing IESO-OFA $975M Revolving Credit Facility for "RRRP Program"**: IESO will send Election Notice instructions to rollover $10,649,081.37 + estimated new advance $2 million (IESO will pay accrued interest of $11,670.23 for Oct 20 to Nov 21 period to OFA).
2) **Existing IESO-OFA $975M Revolving Credit Facility for RPP Program:** IESO to send Election Notice to NOT rollover $825,639,102.00 (IESO will pay accrued interest of $904,809.97 for Oct 20 to Nov 21 period to OFA).
3) **$2B OFA-IESO FHP Credit Facility:** IESO to send a new borrowing notice for a first advance in an amount of approximately $1.05B.

NOTE: In the Borrowing Notice for the $2B OFA-IESO FHP Credit Facility, IESO will specify that instead of repaying (by funds transfer) the maturing $825,639,102.00 under the existing IESO-OFA Revolving $975M Credit Facility, it will instead use the $825,639,102.00 to fund a portion of the

'new' $1.05B advance under the $2B OFA-IESO FHP Credit Facility. As a result, for the Advance under $2B OFA-IESO FHP Credit Facility, the OFA will only transferring net amount of approximately $225 million (that is the difference between $1.05B and $825,639,102.00).

November 21, 2017 – The following transfers are to occur:

1) OFA to transfer to IESO total funds of approximately $227 million for the following:
(i) Existing IESO-OFA $975M Revolving Credit Facility for RRRP Program: amount of new advance proceeds of approximately $2 million;
(ii) $2B OFA-IESO FHP Credit Facility: amount of new advance of approximately $225 million.
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November 21, 2017 - Anticipated end of day balances:

1) **Existing IESO-OFA $475M Revolving Credit Facility for RPP Program**: $12,649,081.37 advanced under the existing credit facility (with a new facility limit of $475M effective end of day);
2) **$2B OFA-IESO FHP Credit Facility**: Approximately $1.05 billion advanced under the FHP Credit Facility.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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From:	William Tan
To:	Faran Ali
Cc:	Sarah Harris; Siva Nathan; San Rajaratnam
Subject:	RE: IESO OFA FHP and Existing Credit Facility key provisions and Expected Advancements - Agreements
Date:	Wednesday, January 03, 2018 3:13:51 PM
Attachments:	FHP Credit Agreement OFA IESO - Nov 6, 2017 - OFA Signed.pdf FHP Credit Agreement OFA IESO - Nov 6, 2017 - IESO Signed.pdf

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Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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INDEPENDENT ELECTRICITY SYSTEM OPERATOR

as Borrower

and

ONTARIO FINANCING AUTHORITY

as Lender

REVOLVING CREDIT FACILITY AGREEMENT

Date: November 6, 2017

REVOLVING CREDIT FACILITY AGREEMENT

THIS AGREEMENT is made as of the 6 day of November 2017,

BETWEEN:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, a statutory corporation without share capital existing under Part II of the *Electricity Act, 1998* (the "**IESO**")
(as Borrower)

AND

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* (the "**OFA**" and together with the IESO, the "**Parties**")
(as Lender)

RECITALS:

WHEREAS the IESO has requested a revolving credit facility for up to a maximum principal amount of $2 billion from the OFA for the purpose of supporting the IESO's role in the implementation and administration of the *Ontario Fair Hydro Plan Act, 2017*.

THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the Parties agree as follows:

ARTICLE 1

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"**Advances**" means advances made by the OFA to the IESO under Article 3 and "Advance" means any one of such advances, and in the case of an election by the IESO under Section 3.3, includes a "Continued Advance", as defined in Section 3.3(1), as applicable.

"Advances Outstanding" means, at any time, an amount equal to the aggregate principal amount of all Advances outstanding at such time.

"Agreement", "herein", "hereby", "hereor', "hereunder" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression "Article" or "Section" followed by a number means the specified Article or Section of this Agreement.

"Borrowing Notice" has the meaning specified in Section 3.2(1).

"Business Day" means any day that is not a day on which banks are generally authorized or required by law or executive order to be closed in the City of Toronto.

"Clean Energy Adjustment" has the same meaning as that term is defined in the OFHP.

"Commitment" means, at any time, an amount equal to $2 billion.

"Consolidated Assets" means, at any time, the book value of the assets of the IESO and the Subsidiaries, determined as of such time on a consolidated basis in accordance with GAAP.

"Continued Advance" has the meaning specified in Section 3.3(1).

"Credit Facility" means the revolving credit facility to be made available to the IESO by the OFA under this Agreement for the purposes specified in Section 2.2.

"Current Repayment Date" has the meaning specified in Section 3.3(2).

"Default" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"Dollars" or **"$"** means lawful currency of Canada.

"Election Notice" has the meaning specified in Section 3.3(2).

"Event of Default" has the meaning specified in Section 5.1.

"First Advance" has the meaning specified in Section 3.2(3).

"GAAP" means accounting policies and standards as established by the Chartered Professional Accountants of Canada, at the relevant time and applied on a consistent basis.

"Grid Note" has the meaning specified in Section 3.2(2).

"Indebtedness" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) every obligation of such Person for borrowed money;

(b) every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments;

(c) every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) every capital lease obligation of such Person;

(f) the Swap Termination Value of each Swap Contract of such Person; and

(g) every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"Lien" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"Material Subsidiary" means, at any time, a Subsidiary which has consolidated assets with a book value of more than $25 million determined in accordance with GAAP.

"**New Repayment Date**" has the meaning specified in Section 3.3(2).

"**OFHP**" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

"Permitted Liens" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) any obligations or duties, affecting the property of the IESO to any municipality or governmental, statutory or public authority, with respect to any franchise, grant, license

or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by the IESO or such Material Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by the IESO or such Material Subsidiary;

(d) any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) the right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) any undetermined or inchoate Liens and charges incidental to the current operations of the IESO or a Material Subsidiary that have not at the time been filed against the IESO or such Material Subsidiary; provided, however, that if any such Lien or charge shall have been filed, the IESO or such Material Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) any Lien the validity of which is being contested at the time by the IESO or a Material Subsidiary in good faith and the enforcement of which has been stayed;

(h) any easements, rights-of-way and servitudes that in the opinion of the IESO will not in the aggregate materially and adversely impair the use or value of the land for the purpose for which it is held or occupied by the IESO or a Material Subsidiary;

(i) any Liens and privileges arising out of judgments or awards with respect to which the IESO or a Material Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall have secured a stay of execution pending such appeal or proceedings for review;

(j) any other Liens of a nature similar to the foregoing which do not in the opinion of the IESO, acting reasonably, materially impair the use of the property subject thereto or the operation of the business of the IESO or any Material Subsidiary or the value of such property for the purpose of any such business; and

(k) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other

lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

"Person" means any individual, corporation, partnership joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"Purchase Money Mortgage" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or part of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"Repayment Date" means, in respect of the repayment of Advances, the repayment date contained in the most recent Borrowing Notice or Election Notice.

"Stated Maturity" when used with respect to any Indebtedness or any installment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such installment of interest is due and payable.

"Subsidiary" means:

(a) a corporation more than 50% of the voting power or the outstanding Voting Shares of which is owned, directly or indirectly, by the IESO or by one or more other Subsidiaries or by the IESO and one or more other Subsidiaries; or

(b) any Person (other than a corporation) in which the IESO, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

"Swap Contract" means any agreement whether or not in writing, relating to any transaction or derivative transaction including a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction currency swap, cross-currency rate swap, swaption, currency option or other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.

"Swap Termination Value" means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap contracts:

(a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and

(b) for any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.

"Voting Shares" of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings.

The division of this Agreement into Articles and Sections and the insertion of headings are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and vice versa and words importing gender may include any gender. In this Agreement, (a) the words "including" and "includes" mean "including (or includes) without limitation", and (b) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" each mean "to but excluding".

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with GAAP.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the next succeeding Business Day.

ARTICLE 2
REVOLVING CREDIT FACILITY

Section 2.1 Availability.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO. The OFA shall make each Advance in Dollars.

Section 2.2 Use of Proceeds.

The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the *Electricity Act, 1998*, as such regulation may be amended or replaced from time to time, subject to the condition that proceeds of Advances may be used only for IESO's financing needs and requirements of any kind arising in connection with the IESO's role with respect to and obligations under the OFHP.

Section 2.3 Credit Facility Limit.

The Advances Outstanding shall not at any time exceed the Commitment. The Credit Facility shall revolve and no payment under the Credit Facility shall reduce the Commitment.

Section 2.4 Mandatory Repayment.

Subject to Sections 2.5 and 5.2, the IESO shall repay each Advance together with the interest accrued thereon on the applicable Repayment Date, and, in any event, shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder on September 30, 2022.

Section 2.5 Prepayments.

The IESO is not entitled to prepay any part of the Advances Outstanding or the interest accrued thereon without the prior written consent of the OFA.

Section 2.6 Payments under this Agreement.

(1) The OFA shall make Advances to the IESO under this Agreement to or to the order of the IESO by wire transfer of immediately available funds in accordance with wire transfer instructions given by the IESO to the OFA from time to time, or in such other manner as the IESO may specify to the OFA from time to time.

(2) The IESO shall make any payment required hereunder to be made by it to the OFA, to or to the order of the OFA, by wire transfer of immediately available funds in accordance with wire transfer instruction given by the OFA to the IESO from time to time, or in such other manner as the OFA may specify to the IESO from time to time. The IESO shall make each such payment in Canadian Dollars.

Section 2.7 Computations of Interest.

(1) All computations of interest shall be made by the OFA taking into account the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest is payable on the basis of a year of 365 days or 366 days, as the case may be.

(2) For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Agreement for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

Section 2.8 Limit on Rate of Interest.

(1) Notwithstanding any provision contained in this Agreement, the IESO shall not be obliged to make any payments of interest or other amounts payable to the OFA hereunder in excess of the amount or rate which would be prohibited by applicable law or would result in the receipt by the OFA of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada)).

(2) In the event that any such payments are limited or prohibited as provided in Section 2.8(1), the OFA shall have no further obligation to make any Advances available hereunder and the Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, shall become immediately due and payable.

Section 2.9 Application of Payments.

All payments made by the IESO under this Agreement shall be applied firstly to the payment of interest payable to the OFA on late payments of principal or interest hereunder, secondly, to the payment of accrued and unpaid interest payable to the OFA hereunder and thirdly, to the payment of the outstanding principal amount of any Advances payable to the OFA.

ARTICLE 3
ADVANCES

Section 3.1 Advances.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO under the Credit Facility from time to time on any Business Day prior to September 23, 2022.

Section 3.2 Procedure for Advances.

(1) Subject to Section 3.3(5), each Advance shall be made subject to two Business Days' prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each notice of an Advance (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1, other than a Borrowing Notice that is included in an Election Notice as permitted by Section 3.3(3). Each Borrowing Notice shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance; (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall not be earlier than 5 days and not later than 95 days after the date of the requested Advance. Each Borrowing Notice shall also certify the use of proceeds of the Advance which shall in any case be in accordance with Section 2.2. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, the IESO shall execute and deliver to the OFA a grid promissory note in respect of Advances substantially in the form of Schedule 3 (the "**Grid Note**"). The IESO authorizes the OFA to record on the Grid Note (a) the date and amount of each Advance or Continued Advance; (b) the applicable rate of interest for each Advance or Continued Advance; (c) the Repayment Date of each Advance or Continued Advance; (d) the date and amount of each payment of interest and each payment of principal or portion thereof in respect of each Advance or Continued Advance; and (e) Advances Outstanding. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such Advances and repayments; provided that the failure of the OFA to record any amount, rate or date shall not affect the obligation of the IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement.

(3) Respecting the first Advance to be made under this Agreement (the "**First Advance**"), a specified portion thereof (the "**Repayment Amount**") shall be used to repay a portion of the IESO's outstanding indebtedness to the OFA under the credit agreement between the Parties dated January 1, 2005, as amended (the "**Existing Credit Facility**"). The amount of the Repayment Amount shall be detailed in the Borrowing Notice issued in respect of the First Advance. Concurrently with the First Advance, OFA shall provide to IESO an updated grid in respect of the grid note issued under the Existing Credit Facility evidencing the repayment of the Repayment Amount thereunder.

Section 3.3 Elections Regarding Advances.

(1) The IESO may elect to continue all or a portion of the principal amount of any Advance and any amount of interest on such Advance (together, the "**Continued Advance**") for a further period of at least 5 days and up to a maximum of 95 days beginning on the then current Repayment Date in accordance with Section 3.3(2).

(2) Each notice to continue an Advance for a further period (an "**Election Notice**") shall be provided by the IESO to the OFA at least two Business Days prior to the Repayment Date of the Advance (the "**Current Repayment Date**"), and in each case, not later than

10:00 a.m. (Toronto time). Each such Election Notice shall be given substantially in the form of Schedule 2 and shall be irrevocable and binding upon the IESO and shall specify: (a) the Current Repayment Date; (b) the new aggregate total amount of the proposed Continued Advance; (c) the amount of interest or principal, if any, to be paid or re-paid by the IESO with respect to such Advance on the Current Repayment Date; and (d) the new Repayment Date of the proposed Continued Advance, which shall be no earlier than 5 days and not later than 95 days after the current Repayment Date (the "**New Repayment Date**"). If the IESO fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date.

(3) An Election Notice with respect to a proposed Continued Advance may include a Borrowing Notice for a further Advance proposed to be made on the Current Repayment Date. The Repayment Date of such further Advance shall be the New Repayment Date of the Continued Advance that is specified in the Election Notice. Such Borrowing Notice shall be given substantially in the form of Schedule 2.

(4) The calculation of interest on a Continued Advance shall be determined in the same manner as an Advance under Section 3.4 and shall be recorded on the Grid Note in accordance with Section 3.2(2).

(5) Any portion of an Advance not continued for a further period in accordance with Section 3.3(2) shall be repayable on the applicable Repayment Date.

(6) The Credit Facility shall at all times rank *pari passu* with all other unsubordinated and unsecured Indebtedness of the IESO, subject to the existence of any Liens that secure Indebtedness, as permitted by subections 4.6 (a) through (e) hereof.

(7) All amounts owing in respect of the Advances shall be paid without exercising any right of set off or counterclaim by the IESO.

Section 3.4 Interest on Advances.

(1) The IESO shall pay interest on the unpaid principal amount of each Advance in accordance with this Section 3.4 from and including the date of such Advance until the principal amount of such Advance is repaid in full.

(2) Interest shall accrue on the principal amount of each Advance from and including the date of the Advance to but excluding the Repayment Date of such Advance, at an annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum, before as well as after the date such principal amount or interest thereon becomes due hereunder and both before and after Default and shall be payable on the Repayment Date for such Advance. Any amount of interest arising hereunder which is not paid when due shall bear interest at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment. The amount of interest payable on an Advance will be calculated by the

OFA by dividing the interest rate applicable to the Advance by 365 or 366, as the case may be, and multiplying the result by the principal amount of the Advance and further multiplying the result by the number of days in the period from the date of the Advance to the Repayment Date of the Advance.

(3) If the IESO elects to continue an Advance in accordance with Section 3.3(2), the OFA shall determine the interest rate applicable after the original Repayment Date of the Advance and endorse the said rate on the grid forming part of the Grid Note in respect of Advances held by it.

Section 3.5 Conditions Precedent

The obligation of the OFA to make the Advances to the IESO pursuant to Section 2.1 is subject to the following conditions being satisfied to the OFA's satisfaction at the time of making each Advance:

(a) that the representations and warranties of the IESO contained in this Agreement are true and correct as at the date of making the Advance;

(b) that no Event of Default has occurred and is continuing;

(c) that there shall, in the reasonable opinion of the OFA, have been no material adverse change in the financial condition of the IESO or a Material Subsidiary; and

(d) that the OFA has received such other documentation which it has reasonably requested to ensure that the IESO is in compliance with the terms and conditions of this Agreement, including certified true copies of any necessary resolutions, a written legal opinion from counsel to the IESO confirming that the borrowing is within the legal powers of the IESO and that the Agreement is a direct, unsecured obligation of the IESO enforceable against the IESO in form satisfactory to the OFA.

ARTICLE 4
COVENANTS OF THE IESO

Section 4.1 Repayment of Advances.

The IESO will duly and punctually pay all amounts owing under this Agreement in accordance with the terms and subject to the conditions of this Agreement.

Section 4.2 IESO will Maintain its Corporate Existence.

The IESO will at all times maintain its corporate existence.

Section 4.3 Maintenance of Properties.

The IESO will cause all property owned by the IESO or any Material Subsidiary to be maintained and kept in good condition, repair and working order, all as in the judgment of the IESO or any Material Subsidiary may be necessary for the proper operation of such property, except as and to the extent that the IESO or any Material Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 4.3 shall prevent the IESO or any Material Subsidiary from discontinuing the maintenance of any such property or decommissioning any such property if such discontinuance or decommissioning is, in the judgment of the IESO or any such Material Subsidiary, desirable in the conduct of its business or the business of any such Material Subsidiary, or has been directly or indirectly requested or required by the Province of Ontario.

Section 4.4 Insurance.

The IESO will cause all property owned by the IESO or any Material Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the mature and to the extent that such property is usually insured by companies operating similar businesses.

Section 4.5 Conduct of Business.

The IESO will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in accordance with good business practice.

Section 4.6 Negative Pledge.

The IESO will not, and will not permit any Material Subsidiary to, create, incur or assume any Lien, charging the interest of the IESO or any Material Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, all amounts owing under this Agreement are secured equally and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) the creation, incurrence or assumption of any Purchase Money Mortgage;

(b) the grant of any Lien in the normal course of business to any banks or financial institutions for present or future Indebtedness of the IESO or any Material Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) any extension, renewal or replacement of any of the Liens referred to in Sections 4.6(a), (b) or (c), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased; and

(e) any Lien charging the interest of the IESO or any Material Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 4.6(a), (b) or (c), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 4.6(e) which is outstanding at such time does not exceed 10% of Consolidated Assets at such time.

Section 4.7 Payment of OFA Expenses

In addition to any liability of the IESO to the OFA under any other provision of this Agreement, the IESO will, on demand, reimburse and indemnify OFA for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OFA in connection with the Agreement (including those services incurred in the preservation of rights under or enforcement of this Agreement at any time during the continuance of a Default or Event of Default and for any reasonable loss or expense incurred by OFA as a result of any failure by the IESO to fulfill any of its obligations under this Agreement). All such costs, charges and expenses shall bear interest at the Province of Ontario's cost of funds plus 0.25 percent per annum (as determined by the OFA) calculated and payable monthly not in advance from in each case from the date on which the OFA incurs the cost, charge or expense until the date on which the IESO reimbursement the OFA therefor. The OFA agrees, acting reasonably, to invoice the IESO for any such costs, charges and expense as they are incurred, together with interest at the aforesaid rate (with interest on overdue interest).

Section 4.8 Reporting.

The IESO will promptly provide to the OFA any reports or supporting documents that the OFA may request from time to time.

Section 4.9 Late Repayment of Advance.

In the event that the IESO fails to repay the principal amount of any Advance and all interest accrued thereon when due, the IESO shall pay interest on the unpaid amount of such Advance at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment.

ARTICLE 5
EVENTS OF DEFAULT AND REMEDIES

Section 5.1 Event of Default.

Wherever used in this Agreement, the term "Event of Default" means any of the following:

(a) the IESO's failure to pay any interest upon any Advance when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) failure to pay the principal amount of any Advance on the applicable Repayment Date or the Advances Outstanding, all interest accrued thereon and all other amounts owing under this Agreement on September 30, 2022;

(c) failure on the part of the IESO to observe or perform its obligations set forth in Section 4.1;

(d) failure on the part of the IESO to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 20 days after the date on which written notice of such failure shall have been given to the IESO by the OFA;

(e) any representation or warranty made by the IESO in this Agreement or in any certificate or other document at any time delivered hereunder to the OFA was incorrect or misleading in any material respect;

(f) one or more breaches by the IESO of its covenants under one or more evidences of Indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $5 million, which breaches:

(i) constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist, or

(ii) have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived or rescinded);

(g) the IESO or any Material Subsidiary:

(i) becomes unable to meet its obligations as they generally become due or has ceased paying its current obligations in the ordinary course of business as they generally become due;

(ii) admits in writing its inability to pay its debts generally or makes a general assignment for the benefit its creditors or files a proposal or other scheme

of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) institutes or has instituted against it any proceeding seeking:

(A) to adjudicate it as bankrupt or insolvent,

(B) liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors, or

(C) the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets,

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismissed or unstayed for a period of 30 days, or any remedy sought in any such proceeding (including the entry of order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

(iv) takes any corporate action to authorize any of the actions in Sections 5.1 (g)(i) to (iii); or

(h) if there shall be rendered against the IESO or any Material Subsidiary a final judgment or judgments for the payment of money in an aggregate amount in excess of $5 million by a court or courts of competent jurisdiction, and the IESO or any Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 5.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case the OFA may at its option, in addition to any other remedy available to the OFA at law, by written notice to the IESO, take any or all of the following actions:

(a) suspend the right of the IESO to request any further Advance until the Event of Default has been cured to the OFA's satisfaction or, if the Event of Default is not

cured within three (3) Business Days after the date on which written notice of such Event of Default shall have been given to the IESO by the OFA, declare all amounts owing hereunder including all interest accrued to be due and payable immediately, by a notice in writing to the IESO, and upon any such declaration all such amounts shall become immediately due and payable.

(b) invoke the Intercept pursuant to section 5.7 of this Agreement to require payment of any amount due and payable under this Agreement.

Section 5.3 Suits for Enforcement by the OFA.

If an Event of Default occurs and is continuing, the OFA may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in the OFA by this Agreement or by law.

Section 5.4 OFA May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of the IESO under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property of the IESO, or if any other judicial proceedings relative to the IESO, its creditors or its property are pending, the OFA shall be entitled and empowered, by intention in such proceeding or otherwise:

(a) to file and prove a claim for all amounts owing under this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of the OFA (including any claim for fees and disbursements of the OFA, its agents and counsel) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claim.

Section 5.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to the OFA is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.6 Delay or Omission not Waiver.

No delay or omission of the OFA to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right or remedy given by this Article 5 or by law to OFA may be exercised from time to time, and as often as may be deemed expedient, by the OFA.

Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of even date herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the *Capital Investment Plan Act, 1993* (the "**Intercept Letter**"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("**Appropriated Funds**"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("**Intercept**").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

(e) The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or

inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail.

ARTICLE 6
REPRESENTATIONS AND WARRANTIES OF IESO

Section 6.1 Representations and Warranties of IESO

The IESO represents and warrants to the OFA that:

(a) the borrowing of money (including principal and accrued interest) by the IESO and the execution, delivery and performance of this Agreement are within the powers and capacities of the IESO and have been duly authorized by all necessary legal action and proper proceedings;

(b) the execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the compliance with the terms and conditions of this Agreement will not conflict with or result in a breach of any of the terms or provisions of the constituting documents or by-laws of the IESO, laws of Ontario, including laws of Canada applicable therein, applicable to the IESO or any contractual or other obligation binding on the IESO;

(c) this Agreement will, when executed and delivered, constitute the legal, valid and binding obligation of the IESO enforceable against it in accordance with its terms; and

(d) the monies advanced under this Agreement shall be used only by the IESO for the purposes set out in Section 2.2.

Section 6.2 Continuation of Representation and Warranties

The representations and warranties set out in Section 6.1 herein shall survive the execution and delivery of this Agreement, the making of each Advance by the OFA, notwithstanding any investigations or examinations which may be made by counsel for the OFA.

ARTICLE 7
GENERAL

Section 7.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy or other means of electronic communication addressed:

If to the IESO, to it at:

Independent Electricity System Operator
120 Adelaide Street West, Suite 1600
Toronto, ON M5H 1T1

Attention: Chief Financial Officer
Telephone: (416)969-6232
Facsimile: (905)403-6913

If to the OFA, to it at:

Ontario Financing Authority 1 Dundas Street West
Suite 1400 Toronto, Ontario M7A 1Y7

Attention: Executive Director & Chief Investment Officer – Capital Markets Division
Telephone: (416)325-8930
Facsimile: (416)860-8346

provided that any Borrowing Notice or Election Notice shall be addressed as indicated on Schedule 1 or Schedule 2 respectively.

Any communication hereunder shall be deemed to have been validly and effectively given if (a) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p.m. (Toronto time), otherwise on the next Business Day, (b) transmitted by facsimile or other means of electronic communication, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice give in accordance with this Section 7.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 7.1.

Section 7.2 Successors and Assigns.

This Agreement shall be binding on and enure to the benefit of the OFA and the IESO and their respective successors and permitted assigns, except that the IESO shall not, without the

prior written consent of the OFA assign, pledge or hypothecate any rights or obligations with respect to this Agreement.

Section 7.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of the Parties.

Section 7.4 Waiver.

(1) No waiver of any provisions of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) of this Agreement nor shall such waiver be binding unless executed in writing by the party to be bound by the waiver.

(2) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude another or further exercise of such right or the exercise of any other right.

Section 7.5 Further Assurances.

Each of the IESO and the OFA shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement

Section 7.6 Severability.

In case any provision in this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement shall not in any way be affected or impaired thereby.

Section 7.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 7.8 Entire Agreement.

This Agreement, including the schedules hereto and any other agreements expressly referred to herein, constitutes the whole agreement between the Parties with respect to the matters dealt with in it, and it supersedes any prior agreement, undertakings, discussions and the like respecting the matters dealt with in this Agreement and entered into by the Parties before the date the OFA signs this Agreement.

Section 7.9 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Agreement.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first written above.

ONTARIO FINANCING AUTHORITY

Per: _____

Name: Michael D. Manning
Title: Executive Director & Chief Investment Officer, Capital Markets Division

I have authority to bind the corporation.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; Treasurer

I have authority to bind the corporation.

SCHEDULE 1

FORM OF BORROWING NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The principal amount of the Proposed Advance is $_____;
(c) The Repayment Date of the Proposed Advance is _____. [Not earlier than 5 days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:

Authorized Signatory

SCHEDULE 2

FORM OF ELECTION NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is _____.

(b) The aggregate amount of the proposed Continued Advance is $_____, which is comprised of:
   i. principal amount (or portion thereof) of Advance which is to be continued $_____; and
   ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date $_____;

(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): $ _____

(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _____. [Insert date not earlier than 5 days and not later than 95 days after the current Repayment Date for the Advance.]

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: $_____
The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Name:

Authorized Signatory

SCHEDULE 3 – FORM OF GRID NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $2,000,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR (the "**IESO**"), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY** ("**OFA**") at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement (as defined below).

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the Revolving Credit Facility Agreement dated **[INSERT DATE]** as amended, supplemented or restated from time to time, between the Borrower and the OFA (the "Agreement"). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:
Authorized Signatory

Revolving Credit Facility Grid Note

Ontario Financing Authority
Line of Credit Grid Note

Entity : Independent Electricity System Operator
Loan Limit:

Project:
Schedule of loan transactions to:
Loan Advanced to:

New Loan and/or Rollover					Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

as Borrower

and

ONTARIO FINANCING AUTHORITY

as Lender

REVOLVING CREDIT FACILITY AGREEMENT

Date: November 6, 2017

REVOLVING CREDIT FACILITY AGREEMENT

THIS AGREEMENT is made as of the 6th day of November 2017,

BETWEEN:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, a statutory corporation without share capital existing under Part II of the *Electricity Act, 1998* (the "**IESO**")
(as Borrower)

AND

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* (the "**OFA**" and together with the IESO, the "**Parties**")
(as Lender)

RECITALS:

WHEREAS the IESO has requested a revolving credit facility for up to a maximum principal amount of $2 billion from the OFA for the purpose of supporting the IESO's role in the implementation and administration of the *Ontario Fair Hydro Plan Act, 2017*.

THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the Parties agree as follows:

ARTICLE 1

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"Advances" means advances made by the OFA to the IESO under Article 3 and "Advance" means any one of such advances, and in the case of an election by the IESO under Section 3.3, includes a "Continued Advance", as defined in Section 3.3(1), as applicable.

"Advances Outstanding" means, at any time, an amount equal to the aggregate principal amount of all Advances outstanding at such time.

"Agreement", "herein", "hereby", "hereor', "hereunder" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression "Article" or "Section" followed by a number means the specified Article or Section of this Agreement.

"Borrowing Notice" has the meaning specified in Section 3.2(1).

"Business Day" means any day that is not a day on which banks are generally authorized or required by law or executive order to be closed in the City of Toronto.

"Clean Energy Adjustment" has the same meaning as that term is defined in the OFHP.

"Commitment" means, at any time, an amount equal to $2 billion.

"Consolidated Assets" means, at any time, the book value of the assets of the IESO and the Subsidiaries, determined as of such time on a consolidated basis in accordance with GAAP.

"Continued Advance" has the meaning specified in Section 3.3(1).

"Credit Facility" means the revolving credit facility to be made available to the IESO by the OFA under this Agreement for the purposes specified in Section 2.2.

"Current Repayment Date" has the meaning specified in Section 3.3(2).

"Default" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"Dollars" or **"$"** means lawful currency of Canada.

"Election Notice" has the meaning specified in Section 3.3(2).

"Event of Default" has the meaning specified in Section 5.1.

"First Advance" has the meaning specified in Section 3.2(3).

"GAAP" means accounting policies and standards as established by the Chartered Professional Accountants of Canada, at the relevant time and applied on a consistent basis.

"Grid Note" has the meaning specified in Section 3.2(2).

"Indebtedness" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) every obligation of such Person for borrowed money;

(b) every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments;

(c) every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) every capital lease obligation of such Person;

(f) the Swap Termination Value of each Swap Contract of such Person; and

(g) every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"Lien" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"Material Subsidiary" means, at any time, a Subsidiary which has consolidated assets with a book value of more than $25 million determined in accordance with GAAP.

"**New Repayment Date**" has the meaning specified in Section 3.3(2).

"**OFHP**" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

"Permitted Liens" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) any obligations or duties, affecting the property of the IESO to any municipality or governmental, statutory or public authority, with respect to any franchise, grant, license

or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by the IESO or such Material Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by the IESO or such Material Subsidiary;

(d) any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) the right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) any undetermined or inchoate Liens and charges incidental to the current operations of the IESO or a Material Subsidiary that have not at the time been filed against the IESO or such Material Subsidiary; provided, however, that if any such Lien or charge shall have been filed, the IESO or such Material Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) any Lien the validity of which is being contested at the time by the IESO or a Material Subsidiary in good faith and the enforcement of which has been stayed;

(h) any easements, rights-of-way and servitudes that in the opinion of the IESO will not in the aggregate materially and adversely impair the use or value of the land for the purpose for which it is held or occupied by the IESO or a Material Subsidiary;

(i) any Liens and privileges arising out of judgments or awards with respect to which the IESO or a Material Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall have secured a stay of execution pending such appeal or proceedings for review;

(j) any other Liens of a nature similar to the foregoing which do not in the opinion of the IESO, acting reasonably, materially impair the use of the property subject thereto or the operation of the business of the IESO or any Material Subsidiary or the value of such property for the purpose of any such business; and

(k) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other

lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

"Person" means any individual, corporation, partnership joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"Purchase Money Mortgage" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or part of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"Repayment Date" means, in respect of the repayment of Advances, the repayment date contained in the most recent Borrowing Notice or Election Notice.

"Stated Maturity" when used with respect to any Indebtedness or any installment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such installment of interest is due and payable.

"Subsidiary" means:

(a) a corporation more than 50% of the voting power or the outstanding Voting Shares of which is owned, directly or indirectly, by the IESO or by one or more other Subsidiaries or by the IESO and one or more other Subsidiaries; or

(b) any Person (other than a corporation) in which the IESO, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

"Swap Contract" means any agreement whether or not in writing, relating to any transaction or derivative transaction including a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction currency swap, cross-currency rate swap, swaption, currency option or other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.

"Swap Termination Value" means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap contracts:

(a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and

(b) for any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.

"Voting Shares" of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings.

The division of this Agreement into Articles and Sections and the insertion of headings are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and vice versa and words importing gender may include any gender. In this Agreement, (a) the words "including" and "includes" mean "including (or includes) without limitation", and (b) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" each mean "to but excluding".

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with GAAP.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the next succeeding Business Day.

ARTICLE 2
REVOLVING CREDIT FACILITY

Section 2.1 Availability.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO. The OFA shall make each Advance in Dollars.

Section 2.2 Use of Proceeds.

The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the *Electricity Act, 1998*, as such regulation may be amended or replaced from time to time, subject to the condition that proceeds of Advances may be used only for IESO's financing needs and requirements of any kind arising in connection with the IESO's role with respect to and obligations under the OFHP.

Section 2.3 Credit Facility Limit.

The Advances Outstanding shall not at any time exceed the Commitment. The Credit Facility shall revolve and no payment under the Credit Facility shall reduce the Commitment.

Section 2.4 Mandatory Repayment.

Subject to Sections 2.5 and 5.2, the IESO shall repay each Advance together with the interest accrued thereon on the applicable Repayment Date, and, in any event, shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder on September 30, 2022.

Section 2.5 Prepayments.

The IESO is not entitled to prepay any part of the Advances Outstanding or the interest accrued thereon without the prior written consent of the OFA.

Section 2.6 Payments under this Agreement.

(1) The OFA shall make Advances to the IESO under this Agreement to or to the order of the IESO by wire transfer of immediately available funds in accordance with wire transfer instructions given by the IESO to the OFA from time to time, or in such other manner as the IESO may specify to the OFA from time to time.

(2) The IESO shall make any payment required hereunder to be made by it to the OFA, to or to the order of the OFA, by wire transfer of immediately available funds in accordance with wire transfer instruction given by the OFA to the IESO from time to time, or in such other manner as the OFA may specify to the IESO from time to time. The IESO shall make each such payment in Canadian Dollars.

Section 2.7 Computations of Interest.

(1) All computations of interest shall be made by the OFA taking into account the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest is payable on the basis of a year of 365 days or 366 days, as the case may be.

(2) For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Agreement for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

Section 2.8 Limit on Rate of Interest.

(1) Notwithstanding any provision contained in this Agreement, the IESO shall not be obliged to make any payments of interest or other amounts payable to the OFA hereunder in excess of the amount or rate which would be prohibited by applicable law or would result in the receipt by the OFA of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada)).

(2) In the event that any such payments are limited or prohibited as provided in Section 2.8(1), the OFA shall have no further obligation to make any Advances available hereunder and the Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, shall become immediately due and payable.

Section 2.9 Application of Payments.

All payments made by the IESO under this Agreement shall be applied firstly to the payment of interest payable to the OFA on late payments of principal or interest hereunder, secondly, to the payment of accrued and unpaid interest payable to the OFA hereunder and thirdly, to the payment of the outstanding principal amount of any Advances payable to the OFA.

ARTICLE 3
ADVANCES

Section 3.1 Advances.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO under the Credit Facility from time to time on any Business Day prior to September 23, 2022.

Section 3.2 Procedure for Advances.

(1) Subject to Section 3.3(5), each Advance shall be made subject to two Business Days' prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each notice of an Advance (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1, other than a Borrowing Notice that is included in an Election Notice as permitted by Section 3.3(3). Each Borrowing Notice shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance; (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall not be earlier than 5 days and not later than 95 days after the date of the requested Advance. Each Borrowing Notice shall also certify the use of proceeds of the Advance which shall in any case be in accordance with Section 2.2. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, the IESO shall execute and deliver to the OFA a grid promissory note in respect of Advances substantially in the form of Schedule 3 (the "**Grid Note**"). The IESO authorizes the OFA to record on the Grid Note (a) the date and amount of each Advance or Continued Advance; (b) the applicable rate of interest for each Advance or Continued Advance; (c) the Repayment Date of each Advance or Continued Advance; (d) the date and amount of each payment of interest and each payment of principal or portion thereof in respect of each Advance or Continued Advance; and (e) Advances Outstanding. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such Advances and repayments; provided that the failure of the OFA to record any amount, rate or date shall not affect the obligation of the IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement.

(3) Respecting the first Advance to be made under this Agreement (the "**First Advance**"), a specified portion thereof (the "**Repayment Amount**") shall be used to repay a portion of the IESO's outstanding indebtedness to the OFA under the credit agreement between the Parties dated January 1, 2005, as amended (the "**Existing Credit Facility**"). The amount of the Repayment Amount shall be detailed in the Borrowing Notice issued in respect of the First Advance. Concurrently with the First Advance, OFA shall provide to IESO an updated grid in respect of the grid note issued under the Existing Credit Facility evidencing the repayment of the Repayment Amount thereunder.

Section 3.3 Elections Regarding Advances.

(1) The IESO may elect to continue all or a portion of the principal amount of any Advance and any amount of interest on such Advance (together, the "**Continued Advance**") for a further period of at least 5 days and up to a maximum of 95 days beginning on the then current Repayment Date in accordance with Section 3.3(2).

(2) Each notice to continue an Advance for a further period (an "**Election Notice**") shall be provided by the IESO to the OFA at least two Business Days prior to the Repayment Date of the Advance (the "**Current Repayment Date**"), and in each case, not later than

10:00 a.m. (Toronto time). Each such Election Notice shall be given substantially in the form of Schedule 2 and shall be irrevocable and binding upon the IESO and shall specify: (a) the Current Repayment Date; (b) the new aggregate total amount of the proposed Continued Advance; (c) the amount of interest or principal, if any, to be paid or re-paid by the IESO with respect to such Advance on the Current Repayment Date; and (d) the new Repayment Date of the proposed Continued Advance, which shall be no earlier than 5 days and not later than 95 days after the current Repayment Date (the "**New Repayment Date**"). If the IESO fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date.

(3) An Election Notice with respect to a proposed Continued Advance may include a Borrowing Notice for a further Advance proposed to be made on the Current Repayment Date. The Repayment Date of such further Advance shall be the New Repayment Date of the Continued Advance that is specified in the Election Notice. Such Borrowing Notice shall be given substantially in the form of Schedule 2.

(4) The calculation of interest on a Continued Advance shall be determined in the same manner as an Advance under Section 3.4 and shall be recorded on the Grid Note in accordance with Section 3.2(2).

(5) Any portion of an Advance not continued for a further period in accordance with Section 3.3(2) shall be repayable on the applicable Repayment Date.

(6) The Credit Facility shall at all times rank *pari passu* with all other unsubordinated and unsecured Indebtedness of the IESO, subject to the existence of any Liens that secure Indebtedness, as permitted by subections 4.6 (a) through (e) hereof.

(7) All amounts owing in respect of the Advances shall be paid without exercising any right of set off or counterclaim by the IESO.

Section 3.4 Interest on Advances.

(1) The IESO shall pay interest on the unpaid principal amount of each Advance in accordance with this Section 3.4 from and including the date of such Advance until the principal amount of such Advance is repaid in full.

(2) Interest shall accrue on the principal amount of each Advance from and including the date of the Advance to but excluding the Repayment Date of such Advance, at an annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum, before as well as after the date such principal amount or interest thereon becomes due hereunder and both before and after Default and shall be payable on the Repayment Date for such Advance. Any amount of interest arising hereunder which is not paid when due shall bear interest at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment. The amount of interest payable on an Advance will be calculated by the

OFA by dividing the interest rate applicable to the Advance by 365 or 366, as the case may be, and multiplying the result by the principal amount of the Advance and further multiplying the result by the number of days in the period from the date of the Advance to the Repayment Date of the Advance.

(3) If the IESO elects to continue an Advance in accordance with Section 3.3(2), the OFA shall determine the interest rate applicable after the original Repayment Date of the Advance and endorse the said rate on the grid forming part of the Grid Note in respect of Advances held by it.

Section 3.5 Conditions Precedent

The obligation of the OFA to make the Advances to the IESO pursuant to Section 2.1 is subject to the following conditions being satisfied to the OFA's satisfaction at the time of making each Advance:

(a) that the representations and warranties of the IESO contained in this Agreement are true and correct as at the date of making the Advance;

(b) that no Event of Default has occurred and is continuing;

(c) that there shall, in the reasonable opinion of the OFA, have been no material adverse change in the financial condition of the IESO or a Material Subsidiary; and

(d) that the OFA has received such other documentation which it has reasonably requested to ensure that the IESO is in compliance with the terms and conditions of this Agreement, including certified true copies of any necessary resolutions, a written legal opinion from counsel to the IESO confirming that the borrowing is within the legal powers of the IESO and that the Agreement is a direct, unsecured obligation of the IESO enforceable against the IESO in form satisfactory to the OFA.

ARTICLE 4
COVENANTS OF THE IESO

Section 4.1 Repayment of Advances.

The IESO will duly and punctually pay all amounts owing under this Agreement in accordance with the terms and subject to the conditions of this Agreement.

Section 4.2 IESO will Maintain its Corporate Existence.

The IESO will at all times maintain its corporate existence.

Section 4.3 Maintenance of Properties.

The IESO will cause all property owned by the IESO or any Material Subsidiary to be maintained and kept in good condition, repair and working order, all as in the judgment of the IESO or any Material Subsidiary may be necessary for the proper operation of such property, except as and to the extent that the IESO or any Material Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 4.3 shall prevent the IESO or any Material Subsidiary from discontinuing the maintenance of any such property or decommissioning any such property if such discontinuance or decommissioning is, in the judgment of the IESO or any such Material Subsidiary, desirable in the conduct of its business or the business of any such Material Subsidiary, or has been directly or indirectly requested or required by the Province of Ontario.

Section 4.4 Insurance.

The IESO will cause all property owned by the IESO or any Material Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the mature and to the extent that such property is usually insured by companies operating similar businesses.

Section 4.5 Conduct of Business.

The IESO will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in accordance with good business practice.

Section 4.6 Negative Pledge.

The IESO will not, and will not permit any Material Subsidiary to, create, incur or assume any Lien, charging the interest of the IESO or any Material Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, all amounts owing under this Agreement are secured equally and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) the creation, incurrence or assumption of any Purchase Money Mortgage;

(b) the grant of any Lien in the normal course of business to any banks or financial institutions for present or future Indebtedness of the IESO or any Material Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) any extension, renewal or replacement of any of the Liens referred to in Sections 4.6(a), (b) or (c), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased; and

(e) any Lien charging the interest of the IESO or any Material Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 4.6(a), (b) or (c), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 4.6(e) which is outstanding at such time does not exceed 10% of Consolidated Assets at such time.

Section 4.7 Payment of OFA Expenses

In addition to any liability of the IESO to the OFA under any other provision of this Agreement, the IESO will, on demand, reimburse and indemnify OFA for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OFA in connection with the Agreement (including those services incurred in the preservation of rights under or enforcement of this Agreement at any time during the continuance of a Default or Event of Default and for any reasonable loss or expense incurred by OFA as a result of any failure by the IESO to fulfill any of its obligations under this Agreement). All such costs, charges and expenses shall bear interest at the Province of Ontario's cost of funds plus 0.25 percent per annum (as determined by the OFA) calculated and payable monthly not in advance from in each case from the date on which the OFA incurs the cost, charge or expense until the date on which the IESO reimbursement the OFA therefor. The OFA agrees, acting reasonably, to invoice the IESO for any such costs, charges and expense as they are incurred, together with interest at the aforesaid rate (with interest on overdue interest).

Section 4.8 Reporting.

The IESO will promptly provide to the OFA any reports or supporting documents that the OFA may request from time to time.

Section 4.9 Late Repayment of Advance.

In the event that the IESO fails to repay the principal amount of any Advance and all interest accrued thereon when due, the IESO shall pay interest on the unpaid amount of such Advance at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment.

ARTICLE 5
EVENTS OF DEFAULT AND REMEDIES

Section 5.1 Event of Default.

Wherever used in this Agreement, the term "Event of Default" means any of the following:

(a) the IESO's failure to pay any interest upon any Advance when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) failure to pay the principal amount of any Advance on the applicable Repayment Date or the Advances Outstanding, all interest accrued thereon and all other amounts owing under this Agreement on September 30, 2022;

(c) failure on the part of the IESO to observe or perform its obligations set forth in Section 4.1;

(d) failure on the part of the IESO to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 20 days after the date on which written notice of such failure shall have been given to the IESO by the OFA;

(e) any representation or warranty made by the IESO in this Agreement or in any certificate or other document at any time delivered hereunder to the OFA was incorrect or misleading in any material respect;

(f) one or more breaches by the IESO of its covenants under one or more evidences of Indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $5 million, which breaches:

(i) constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist, or

(ii) have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived or rescinded);

(g) the IESO or any Material Subsidiary:

(i) becomes unable to meet its obligations as they generally become due or has ceased paying its current obligations in the ordinary course of business as they generally become due;

(ii) admits in writing its inability to pay its debts generally or makes a general assignment for the benefit its creditors or files a proposal or other scheme

of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) institutes or has instituted against it any proceeding seeking:

(A) to adjudicate it as bankrupt or insolvent,

(B) liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors, or

(C) the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets,

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismissed or unstayed for a period of 30 days, or any remedy sought in any such proceeding (including the entry of order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

(iv) takes any corporate action to authorize any of the actions in Sections 5.1 (g)(i) to (iii); or

(h) if there shall be rendered against the IESO or any Material Subsidiary a final judgment or judgments for the payment of money in an aggregate amount in excess of $5 million by a court or courts of competent jurisdiction, and the IESO or any Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 5.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case the OFA may at its option, in addition to any other remedy available to the OFA at law, by written notice to the IESO, take any or all of the following actions:

(a) suspend the right of the IESO to request any further Advance until the Event of Default has been cured to the OFA's satisfaction or, if the Event of Default is not

cured within three (3) Business Days after the date on which written notice of such Event of Default shall have been given to the IESO by the OFA, declare all amounts owing hereunder including all interest accrued to be due and payable immediately, by a notice in writing to the IESO, and upon any such declaration all such amounts shall become immediately due and payable.

(b) invoke the Intercept pursuant to section 5.7 of this Agreement to require payment of any amount due and payable under this Agreement.

Section 5.3 Suits for Enforcement by the OFA.

If an Event of Default occurs and is continuing, the OFA may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in the OFA by this Agreement or by law.

Section 5.4 OFA May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of the IESO under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property of the IESO, or if any other judicial proceedings relative to the IESO, its creditors or its property are pending, the OFA shall be entitled and empowered, by intention in such proceeding or otherwise:

(a) to file and prove a claim for all amounts owing under this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of the OFA (including any claim for fees and disbursements of the OFA, its agents and counsel) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claim.

Section 5.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to the OFA is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.6 Delay or Omission not Waiver.

No delay or omission of the OFA to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right or remedy given by this Article 5 or by law to OFA may be exercised from time to time, and as often as may be deemed expedient, by the OFA.

Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of even date herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the *Capital Investment Plan Act, 1993* (the "**Intercept Letter**"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("**Appropriated Funds**"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("**Intercept**").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

(e) The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or

inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail.

ARTICLE 6
REPRESENTATIONS AND WARRANTIES OF IESO

Section 6.1 Representations and Warranties of IESO

The IESO represents and warrants to the OFA that:

(a) the borrowing of money (including principal and accrued interest) by the IESO and the execution, delivery and performance of this Agreement are within the powers and capacities of the IESO and have been duly authorized by all necessary legal action and proper proceedings;

(b) the execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the compliance with the terms and conditions of this Agreement will not conflict with or result in a breach of any of the terms or provisions of the constituting documents or by-laws of the IESO, laws of Ontario, including laws of Canada applicable therein, applicable to the IESO or any contractual or other obligation binding on the IESO;

(c) this Agreement will, when executed and delivered, constitute the legal, valid and binding obligation of the IESO enforceable against it in accordance with its terms; and

(d) the monies advanced under this Agreement shall be used only by the IESO for the purposes set out in Section 2.2.

Section 6.2 Continuation of Representation and Warranties

The representations and warranties set out in Section 6.1 herein shall survive the execution and delivery of this Agreement, the making of each Advance by the OFA, notwithstanding any investigations or examinations which may be made by counsel for the OFA.

ARTICLE 7
GENERAL

Section 7.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy or other means of electronic communication addressed:

If to the IESO, to it at:

Independent Electricity System Operator
120 Adelaide Street West, Suite 1600
Toronto, ON M5H 1T1

Attention: Chief Financial Officer
Telephone: (416)969-6232
Facsimile: (905)403-6913

If to the OFA, to it at:

Ontario Financing Authority 1 Dundas Street West
Suite 1400 Toronto, Ontario M7A 1Y7

Attention: Executive Director & Chief Investment Officer – Capital Markets Division
Telephone: (416)325-8930
Facsimile: (416)860-8346

provided that any Borrowing Notice or Election Notice shall be addressed as indicated on Schedule 1 or Schedule 2 respectively.

Any communication hereunder shall be deemed to have been validly and effectively given if (a) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p.m. (Toronto time), otherwise on the next Business Day, (b) transmitted by facsimile or other means of electronic communication, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice give in accordance with this Section 7.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 7.1.

Section 7.2 Successors and Assigns.

This Agreement shall be binding on and enure to the benefit of the OFA and the IESO and their respective successors and permitted assigns, except that the IESO shall not, without the

prior written consent of the OFA assign, pledge or hypothecate any rights or obligations with respect to this Agreement.

Section 7.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of the Parties.

Section 7.4 Waiver.

(1) No waiver of any provisions of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) of this Agreement nor shall such waiver be binding unless executed in writing by the party to be bound by the waiver.

(2) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude another or further exercise of such right or the exercise of any other right.

Section 7.5 Further Assurances.

Each of the IESO and the OFA shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement

Section 7.6 Severability.

In case any provision in this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement shall not in any way be affected or impaired thereby.

Section 7.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 7.8 Entire Agreement.

This Agreement, including the schedules hereto and any other agreements expressly referred to herein, constitutes the whole agreement between the Parties with respect to the matters dealt with in it, and it supersedes any prior agreement, undertakings, discussions and the like respecting the matters dealt with in this Agreement and entered into by the Parties before the date the OFA signs this Agreement.

Section 7.9 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Agreement.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first written above.

ONTARIO FINANCING AUTHORITY

Per: _____

Name:
Title:

I have authority to bind the corporation.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: K Marshall

Name: Kimberly Marshall
Title: Vice President, Corporate Services;
Chief Financial Officer; Treasurer

I have authority to bind the corporation.

SCHEDULE 1

FORM OF BORROWING NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The principal amount of the Proposed Advance is $_____;
(c) The Repayment Date of the Proposed Advance is _____. [Not earlier than 5 days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:

Authorized Signatory

SCHEDULE 2

FORM OF ELECTION NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is _____.

(b) The aggregate amount of the proposed Continued Advance is $_____, which is comprised of:

i. principal amount (or portion thereof) of Advance which is to be continued $_____; and
ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date $_____;

(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): $ _____

(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _____. [Insert date not earlier than 5 days and not later than 95 days after the current Repayment Date for the Advance.]

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: $_____
The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Name:

Authorized Signatory

SCHEDULE 3 – FORM OF GRID NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $2,000,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR (the "**IESO**"), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY** ("**OFA**") at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement (as defined below).

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the Revolving Credit Facility Agreement dated **[INSERT DATE]** as amended, supplemented or restated from time to time, between the Borrower and the OFA (the "Agreement"). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:
Authorized Signatory

Revolving Credit Facility Grid Note

Ontario Financing Authority
Line of Credit Grid Note

Entity : Independent Electricity System Operator
Loan Limit:

Project:
Schedule of loan transactions to:
Loan Advanced to:

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days

From:	William Tan
To:	Faran Ali
Cc:	Sarah Harris; Siva Nathan; San Rajaratnam
Subject:	RE: IESO OFA FHP and Existing Credit Facility key provisions and Expected Advancements - Agreements
Date:	Wednesday, January 03, 2018 3:13:51 PM
Attachments:	FHP Credit Agreement OFA IESO - Nov 6, 2017 - OFA Signed.pdf FHP Credit Agreement OFA IESO - Nov 6, 2017 - IESO Signed.pdf

Hello Faran,
The FHP agreement was executed in counterparts.
Thanks,
Will

From: Faran Ali
Sent: Wednesday, January 03, 2018 3:02 PM
To: William Tan
Cc: Sarah Harris ; Siva Nathan ; San Rajaratnam
Subject: RE: IESO OFA FHP and Existing Credit Facility key provisions and Expected Advancements - Agreements
Hi Will
Thank you for sending the agreements.
Regards
Faran

From: William Tan
Sent: Wednesday, January 03, 2018 3:00 PM
To: Faran Ali <Faran.Ali@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>; San Rajaratnam <San.Rajaratnam@ofina.on.ca>
Subject: FW: IESO OFA FHP and Existing Credit Facility key provisions and Expected Advancements - Agreements
Hello Faran,
Agreement for the Existing Credit Facility along with ten amendments.
Amending agreements 5 through 10
2 of 2 emails.
Thanks,
Will

From: Faran Ali
Sent: Wednesday, January 03, 2018 1:46 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>; San Rajaratnam <San.Rajaratnam@ofina.on.ca>
Subject: RE: IESO OFA FHP and Existing Credit Facility key provisions and Expected Advancements - Agreements
Hi William
As discussed, kindly provide both the FHP Credit Facility Agreement and the updated Agreement for the Existing Credit Facility, including any amendments.
Thanks
Faran

From: William Tan
Sent: Wednesday, January 03, 2018 1:42 PM
To: Faran Ali <Faran.Ali@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>; San Rajaratnam <San.Rajaratnam@ofina.on.ca>
Subject: RE: IESO OFA FHP and Existing Credit Facility key provisions and Expected Advancements - Agreements

Hello Faran,

Just to clarify, do you require both the FHP Credit Facility Agreement or the Agreement for the Existing Credit Facility?

Thanks,

Will

From: Faran Ali
Sent: Wednesday, January 03, 2018 11:19 AM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>; San Rajaratnam <San.Rajaratnam@ofina.on.ca>
Subject: FW: IESO OFA FHP and Existing Credit Facility key provisions and Expected Advancements - Agreements

Hi William

We are in process of providing audit confirmation to IESO auditors. In this regard, can you please send me the loan agreement for IESO for the under mentioned new provisions.

For the purpose of OFA year-end audit (April 1, 2017 to March 31, 2018) we provide loan agreements/borrowing notices to OFA auditors, so if you or any other member of your group happens to have any other agreements/borrowing notices, kindly email it to us, or let me know who should I be contacting to receive loan agreements, for this period.

Thank you

Faran Ali

Financial Reporting Leader

From: Siva Nathan
Sent: Wednesday, November 15, 2017 7:22 PM
To: Robert Bozinoski <Robert.Bozinoski@ofina.on.ca>; San Rajaratnam <San.Rajaratnam@ofina.on.ca>; Faran Ali <Faran.Ali@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: Fw: IESO OFA FHP and Existing Credit Facility key provisions and Expected Advancements

FYI

From: William Tan
Sent: 15 November 2017 16:46
To: Siva Nathan; John Psinas; Alfonso Soriano; Jensen Chong; Risa Thau; Nurudin Kaba; Carlos Yep; George Sakura
Cc: Opal Kandelas; Sarah Harris; Ken Kandeepan; James Devine; Mike Manning
Subject: IESO OFA FHP and Existing Credit Facility key provisions and Expected Advancements

Dear all,

We have executed the following credit facilities:

1) $2B OFA-IESO Credit Facility in relation to the Ontario Fair Hydro Plan (FHP).

The FHP Credit Facility has the following key provisions:

- Revolving Credit Facility with a maximum limit at any time of C$2 billion;
- Term: 5 year term which expires September 30, 2022, with last draw possible on September 22, 2022;
- Draws: to be based on minimum of 5 days to a maximum of 95 days;
- IESO may roll-over some or all of the principal and interest;
- Notice Period: For an advance or a rollover, IESO is required to provide two business day prior notice given not later than 10:00 a.m.;
- Business day convention: Following;
- Use of Proceeds: Proceeds of Advances may be used only for IESO's financing needs and requirements of any kind arising in connection with the IESO's role with respect to and obligations under the FHP;
- Interest Rate on Advances: Annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum.

2) **Amending Agreement to reduce limit on Existing IESO-OFA $975M Revolving Credit Facility to $475M (with an Effective Date of November 21, end of day).**

Once effective, the existing Credit Facility will have the following key provisions:

- Revolving Credit Facility with a maximum limit at any time of $475M;
- Term: Agreement expires December 31, 2019, with last draw possible on November 29, 2019;
- Draws: to be based on minimum of 28 days to a maximum of 95 days;
- IESO may roll-over some or all of the principal and interest;
- Notice Period: For an advance or a rollover, IESO is required to provide two business day prior notice given not later than 10:00 a.m.;
- Business day convention: Following;
- Use of Proceeds: IESO shall use the proceeds of Advances for liquidity purposes;
- Interest Rate on Advances: Annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum.

NEXT DRAW FROM IESO

In relation to the next IESO draw on November 21st, the following transactions will occur:

November 17, 2017 -Three Notices to be received from IESO:

1) **Existing IESO-OFA $975M Revolving Credit Facility for "RRRP Program"**: IESO will send Election Notice instructions to rollover $10,649,081.37 + estimated new advance $2 million (IESO will pay accrued interest of $11,670.23 for Oct 20 to Nov 21 period to OFA).
2) **Existing IESO-OFA $975M Revolving Credit Facility for RPP Program:** IESO to send Election Notice to NOT rollover $825,639,102.00 (IESO will pay accrued interest of $904,809.97 for Oct 20 to Nov 21 period to OFA).
3) **$2B OFA-IESO FHP Credit Facility:** IESO to send a new borrowing notice for a first advance in an amount of approximately $1.05B.

NOTE: In the Borrowing Notice for the $2B OFA-IESO FHP Credit Facility, IESO will specify that instead of repaying (by funds transfer) the maturing $825,639,102.00 under the existing IESO-OFA Revolving $975M Credit Facility, it will instead use the $825,639,102.00 to fund a portion of the 'new' $1.05B advance under the $2B OFA-IESO FHP Credit Facility. As a result, for the Advance under $2B OFA-IESO FHP Credit Facility, the OFA will only transferring net amount of approximately $225 million (that is the difference between $1.05B and $825,639,102.00).

November 21, 2017 – The following transfers are to occur:

1) OFA to transfer to IESO total funds of approximately $227 million for the following:
(i) Existing IESO-OFA $975M Revolving Credit Facility for RRRP Program: amount of new advance proceeds of approximately $2 million;
(ii) $2B OFA-IESO FHP Credit Facility: amount of new advance of approximately $225 million.
2) IESO to transfer to OFA total funds for the following
(i) **Existing IESO-OFA $975M Revolving Credit Facility for RRRP Program**: accrued interest totalling $916,480.20 for (being $11,607.23 for RRRP and $904,809.97 for RPP).

November 21, 2017 - Anticipated end of day balances:

1) **Existing IESO-OFA $475M Revolving Credit Facility for RPP Program**: $12,649,081.37 advanced under the existing credit facility (with a new facility limit of $475M effective end of day);
2) **$2B OFA-IESO FHP Credit Facility**: Approximately $1.05 billion advanced under the FHP Credit Facility.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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INDEPENDENT ELECTRICITY SYSTEM OPERATOR

as Borrower

and

ONTARIO FINANCING AUTHORITY

as Lender

REVOLVING CREDIT FACILITY AGREEMENT

Date: November 6, 2017

REVOLVING CREDIT FACILITY AGREEMENT

THIS AGREEMENT is made as of the 6 day of November 2017,

BETWEEN:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, a statutory corporation without share capital existing under Part II of the *Electricity Act, 1998* (the "**IESO**")
(as Borrower)

AND

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* (the "**OFA**" and together with the IESO, the "**Parties**")
(as Lender)

RECITALS:

WHEREAS the IESO has requested a revolving credit facility for up to a maximum principal amount of $2 billion from the OFA for the purpose of supporting the IESO's role in the implementation and administration of the *Ontario Fair Hydro Plan Act, 2017*.

THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the Parties agree as follows:

ARTICLE 1

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"**Advances**" means advances made by the OFA to the IESO under Article 3 and "Advance" means any one of such advances, and in the case of an election by the IESO under Section 3.3, includes a "Continued Advance", as defined in Section 3.3(1), as applicable.

"Advances Outstanding" means, at any time, an amount equal to the aggregate principal amount of all Advances outstanding at such time.

"Agreement", "herein", "hereby", "hereor', "hereunder" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression "Article" or "Section" followed by a number means the specified Article or Section of this Agreement.

"Borrowing Notice" has the meaning specified in Section 3.2(1).

"Business Day" means any day that is not a day on which banks are generally authorized or required by law or executive order to be closed in the City of Toronto.

"Clean Energy Adjustment" has the same meaning as that term is defined in the OFHP.

"Commitment" means, at any time, an amount equal to $2 billion.

"Consolidated Assets" means, at any time, the book value of the assets of the IESO and the Subsidiaries, determined as of such time on a consolidated basis in accordance with GAAP.

"Continued Advance" has the meaning specified in Section 3.3(1).

"Credit Facility" means the revolving credit facility to be made available to the IESO by the OFA under this Agreement for the purposes specified in Section 2.2.

"Current Repayment Date" has the meaning specified in Section 3.3(2).

"Default" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"Dollars" or **"$"** means lawful currency of Canada.

"Election Notice" has the meaning specified in Section 3.3(2).

"Event of Default" has the meaning specified in Section 5.1.

"First Advance" has the meaning specified in Section 3.2(3).

"GAAP" means accounting policies and standards as established by the Chartered Professional Accountants of Canada, at the relevant time and applied on a consistent basis.

"Grid Note" has the meaning specified in Section 3.2(2).

"Indebtedness" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) every obligation of such Person for borrowed money;

(b) every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments;

(c) every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) every capital lease obligation of such Person;

(f) the Swap Termination Value of each Swap Contract of such Person; and

(g) every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"Lien" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"Material Subsidiary" means, at any time, a Subsidiary which has consolidated assets with a book value of more than $25 million determined in accordance with GAAP.

"**New Repayment Date**" has the meaning specified in Section 3.3(2).

"**OFHP**" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

"Permitted Liens" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) any obligations or duties, affecting the property of the IESO to any municipality or governmental, statutory or public authority, with respect to any franchise, grant, license

or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by the IESO or such Material Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by the IESO or such Material Subsidiary;

(d) any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) the right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) any undetermined or inchoate Liens and charges incidental to the current operations of the IESO or a Material Subsidiary that have not at the time been filed against the IESO or such Material Subsidiary; provided, however, that if any such Lien or charge shall have been filed, the IESO or such Material Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) any Lien the validity of which is being contested at the time by the IESO or a Material Subsidiary in good faith and the enforcement of which has been stayed;

(h) any easements, rights-of-way and servitudes that in the opinion of the IESO will not in the aggregate materially and adversely impair the use or value of the land for the purpose for which it is held or occupied by the IESO or a Material Subsidiary;

(i) any Liens and privileges arising out of judgments or awards with respect to which the IESO or a Material Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall have secured a stay of execution pending such appeal or proceedings for review;

(j) any other Liens of a nature similar to the foregoing which do not in the opinion of the IESO, acting reasonably, materially impair the use of the property subject thereto or the operation of the business of the IESO or any Material Subsidiary or the value of such property for the purpose of any such business; and

(k) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other

lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

"Person" means any individual, corporation, partnership joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"Purchase Money Mortgage" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or part of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"Repayment Date" means, in respect of the repayment of Advances, the repayment date contained in the most recent Borrowing Notice or Election Notice.

"Stated Maturity" when used with respect to any Indebtedness or any installment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such installment of interest is due and payable.

"Subsidiary" means:

(a) a corporation more than 50% of the voting power or the outstanding Voting Shares of which is owned, directly or indirectly, by the IESO or by one or more other Subsidiaries or by the IESO and one or more other Subsidiaries; or

(b) any Person (other than a corporation) in which the IESO, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

"Swap Contract" means any agreement whether or not in writing, relating to any transaction or derivative transaction including a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction currency swap, cross-currency rate swap, swaption, currency option or other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.

"Swap Termination Value" means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap contracts:

(a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and

(b) for any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.

"Voting Shares" of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings.

The division of this Agreement into Articles and Sections and the insertion of headings are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and vice versa and words importing gender may include any gender. In this Agreement, (a) the words "including" and "includes" mean "including (or includes) without limitation", and (b) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" each mean "to but excluding".

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with GAAP.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the next succeeding Business Day.

ARTICLE 2
REVOLVING CREDIT FACILITY

Section 2.1 Availability.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO. The OFA shall make each Advance in Dollars.

Section 2.2 Use of Proceeds.

The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the *Electricity Act, 1998*, as such regulation may be amended or replaced from time to time, subject to the condition that proceeds of Advances may be used only for IESO's financing needs and requirements of any kind arising in connection with the IESO's role with respect to and obligations under the OFHP.

Section 2.3 Credit Facility Limit.

The Advances Outstanding shall not at any time exceed the Commitment. The Credit Facility shall revolve and no payment under the Credit Facility shall reduce the Commitment.

Section 2.4 Mandatory Repayment.

Subject to Sections 2.5 and 5.2, the IESO shall repay each Advance together with the interest accrued thereon on the applicable Repayment Date, and, in any event, shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder on September 30, 2022.

Section 2.5 Prepayments.

The IESO is not entitled to prepay any part of the Advances Outstanding or the interest accrued thereon without the prior written consent of the OFA.

Section 2.6 Payments under this Agreement.

(1) The OFA shall make Advances to the IESO under this Agreement to or to the order of the IESO by wire transfer of immediately available funds in accordance with wire transfer instructions given by the IESO to the OFA from time to time, or in such other manner as the IESO may specify to the OFA from time to time.

(2) The IESO shall make any payment required hereunder to be made by it to the OFA, to or to the order of the OFA, by wire transfer of immediately available funds in accordance with wire transfer instruction given by the OFA to the IESO from time to time, or in such other manner as the OFA may specify to the IESO from time to time. The IESO shall make each such payment in Canadian Dollars.

Section 2.7 Computations of Interest.

(1) All computations of interest shall be made by the OFA taking into account the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest is payable on the basis of a year of 365 days or 366 days, as the case may be.

(2) For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Agreement for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

Section 2.8 Limit on Rate of Interest.

(1) Notwithstanding any provision contained in this Agreement, the IESO shall not be obliged to make any payments of interest or other amounts payable to the OFA hereunder in excess of the amount or rate which would be prohibited by applicable law or would result in the receipt by the OFA of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada)).

(2) In the event that any such payments are limited or prohibited as provided in Section 2.8(1), the OFA shall have no further obligation to make any Advances available hereunder and the Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, shall become immediately due and payable.

Section 2.9 Application of Payments.

All payments made by the IESO under this Agreement shall be applied firstly to the payment of interest payable to the OFA on late payments of principal or interest hereunder, secondly, to the payment of accrued and unpaid interest payable to the OFA hereunder and thirdly, to the payment of the outstanding principal amount of any Advances payable to the OFA.

ARTICLE 3
ADVANCES

Section 3.1 Advances.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO under the Credit Facility from time to time on any Business Day prior to September 23, 2022.

Section 3.2 Procedure for Advances.

(1) Subject to Section 3.3(5), each Advance shall be made subject to two Business Days' prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each notice of an Advance (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1, other than a Borrowing Notice that is included in an Election Notice as permitted by Section 3.3(3). Each Borrowing Notice shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance; (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall not be earlier than 5 days and not later than 95 days after the date of the requested Advance. Each Borrowing Notice shall also certify the use of proceeds of the Advance which shall in any case be in accordance with Section 2.2. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, the IESO shall execute and deliver to the OFA a grid promissory note in respect of Advances substantially in the form of Schedule 3 (the "**Grid Note**"). The IESO authorizes the OFA to record on the Grid Note (a) the date and amount of each Advance or Continued Advance; (b) the applicable rate of interest for each Advance or Continued Advance; (c) the Repayment Date of each Advance or Continued Advance; (d) the date and amount of each payment of interest and each payment of principal or portion thereof in respect of each Advance or Continued Advance; and (e) Advances Outstanding. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such Advances and repayments; provided that the failure of the OFA to record any amount, rate or date shall not affect the obligation of the IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement.

(3) Respecting the first Advance to be made under this Agreement (the "**First Advance**"), a specified portion thereof (the "**Repayment Amount**") shall be used to repay a portion of the IESO's outstanding indebtedness to the OFA under the credit agreement between the Parties dated January 1, 2005, as amended (the "**Existing Credit Facility**"). The amount of the Repayment Amount shall be detailed in the Borrowing Notice issued in respect of the First Advance. Concurrently with the First Advance, OFA shall provide to IESO an updated grid in respect of the grid note issued under the Existing Credit Facility evidencing the repayment of the Repayment Amount thereunder.

Section 3.3 Elections Regarding Advances.

(1) The IESO may elect to continue all or a portion of the principal amount of any Advance and any amount of interest on such Advance (together, the "**Continued Advance**") for a further period of at least 5 days and up to a maximum of 95 days beginning on the then current Repayment Date in accordance with Section 3.3(2).

(2) Each notice to continue an Advance for a further period (an "**Election Notice**") shall be provided by the IESO to the OFA at least two Business Days prior to the Repayment Date of the Advance (the "**Current Repayment Date**"), and in each case, not later than

10:00 a.m. (Toronto time). Each such Election Notice shall be given substantially in the form of Schedule 2 and shall be irrevocable and binding upon the IESO and shall specify: (a) the Current Repayment Date; (b) the new aggregate total amount of the proposed Continued Advance; (c) the amount of interest or principal, if any, to be paid or re-paid by the IESO with respect to such Advance on the Current Repayment Date; and (d) the new Repayment Date of the proposed Continued Advance, which shall be no earlier than 5 days and not later than 95 days after the current Repayment Date (the "**New Repayment Date**"). If the IESO fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date.

(3) An Election Notice with respect to a proposed Continued Advance may include a Borrowing Notice for a further Advance proposed to be made on the Current Repayment Date. The Repayment Date of such further Advance shall be the New Repayment Date of the Continued Advance that is specified in the Election Notice. Such Borrowing Notice shall be given substantially in the form of Schedule 2.

(4) The calculation of interest on a Continued Advance shall be determined in the same manner as an Advance under Section 3.4 and shall be recorded on the Grid Note in accordance with Section 3.2(2).

(5) Any portion of an Advance not continued for a further period in accordance with Section 3.3(2) shall be repayable on the applicable Repayment Date.

(6) The Credit Facility shall at all times rank *pari passu* with all other unsubordinated and unsecured Indebtedness of the IESO, subject to the existence of any Liens that secure Indebtedness, as permitted by subections 4.6 (a) through (e) hereof.

(7) All amounts owing in respect of the Advances shall be paid without exercising any right of set off or counterclaim by the IESO.

Section 3.4 Interest on Advances.

(1) The IESO shall pay interest on the unpaid principal amount of each Advance in accordance with this Section 3.4 from and including the date of such Advance until the principal amount of such Advance is repaid in full.

(2) Interest shall accrue on the principal amount of each Advance from and including the date of the Advance to but excluding the Repayment Date of such Advance, at an annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum, before as well as after the date such principal amount or interest thereon becomes due hereunder and both before and after Default and shall be payable on the Repayment Date for such Advance. Any amount of interest arising hereunder which is not paid when due shall bear interest at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment. The amount of interest payable on an Advance will be calculated by the

OFA by dividing the interest rate applicable to the Advance by 365 or 366, as the case may be, and multiplying the result by the principal amount of the Advance and further multiplying the result by the number of days in the period from the date of the Advance to the Repayment Date of the Advance.

(3) If the IESO elects to continue an Advance in accordance with Section 3.3(2), the OFA shall determine the interest rate applicable after the original Repayment Date of the Advance and endorse the said rate on the grid forming part of the Grid Note in respect of Advances held by it.

Section 3.5 Conditions Precedent

The obligation of the OFA to make the Advances to the IESO pursuant to Section 2.1 is subject to the following conditions being satisfied to the OFA's satisfaction at the time of making each Advance:

(a) that the representations and warranties of the IESO contained in this Agreement are true and correct as at the date of making the Advance;

(b) that no Event of Default has occurred and is continuing;

(c) that there shall, in the reasonable opinion of the OFA, have been no material adverse change in the financial condition of the IESO or a Material Subsidiary; and

(d) that the OFA has received such other documentation which it has reasonably requested to ensure that the IESO is in compliance with the terms and conditions of this Agreement, including certified true copies of any necessary resolutions, a written legal opinion from counsel to the IESO confirming that the borrowing is within the legal powers of the IESO and that the Agreement is a direct, unsecured obligation of the IESO enforceable against the IESO in form satisfactory to the OFA.

ARTICLE 4
COVENANTS OF THE IESO

Section 4.1 Repayment of Advances.

The IESO will duly and punctually pay all amounts owing under this Agreement in accordance with the terms and subject to the conditions of this Agreement.

Section 4.2 IESO will Maintain its Corporate Existence.

The IESO will at all times maintain its corporate existence.

Section 4.3 Maintenance of Properties.

The IESO will cause all property owned by the IESO or any Material Subsidiary to be maintained and kept in good condition, repair and working order, all as in the judgment of the IESO or any Material Subsidiary may be necessary for the proper operation of such property, except as and to the extent that the IESO or any Material Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 4.3 shall prevent the IESO or any Material Subsidiary from discontinuing the maintenance of any such property or decommissioning any such property if such discontinuance or decommissioning is, in the judgment of the IESO or any such Material Subsidiary, desirable in the conduct of its business or the business of any such Material Subsidiary, or has been directly or indirectly requested or required by the Province of Ontario.

Section 4.4 Insurance.

The IESO will cause all property owned by the IESO or any Material Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the mature and to the extent that such property is usually insured by companies operating similar businesses.

Section 4.5 Conduct of Business.

The IESO will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in accordance with good business practice.

Section 4.6 Negative Pledge.

The IESO will not, and will not permit any Material Subsidiary to, create, incur or assume any Lien, charging the interest of the IESO or any Material Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, all amounts owing under this Agreement are secured equally and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) the creation, incurrence or assumption of any Purchase Money Mortgage;

(b) the grant of any Lien in the normal course of business to any banks or financial institutions for present or future Indebtedness of the IESO or any Material Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) any extension, renewal or replacement of any of the Liens referred to in Sections 4.6(a), (b) or (c), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased; and

(e) any Lien charging the interest of the IESO or any Material Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 4.6(a), (b) or (c), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 4.6(e) which is outstanding at such time does not exceed 10% of Consolidated Assets at such time.

Section 4.7 Payment of OFA Expenses

In addition to any liability of the IESO to the OFA under any other provision of this Agreement, the IESO will, on demand, reimburse and indemnify OFA for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OFA in connection with the Agreement (including those services incurred in the preservation of rights under or enforcement of this Agreement at any time during the continuance of a Default or Event of Default and for any reasonable loss or expense incurred by OFA as a result of any failure by the IESO to fulfill any of its obligations under this Agreement). All such costs, charges and expenses shall bear interest at the Province of Ontario's cost of funds plus 0.25 percent per annum (as determined by the OFA) calculated and payable monthly not in advance from in each case from the date on which the OFA incurs the cost, charge or expense until the date on which the IESO reimbursement the OFA therefor. The OFA agrees, acting reasonably, to invoice the IESO for any such costs, charges and expense as they are incurred, together with interest at the aforesaid rate (with interest on overdue interest).

Section 4.8 Reporting.

The IESO will promptly provide to the OFA any reports or supporting documents that the OFA may request from time to time.

Section 4.9 Late Repayment of Advance.

In the event that the IESO fails to repay the principal amount of any Advance and all interest accrued thereon when due, the IESO shall pay interest on the unpaid amount of such Advance at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment.

ARTICLE 5
EVENTS OF DEFAULT AND REMEDIES

Section 5.1 Event of Default.

Wherever used in this Agreement, the term "Event of Default" means any of the following:

(a) the IESO's failure to pay any interest upon any Advance when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) failure to pay the principal amount of any Advance on the applicable Repayment Date or the Advances Outstanding, all interest accrued thereon and all other amounts owing under this Agreement on September 30, 2022;

(c) failure on the part of the IESO to observe or perform its obligations set forth in Section 4.1;

(d) failure on the part of the IESO to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 20 days after the date on which written notice of such failure shall have been given to the IESO by the OFA;

(e) any representation or warranty made by the IESO in this Agreement or in any certificate or other document at any time delivered hereunder to the OFA was incorrect or misleading in any material respect;

(f) one or more breaches by the IESO of its covenants under one or more evidences of Indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $5 million, which breaches:

(i) constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist, or

(ii) have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived or rescinded);

(g) the IESO or any Material Subsidiary:

(i) becomes unable to meet its obligations as they generally become due or has ceased paying its current obligations in the ordinary course of business as they generally become due;

(ii) admits in writing its inability to pay its debts generally or makes a general assignment for the benefit its creditors or files a proposal or other scheme

of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) institutes or has instituted against it any proceeding seeking:

(A) to adjudicate it as bankrupt or insolvent,

(B) liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors, or

(C) the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets,

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismissed or unstayed for a period of 30 days, or any remedy sought in any such proceeding (including the entry of order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

(iv) takes any corporate action to authorize any of the actions in Sections 5.1 (g)(i) to (iii); or

(h) if there shall be rendered against the IESO or any Material Subsidiary a final judgment or judgments for the payment of money in an aggregate amount in excess of $5 million by a court or courts of competent jurisdiction, and the IESO or any Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 5.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case the OFA may at its option, in addition to any other remedy available to the OFA at law, by written notice to the IESO, take any or all of the following actions:

(a) suspend the right of the IESO to request any further Advance until the Event of Default has been cured to the OFA's satisfaction or, if the Event of Default is not

cured within three (3) Business Days after the date on which written notice of such Event of Default shall have been given to the IESO by the OFA, declare all amounts owing hereunder including all interest accrued to be due and payable immediately, by a notice in writing to the IESO, and upon any such declaration all such amounts shall become immediately due and payable.

(b) invoke the Intercept pursuant to section 5.7 of this Agreement to require payment of any amount due and payable under this Agreement.

Section 5.3 Suits for Enforcement by the OFA.

If an Event of Default occurs and is continuing, the OFA may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in the OFA by this Agreement or by law.

Section 5.4 OFA May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of the IESO under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property of the IESO, or if any other judicial proceedings relative to the IESO, its creditors or its property are pending, the OFA shall be entitled and empowered, by intention in such proceeding or otherwise:

(a) to file and prove a claim for all amounts owing under this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of the OFA (including any claim for fees and disbursements of the OFA, its agents and counsel) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claim.

Section 5.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to the OFA is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.6 Delay or Omission not Waiver.

No delay or omission of the OFA to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right or remedy given by this Article 5 or by law to OFA may be exercised from time to time, and as often as may be deemed expedient, by the OFA.

Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of even date herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the *Capital Investment Plan Act, 1993* (the "**Intercept Letter**"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("**Appropriated Funds**"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("**Intercept**").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

(e) The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or

inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail.

ARTICLE 6
REPRESENTATIONS AND WARRANTIES OF IESO

Section 6.1 Representations and Warranties of IESO

The IESO represents and warrants to the OFA that:

(a) the borrowing of money (including principal and accrued interest) by the IESO and the execution, delivery and performance of this Agreement are within the powers and capacities of the IESO and have been duly authorized by all necessary legal action and proper proceedings;

(b) the execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the compliance with the terms and conditions of this Agreement will not conflict with or result in a breach of any of the terms or provisions of the constituting documents or by-laws of the IESO, laws of Ontario, including laws of Canada applicable therein, applicable to the IESO or any contractual or other obligation binding on the IESO;

(c) this Agreement will, when executed and delivered, constitute the legal, valid and binding obligation of the IESO enforceable against it in accordance with its terms; and

(d) the monies advanced under this Agreement shall be used only by the IESO for the purposes set out in Section 2.2.

Section 6.2 Continuation of Representation and Warranties

The representations and warranties set out in Section 6.1 herein shall survive the execution and delivery of this Agreement, the making of each Advance by the OFA, notwithstanding any investigations or examinations which may be made by counsel for the OFA.

ARTICLE 7
GENERAL

Section 7.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy or other means of electronic communication addressed:

If to the IESO, to it at:

Independent Electricity System Operator
120 Adelaide Street West, Suite 1600
Toronto, ON M5H 1T1

Attention: Chief Financial Officer
Telephone: (416)969-6232
Facsimile: (905)403-6913

If to the OFA, to it at:

Ontario Financing Authority 1 Dundas Street West
Suite 1400 Toronto, Ontario M7A 1Y7

Attention: Executive Director & Chief Investment Officer – Capital Markets Division
Telephone: (416)325-8930
Facsimile: (416)860-8346

provided that any Borrowing Notice or Election Notice shall be addressed as indicated on Schedule 1 or Schedule 2 respectively.

Any communication hereunder shall be deemed to have been validly and effectively given if (a) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p.m. (Toronto time), otherwise on the next Business Day, (b) transmitted by facsimile or other means of electronic communication, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice give in accordance with this Section 7.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 7.1.

Section 7.2 Successors and Assigns.

This Agreement shall be binding on and enure to the benefit of the OFA and the IESO and their respective successors and permitted assigns, except that the IESO shall not, without the

prior written consent of the OFA assign, pledge or hypothecate any rights or obligations with respect to this Agreement.

Section 7.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of the Parties.

Section 7.4 Waiver.

(1) No waiver of any provisions of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) of this Agreement nor shall such waiver be binding unless executed in writing by the party to be bound by the waiver.

(2) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude another or further exercise of such right or the exercise of any other right.

Section 7.5 Further Assurances.

Each of the IESO and the OFA shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement

Section 7.6 Severability.

In case any provision in this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement shall not in any way be affected or impaired thereby.

Section 7.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 7.8 Entire Agreement.

This Agreement, including the schedules hereto and any other agreements expressly referred to herein, constitutes the whole agreement between the Parties with respect to the matters dealt with in it, and it supersedes any prior agreement, undertakings, discussions and the like respecting the matters dealt with in this Agreement and entered into by the Parties before the date the OFA signs this Agreement.

Section 7.9 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Agreement.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first written above.

ONTARIO FINANCING AUTHORITY

Per: _____

Name: Michael D. Manning
Title: Executive Director & Chief Investment Officer, Capital Markets Division

I have authority to bind the corporation.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; Treasurer

I have authority to bind the corporation.

SCHEDULE 1

FORM OF BORROWING NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The principal amount of the Proposed Advance is $_____;
(c) The Repayment Date of the Proposed Advance is _____. [Not earlier than 5 days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:

Authorized Signatory

SCHEDULE 2

FORM OF ELECTION NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is _____.

(b) The aggregate amount of the proposed Continued Advance is $_____, which is comprised of:
   i. principal amount (or portion thereof) of Advance which is to be continued $_____; and
   ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date $_____;

(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): $ _____

(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _____. [Insert date not earlier than 5 days and not later than 95 days after the current Repayment Date for the Advance.]

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: $_____
The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Name:

Authorized Signatory

SCHEDULE 3 – FORM OF GRID NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $2,000,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR (the "**IESO**"), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY** ("**OFA**") at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement (as defined below).

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the Revolving Credit Facility Agreement dated **[INSERT DATE]** as amended, supplemented or restated from time to time, between the Borrower and the OFA (the "Agreement"). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:
Authorized Signatory

Revolving Credit Facility Grid Note

Ontario Financing Authority
Line of Credit Grid Note

Entity : Independent Electricity System Operator
Loan Limit:

Project:
Schedule of loan transactions to:
Loan Advanced to:

New Loan and/or Rollover					Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

as Borrower

and

ONTARIO FINANCING AUTHORITY

as Lender

REVOLVING CREDIT FACILITY AGREEMENT

Date: November 6, 2017

REVOLVING CREDIT FACILITY AGREEMENT

THIS AGREEMENT is made as of the 6th day of November 2017,

BETWEEN:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, a statutory corporation without share capital existing under Part II of the *Electricity Act, 1998* (the "**IESO**")
(as Borrower)

AND

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* (the "**OFA**" and together with the IESO, the "**Parties**")
(as Lender)

RECITALS:

WHEREAS the IESO has requested a revolving credit facility for up to a maximum principal amount of $2 billion from the OFA for the purpose of supporting the IESO's role in the implementation and administration of the *Ontario Fair Hydro Plan Act, 2017*.

THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the Parties agree as follows:

ARTICLE 1

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"Advances" means advances made by the OFA to the IESO under Article 3 and "Advance" means any one of such advances, and in the case of an election by the IESO under Section 3.3, includes a "Continued Advance", as defined in Section 3.3(1), as applicable.

"Advances Outstanding" means, at any time, an amount equal to the aggregate principal amount of all Advances outstanding at such time.

"Agreement", "herein", "hereby", "hereor', "hereunder" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression "Article" or "Section" followed by a number means the specified Article or Section of this Agreement.

"Borrowing Notice" has the meaning specified in Section 3.2(1).

"Business Day" means any day that is not a day on which banks are generally authorized or required by law or executive order to be closed in the City of Toronto.

"Clean Energy Adjustment" has the same meaning as that term is defined in the OFHP.

"Commitment" means, at any time, an amount equal to $2 billion.

"Consolidated Assets" means, at any time, the book value of the assets of the IESO and the Subsidiaries, determined as of such time on a consolidated basis in accordance with GAAP.

"Continued Advance" has the meaning specified in Section 3.3(1).

"Credit Facility" means the revolving credit facility to be made available to the IESO by the OFA under this Agreement for the purposes specified in Section 2.2.

"Current Repayment Date" has the meaning specified in Section 3.3(2).

"Default" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"Dollars" or **"$"** means lawful currency of Canada.

"Election Notice" has the meaning specified in Section 3.3(2).

"Event of Default" has the meaning specified in Section 5.1.

"First Advance" has the meaning specified in Section 3.2(3).

"GAAP" means accounting policies and standards as established by the Chartered Professional Accountants of Canada, at the relevant time and applied on a consistent basis.

"Grid Note" has the meaning specified in Section 3.2(2).

"Indebtedness" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) every obligation of such Person for borrowed money;

(b) every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments;

(c) every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) every capital lease obligation of such Person;

(f) the Swap Termination Value of each Swap Contract of such Person; and

(g) every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"Lien" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"Material Subsidiary" means, at any time, a Subsidiary which has consolidated assets with a book value of more than $25 million determined in accordance with GAAP.

"**New Repayment Date**" has the meaning specified in Section 3.3(2).

"**OFHP**" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

"Permitted Liens" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) any obligations or duties, affecting the property of the IESO to any municipality or governmental, statutory or public authority, with respect to any franchise, grant, license

or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by the IESO or such Material Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by the IESO or such Material Subsidiary;

(d) any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) the right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) any undetermined or inchoate Liens and charges incidental to the current operations of the IESO or a Material Subsidiary that have not at the time been filed against the IESO or such Material Subsidiary; provided, however, that if any such Lien or charge shall have been filed, the IESO or such Material Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) any Lien the validity of which is being contested at the time by the IESO or a Material Subsidiary in good faith and the enforcement of which has been stayed;

(h) any easements, rights-of-way and servitudes that in the opinion of the IESO will not in the aggregate materially and adversely impair the use or value of the land for the purpose for which it is held or occupied by the IESO or a Material Subsidiary;

(i) any Liens and privileges arising out of judgments or awards with respect to which the IESO or a Material Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall have secured a stay of execution pending such appeal or proceedings for review;

(j) any other Liens of a nature similar to the foregoing which do not in the opinion of the IESO, acting reasonably, materially impair the use of the property subject thereto or the operation of the business of the IESO or any Material Subsidiary or the value of such property for the purpose of any such business; and

(k) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other

lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

"Person" means any individual, corporation, partnership joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"Purchase Money Mortgage" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or part of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"Repayment Date" means, in respect of the repayment of Advances, the repayment date contained in the most recent Borrowing Notice or Election Notice.

"Stated Maturity" when used with respect to any Indebtedness or any installment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such installment of interest is due and payable.

"Subsidiary" means:

(a) a corporation more than 50% of the voting power or the outstanding Voting Shares of which is owned, directly or indirectly, by the IESO or by one or more other Subsidiaries or by the IESO and one or more other Subsidiaries; or

(b) any Person (other than a corporation) in which the IESO, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

"Swap Contract" means any agreement whether or not in writing, relating to any transaction or derivative transaction including a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction currency swap, cross-currency rate swap, swaption, currency option or other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.

"Swap Termination Value" means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap contracts:

(a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and

(b) for any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.

"Voting Shares" of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings.

The division of this Agreement into Articles and Sections and the insertion of headings are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and vice versa and words importing gender may include any gender. In this Agreement, (a) the words "including" and "includes" mean "including (or includes) without limitation", and (b) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" each mean "to but excluding".

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with GAAP.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the next succeeding Business Day.

ARTICLE 2
REVOLVING CREDIT FACILITY

Section 2.1 Availability.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO. The OFA shall make each Advance in Dollars.

Section 2.2 Use of Proceeds.

The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the *Electricity Act, 1998*, as such regulation may be amended or replaced from time to time, subject to the condition that proceeds of Advances may be used only for IESO's financing needs and requirements of any kind arising in connection with the IESO's role with respect to and obligations under the OFHP.

Section 2.3 Credit Facility Limit.

The Advances Outstanding shall not at any time exceed the Commitment. The Credit Facility shall revolve and no payment under the Credit Facility shall reduce the Commitment.

Section 2.4 Mandatory Repayment.

Subject to Sections 2.5 and 5.2, the IESO shall repay each Advance together with the interest accrued thereon on the applicable Repayment Date, and, in any event, shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder on September 30, 2022.

Section 2.5 Prepayments.

The IESO is not entitled to prepay any part of the Advances Outstanding or the interest accrued thereon without the prior written consent of the OFA.

Section 2.6 Payments under this Agreement.

(1) The OFA shall make Advances to the IESO under this Agreement to or to the order of the IESO by wire transfer of immediately available funds in accordance with wire transfer instructions given by the IESO to the OFA from time to time, or in such other manner as the IESO may specify to the OFA from time to time.

(2) The IESO shall make any payment required hereunder to be made by it to the OFA, to or to the order of the OFA, by wire transfer of immediately available funds in accordance with wire transfer instruction given by the OFA to the IESO from time to time, or in such other manner as the OFA may specify to the IESO from time to time. The IESO shall make each such payment in Canadian Dollars.

Section 2.7 Computations of Interest.

(1) All computations of interest shall be made by the OFA taking into account the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest is payable on the basis of a year of 365 days or 366 days, as the case may be.

(2) For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Agreement for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

Section 2.8 Limit on Rate of Interest.

(1) Notwithstanding any provision contained in this Agreement, the IESO shall not be obliged to make any payments of interest or other amounts payable to the OFA hereunder in excess of the amount or rate which would be prohibited by applicable law or would result in the receipt by the OFA of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada)).

(2) In the event that any such payments are limited or prohibited as provided in Section 2.8(1), the OFA shall have no further obligation to make any Advances available hereunder and the Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, shall become immediately due and payable.

Section 2.9 Application of Payments.

All payments made by the IESO under this Agreement shall be applied firstly to the payment of interest payable to the OFA on late payments of principal or interest hereunder, secondly, to the payment of accrued and unpaid interest payable to the OFA hereunder and thirdly, to the payment of the outstanding principal amount of any Advances payable to the OFA.

ARTICLE 3
ADVANCES

Section 3.1 Advances.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO under the Credit Facility from time to time on any Business Day prior to September 23, 2022.

Section 3.2 Procedure for Advances.

(1) Subject to Section 3.3(5), each Advance shall be made subject to two Business Days' prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each notice of an Advance (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1, other than a Borrowing Notice that is included in an Election Notice as permitted by Section 3.3(3). Each Borrowing Notice shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance; (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall not be earlier than 5 days and not later than 95 days after the date of the requested Advance. Each Borrowing Notice shall also certify the use of proceeds of the Advance which shall in any case be in accordance with Section 2.2. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, the IESO shall execute and deliver to the OFA a grid promissory note in respect of Advances substantially in the form of Schedule 3 (the "**Grid Note**"). The IESO authorizes the OFA to record on the Grid Note (a) the date and amount of each Advance or Continued Advance; (b) the applicable rate of interest for each Advance or Continued Advance; (c) the Repayment Date of each Advance or Continued Advance; (d) the date and amount of each payment of interest and each payment of principal or portion thereof in respect of each Advance or Continued Advance; and (e) Advances Outstanding. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such Advances and repayments; provided that the failure of the OFA to record any amount, rate or date shall not affect the obligation of the IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement.

(3) Respecting the first Advance to be made under this Agreement (the "**First Advance**"), a specified portion thereof (the "**Repayment Amount**") shall be used to repay a portion of the IESO's outstanding indebtedness to the OFA under the credit agreement between the Parties dated January 1, 2005, as amended (the "**Existing Credit Facility**"). The amount of the Repayment Amount shall be detailed in the Borrowing Notice issued in respect of the First Advance. Concurrently with the First Advance, OFA shall provide to IESO an updated grid in respect of the grid note issued under the Existing Credit Facility evidencing the repayment of the Repayment Amount thereunder.

Section 3.3 Elections Regarding Advances.

(1) The IESO may elect to continue all or a portion of the principal amount of any Advance and any amount of interest on such Advance (together, the "**Continued Advance**") for a further period of at least 5 days and up to a maximum of 95 days beginning on the then current Repayment Date in accordance with Section 3.3(2).

(2) Each notice to continue an Advance for a further period (an "**Election Notice**") shall be provided by the IESO to the OFA at least two Business Days prior to the Repayment Date of the Advance (the "**Current Repayment Date**"), and in each case, not later than

10:00 a.m. (Toronto time). Each such Election Notice shall be given substantially in the form of Schedule 2 and shall be irrevocable and binding upon the IESO and shall specify: (a) the Current Repayment Date; (b) the new aggregate total amount of the proposed Continued Advance; (c) the amount of interest or principal, if any, to be paid or re-paid by the IESO with respect to such Advance on the Current Repayment Date; and (d) the new Repayment Date of the proposed Continued Advance, which shall be no earlier than 5 days and not later than 95 days after the current Repayment Date (the "**New Repayment Date**"). If the IESO fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date.

(3) An Election Notice with respect to a proposed Continued Advance may include a Borrowing Notice for a further Advance proposed to be made on the Current Repayment Date. The Repayment Date of such further Advance shall be the New Repayment Date of the Continued Advance that is specified in the Election Notice. Such Borrowing Notice shall be given substantially in the form of Schedule 2.

(4) The calculation of interest on a Continued Advance shall be determined in the same manner as an Advance under Section 3.4 and shall be recorded on the Grid Note in accordance with Section 3.2(2).

(5) Any portion of an Advance not continued for a further period in accordance with Section 3.3(2) shall be repayable on the applicable Repayment Date.

(6) The Credit Facility shall at all times rank *pari passu* with all other unsubordinated and unsecured Indebtedness of the IESO, subject to the existence of any Liens that secure Indebtedness, as permitted by subections 4.6 (a) through (e) hereof.

(7) All amounts owing in respect of the Advances shall be paid without exercising any right of set off or counterclaim by the IESO.

Section 3.4 Interest on Advances.

(1) The IESO shall pay interest on the unpaid principal amount of each Advance in accordance with this Section 3.4 from and including the date of such Advance until the principal amount of such Advance is repaid in full.

(2) Interest shall accrue on the principal amount of each Advance from and including the date of the Advance to but excluding the Repayment Date of such Advance, at an annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum, before as well as after the date such principal amount or interest thereon becomes due hereunder and both before and after Default and shall be payable on the Repayment Date for such Advance. Any amount of interest arising hereunder which is not paid when due shall bear interest at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment. The amount of interest payable on an Advance will be calculated by the

OFA by dividing the interest rate applicable to the Advance by 365 or 366, as the case may be, and multiplying the result by the principal amount of the Advance and further multiplying the result by the number of days in the period from the date of the Advance to the Repayment Date of the Advance.

(3) If the IESO elects to continue an Advance in accordance with Section 3.3(2), the OFA shall determine the interest rate applicable after the original Repayment Date of the Advance and endorse the said rate on the grid forming part of the Grid Note in respect of Advances held by it.

Section 3.5 Conditions Precedent

The obligation of the OFA to make the Advances to the IESO pursuant to Section 2.1 is subject to the following conditions being satisfied to the OFA's satisfaction at the time of making each Advance:

(a) that the representations and warranties of the IESO contained in this Agreement are true and correct as at the date of making the Advance;

(b) that no Event of Default has occurred and is continuing;

(c) that there shall, in the reasonable opinion of the OFA, have been no material adverse change in the financial condition of the IESO or a Material Subsidiary; and

(d) that the OFA has received such other documentation which it has reasonably requested to ensure that the IESO is in compliance with the terms and conditions of this Agreement, including certified true copies of any necessary resolutions, a written legal opinion from counsel to the IESO confirming that the borrowing is within the legal powers of the IESO and that the Agreement is a direct, unsecured obligation of the IESO enforceable against the IESO in form satisfactory to the OFA.

ARTICLE 4
COVENANTS OF THE IESO

Section 4.1 Repayment of Advances.

The IESO will duly and punctually pay all amounts owing under this Agreement in accordance with the terms and subject to the conditions of this Agreement.

Section 4.2 IESO will Maintain its Corporate Existence.

The IESO will at all times maintain its corporate existence.

Section 4.3 Maintenance of Properties.

The IESO will cause all property owned by the IESO or any Material Subsidiary to be maintained and kept in good condition, repair and working order, all as in the judgment of the IESO or any Material Subsidiary may be necessary for the proper operation of such property, except as and to the extent that the IESO or any Material Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 4.3 shall prevent the IESO or any Material Subsidiary from discontinuing the maintenance of any such property or decommissioning any such property if such discontinuance or decommissioning is, in the judgment of the IESO or any such Material Subsidiary, desirable in the conduct of its business or the business of any such Material Subsidiary, or has been directly or indirectly requested or required by the Province of Ontario.

Section 4.4 Insurance.

The IESO will cause all property owned by the IESO or any Material Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the mature and to the extent that such property is usually insured by companies operating similar businesses.

Section 4.5 Conduct of Business.

The IESO will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in accordance with good business practice.

Section 4.6 Negative Pledge.

The IESO will not, and will not permit any Material Subsidiary to, create, incur or assume any Lien, charging the interest of the IESO or any Material Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, all amounts owing under this Agreement are secured equally and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) the creation, incurrence or assumption of any Purchase Money Mortgage;

(b) the grant of any Lien in the normal course of business to any banks or financial institutions for present or future Indebtedness of the IESO or any Material Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) any extension, renewal or replacement of any of the Liens referred to in Sections 4.6(a), (b) or (c), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased; and

(e) any Lien charging the interest of the IESO or any Material Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 4.6(a), (b) or (c), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 4.6(e) which is outstanding at such time does not exceed 10% of Consolidated Assets at such time.

Section 4.7 Payment of OFA Expenses

In addition to any liability of the IESO to the OFA under any other provision of this Agreement, the IESO will, on demand, reimburse and indemnify OFA for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OFA in connection with the Agreement (including those services incurred in the preservation of rights under or enforcement of this Agreement at any time during the continuance of a Default or Event of Default and for any reasonable loss or expense incurred by OFA as a result of any failure by the IESO to fulfill any of its obligations under this Agreement). All such costs, charges and expenses shall bear interest at the Province of Ontario's cost of funds plus 0.25 percent per annum (as determined by the OFA) calculated and payable monthly not in advance from in each case from the date on which the OFA incurs the cost, charge or expense until the date on which the IESO reimbursement the OFA therefor. The OFA agrees, acting reasonably, to invoice the IESO for any such costs, charges and expense as they are incurred, together with interest at the aforesaid rate (with interest on overdue interest).

Section 4.8 Reporting.

The IESO will promptly provide to the OFA any reports or supporting documents that the OFA may request from time to time.

Section 4.9 Late Repayment of Advance.

In the event that the IESO fails to repay the principal amount of any Advance and all interest accrued thereon when due, the IESO shall pay interest on the unpaid amount of such Advance at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment.

ARTICLE 5
EVENTS OF DEFAULT AND REMEDIES

Section 5.1 Event of Default.

Wherever used in this Agreement, the term "Event of Default" means any of the following:

(a) the IESO's failure to pay any interest upon any Advance when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) failure to pay the principal amount of any Advance on the applicable Repayment Date or the Advances Outstanding, all interest accrued thereon and all other amounts owing under this Agreement on September 30, 2022;

(c) failure on the part of the IESO to observe or perform its obligations set forth in Section 4.1;

(d) failure on the part of the IESO to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 20 days after the date on which written notice of such failure shall have been given to the IESO by the OFA;

(e) any representation or warranty made by the IESO in this Agreement or in any certificate or other document at any time delivered hereunder to the OFA was incorrect or misleading in any material respect;

(f) one or more breaches by the IESO of its covenants under one or more evidences of Indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $5 million, which breaches:

(i) constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist, or

(ii) have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived or rescinded);

(g) the IESO or any Material Subsidiary:

(i) becomes unable to meet its obligations as they generally become due or has ceased paying its current obligations in the ordinary course of business as they generally become due;

(ii) admits in writing its inability to pay its debts generally or makes a general assignment for the benefit its creditors or files a proposal or other scheme

of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) institutes or has instituted against it any proceeding seeking:

(A) to adjudicate it as bankrupt or insolvent,

(B) liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors, or

(C) the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets,

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismissed or unstayed for a period of 30 days, or any remedy sought in any such proceeding (including the entry of order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

(iv) takes any corporate action to authorize any of the actions in Sections 5.1 (g)(i) to (iii); or

(h) if there shall be rendered against the IESO or any Material Subsidiary a final judgment or judgments for the payment of money in an aggregate amount in excess of $5 million by a court or courts of competent jurisdiction, and the IESO or any Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 5.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case the OFA may at its option, in addition to any other remedy available to the OFA at law, by written notice to the IESO, take any or all of the following actions:

(a) suspend the right of the IESO to request any further Advance until the Event of Default has been cured to the OFA's satisfaction or, if the Event of Default is not

cured within three (3) Business Days after the date on which written notice of such Event of Default shall have been given to the IESO by the OFA, declare all amounts owing hereunder including all interest accrued to be due and payable immediately, by a notice in writing to the IESO, and upon any such declaration all such amounts shall become immediately due and payable.

(b) invoke the Intercept pursuant to section 5.7 of this Agreement to require payment of any amount due and payable under this Agreement.

Section 5.3 Suits for Enforcement by the OFA.

If an Event of Default occurs and is continuing, the OFA may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in the OFA by this Agreement or by law.

Section 5.4 OFA May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of the IESO under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property of the IESO, or if any other judicial proceedings relative to the IESO, its creditors or its property are pending, the OFA shall be entitled and empowered, by intention in such proceeding or otherwise:

(a) to file and prove a claim for all amounts owing under this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of the OFA (including any claim for fees and disbursements of the OFA, its agents and counsel) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claim.

Section 5.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to the OFA is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.6 Delay or Omission not Waiver.

No delay or omission of the OFA to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right or remedy given by this Article 5 or by law to OFA may be exercised from time to time, and as often as may be deemed expedient, by the OFA.

Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of even date herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the *Capital Investment Plan Act, 1993* (the "**Intercept Letter**"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("**Appropriated Funds**"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("**Intercept**").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

(e) The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or

inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail.

ARTICLE 6
REPRESENTATIONS AND WARRANTIES OF IESO

Section 6.1 Representations and Warranties of IESO

The IESO represents and warrants to the OFA that:

(a) the borrowing of money (including principal and accrued interest) by the IESO and the execution, delivery and performance of this Agreement are within the powers and capacities of the IESO and have been duly authorized by all necessary legal action and proper proceedings;

(b) the execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the compliance with the terms and conditions of this Agreement will not conflict with or result in a breach of any of the terms or provisions of the constituting documents or by-laws of the IESO, laws of Ontario, including laws of Canada applicable therein, applicable to the IESO or any contractual or other obligation binding on the IESO;

(c) this Agreement will, when executed and delivered, constitute the legal, valid and binding obligation of the IESO enforceable against it in accordance with its terms; and

(d) the monies advanced under this Agreement shall be used only by the IESO for the purposes set out in Section 2.2.

Section 6.2 Continuation of Representation and Warranties

The representations and warranties set out in Section 6.1 herein shall survive the execution and delivery of this Agreement, the making of each Advance by the OFA, notwithstanding any investigations or examinations which may be made by counsel for the OFA.

ARTICLE 7
GENERAL

Section 7.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy or other means of electronic communication addressed:

If to the IESO, to it at:

Independent Electricity System Operator
120 Adelaide Street West, Suite 1600
Toronto, ON M5H 1T1

Attention: Chief Financial Officer
Telephone: (416)969-6232
Facsimile: (905)403-6913

If to the OFA, to it at:

Ontario Financing Authority 1 Dundas Street West
Suite 1400 Toronto, Ontario M7A 1Y7

Attention: Executive Director & Chief Investment Officer – Capital Markets Division
Telephone: (416)325-8930
Facsimile: (416)860-8346

provided that any Borrowing Notice or Election Notice shall be addressed as indicated on Schedule 1 or Schedule 2 respectively.

Any communication hereunder shall be deemed to have been validly and effectively given if (a) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p.m. (Toronto time), otherwise on the next Business Day, (b) transmitted by facsimile or other means of electronic communication, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice give in accordance with this Section 7.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 7.1.

Section 7.2 Successors and Assigns.

This Agreement shall be binding on and enure to the benefit of the OFA and the IESO and their respective successors and permitted assigns, except that the IESO shall not, without the

prior written consent of the OFA assign, pledge or hypothecate any rights or obligations with respect to this Agreement.

Section 7.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of the Parties.

Section 7.4 Waiver.

(1) No waiver of any provisions of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) of this Agreement nor shall such waiver be binding unless executed in writing by the party to be bound by the waiver.

(2) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude another or further exercise of such right or the exercise of any other right.

Section 7.5 Further Assurances.

Each of the IESO and the OFA shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement

Section 7.6 Severability.

In case any provision in this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement shall not in any way be affected or impaired thereby.

Section 7.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 7.8 Entire Agreement.

This Agreement, including the schedules hereto and any other agreements expressly referred to herein, constitutes the whole agreement between the Parties with respect to the matters dealt with in it, and it supersedes any prior agreement, undertakings, discussions and the like respecting the matters dealt with in this Agreement and entered into by the Parties before the date the OFA signs this Agreement.

Section 7.9 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Agreement.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first written above.

ONTARIO FINANCING AUTHORITY

Per: _____

Name:
Title:

I have authority to bind the corporation.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: K Marshall

Name: Kimberly Marshall
Title: Vice President, Corporate Services;
Chief Financial Officer; Treasurer

I have authority to bind the corporation.

SCHEDULE 1

FORM OF BORROWING NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The principal amount of the Proposed Advance is $_____;
(c) The Repayment Date of the Proposed Advance is _____. [Not earlier than 5 days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:

Authorized Signatory

SCHEDULE 2

FORM OF ELECTION NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is _____.

(b) The aggregate amount of the proposed Continued Advance is $_____, which is comprised of:

i. principal amount (or portion thereof) of Advance which is to be continued $_____; and
ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date $_____;

(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): $ _____

(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _____. [Insert date not earlier than 5 days and not later than 95 days after the current Repayment Date for the Advance.]

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: $_____
The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Name:

Authorized Signatory

SCHEDULE 3 – FORM OF GRID NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $2,000,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR (the "**IESO**"), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY** ("**OFA**") at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement (as defined below).

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the Revolving Credit Facility Agreement dated **[INSERT DATE]** as amended, supplemented or restated from time to time, between the Borrower and the OFA (the "Agreement"). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:
Authorized Signatory

Revolving Credit Facility Grid Note

Ontario Financing Authority
Line of Credit Grid Note

Entity : Independent Electricity System Operator
Loan Limit:

Project:
Schedule of loan transactions to:
Loan Advanced to:

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days

From:	Faran Ali
To:	William Tan
Cc:	Sarah Harris; Siva Nathan; San Rajaratnam
Subject:	RE: IESO OFA FHP and Existing Credit Facility key provisions and Expected Advancements - Agreements
Date:	Wednesday, January 03, 2018 3:02:14 PM

Hi Will
Thank you for sending the agreements.
Regards
Faran

From: William Tan
Sent: Wednesday, January 03, 2018 3:00 PM
To: Faran Ali
Cc: Sarah Harris ; Siva Nathan ; San Rajaratnam
Subject: FW: IESO OFA FHP and Existing Credit Facility key provisions and Expected Advancements - Agreements
Hello Faran,
Agreement for the Existing Credit Facility along with ten amendments.
Amending agreements 5 through 10
2 of 2 emails.
Thanks,
Will

From: Faran Ali
Sent: Wednesday, January 03, 2018 1:46 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>; San Rajaratnam <San.Rajaratnam@ofina.on.ca>
Subject: RE: IESO OFA FHP and Existing Credit Facility key provisions and Expected Advancements - Agreements
Hi William
As discussed, kindly provide both the FHP Credit Facility Agreement and the updated Agreement for the Existing Credit Facility, including any amendments.
Thanks
Faran

From: William Tan
Sent: Wednesday, January 03, 2018 1:42 PM
To: Faran Ali <Faran.Ali@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>; San Rajaratnam <San.Rajaratnam@ofina.on.ca>
Subject: RE: IESO OFA FHP and Existing Credit Facility key provisions and Expected Advancements - Agreements
Hello Faran,
Just to clarify, do you require both the FHP Credit Facility Agreement or the Agreement for the Existing Credit Facility?
Thanks,
Will

From: Faran Ali

Sent: Wednesday, January 03, 2018 11:19 AM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>; San Rajaratnam <San.Rajaratnam@ofina.on.ca>
Subject: FW: IESO OFA FHP and Existing Credit Facility key provisions and Expected Advancements - Agreements

Hi William

We are in process of providing audit confirmation to IESO auditors. In this regard, can you please send me the loan agreement for IESO for the under mentioned new provisions.

For the purpose of OFA year-end audit (April 1, 2017 to March 31, 2018) we provide loan agreements/borrowing notices to OFA auditors, so if you or any other member of your group happens to have any other agreements/borrowing notices, kindly email it to us, or let me know who should I be contacting to receive loan agreements, for this period.

Thank you

Faran Ali

Financial Reporting Leader

From: Siva Nathan
Sent: Wednesday, November 15, 2017 7:22 PM
To: Robert Bozinoski <Robert.Bozinoski@ofina.on.ca>; San Rajaratnam <San.Rajaratnam@ofina.on.ca>; Faran Ali <Faran.Ali@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: Fw: IESO OFA FHP and Existing Credit Facility key provisions and Expected Advancements

FYI

From: William Tan
Sent: 15 November 2017 16:46
To: Siva Nathan; John Psinas; Alfonso Soriano; Jensen Chong; Risa Thau; Nurudin Kaba; Carlos Yep; George Sakura
Cc: Opal Kandelas; Sarah Harris; Ken Kandeepan; James Devine; Mike Manning
Subject: IESO OFA FHP and Existing Credit Facility key provisions and Expected Advancements

Dear all,

We have executed the following credit facilities:

1) $2B OFA-IESO Credit Facility in relation to the Ontario Fair Hydro Plan (FHP).

The FHP Credit Facility has the following key provisions:

- Revolving Credit Facility with a maximum limit at any time of C$2 billion;
- Term: 5 year term which expires September 30, 2022, with last draw possible on September 22, 2022;
- Draws: to be based on minimum of 5 days to a maximum of 95 days;
- IESO may roll-over some or all of the principal and interest;
- Notice Period: For an advance or a rollover, IESO is required to provide two business day prior notice given not later than 10:00 a.m.;
- Business day convention: Following;
- Use of Proceeds: Proceeds of Advances may be used only for IESO's financing needs and requirements of any kind arising in connection with the IESO's role with respect to and obligations under the FHP;
- Interest Rate on Advances: Annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum.

2) **Amending Agreement to reduce limit on Existing IESO-OFA $975M Revolving Credit Facility to**

$475M (with an Effective Date of November 21, end of day).

Once effective, the existing Credit Facility will have the following key provisions:

- Revolving Credit Facility with a maximum limit at any time of $475M;
- Term: Agreement expires December 31, 2019, with last draw possible on November 29, 2019;
- Draws: to be based on minimum of 28 days to a maximum of 95 days;
- IESO may roll-over some or all of the principal and interest;
- Notice Period: For an advance or a rollover, IESO is required to provide two business day prior notice given not later than 10:00 a.m.;
- Business day convention: Following;
- Use of Proceeds: IESO shall use the proceeds of Advances for liquidity purposes;
- Interest Rate on Advances: Annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum.

NEXT DRAW FROM IESO

In relation to the next IESO draw on November 21st, the following transactions will occur:

November 17, 2017 -Three Notices to be received from IESO:

1) **Existing IESO-OFA $975M Revolving Credit Facility for "RRRP Program"**: IESO will send Election Notice instructions to rollover $10,649,081.37 + estimated new advance $2 million (IESO will pay accrued interest of $11,670.23 for Oct 20 to Nov 21 period to OFA).
2) **Existing IESO-OFA $975M Revolving Credit Facility for RPP Program:** IESO to send Election Notice to NOT rollover $825,639,102.00 (IESO will pay accrued interest of $904,809.97 for Oct 20 to Nov 21 period to OFA).
3) **$2B OFA-IESO FHP Credit Facility:** IESO to send a new borrowing notice for a first advance in an amount of approximately $1.05B.

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Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca
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From:	Faran Ali
To:	William Tan
Cc:	Sarah Harris; Siva Nathan; San Rajaratnam
Subject:	RE: IESO OFA FHP and Existing Credit Facility key provisions and Expected Advancements - Agreements
Date:	Wednesday, January 03, 2018 3:02:14 PM

Hi Will
Thank you for sending the agreements.
Regards
Faran

From: William Tan
Sent: Wednesday, January 03, 2018 3:00 PM
To: Faran Ali
Cc: Sarah Harris ; Siva Nathan ; San Rajaratnam
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Agreement for the Existing Credit Facility along with ten amendments.
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2 of 2 emails.
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Thank you

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Financial Reporting Leader

From: Siva Nathan
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To: Robert Bozinoski <Robert.Bozinoski@ofina.on.ca>; San Rajaratnam <San.Rajaratnam@ofina.on.ca>; Faran Ali <Faran.Ali@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: Fw: IESO OFA FHP and Existing Credit Facility key provisions and Expected Advancements

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Sent: 15 November 2017 16:46
To: Siva Nathan; John Psinas; Alfonso Soriano; Jensen Chong; Risa Thau; Nurudin Kaba; Carlos Yep; George Sakura
Cc: Opal Kandelas; Sarah Harris; Ken Kandeepan; James Devine; Mike Manning
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From: Lisa Stein
To: Gavin He
Cc: Ryan Blackbyrne; Sarah Harris; William Tan; John Kim
Subject: RE: IESO / OEFC - $120MM and $160MM Credit Facility Discussion
Date: Friday, November 10, 2017 2:36:35 PM

Hi Gavin,

Is there a dial in number?

Thank you,

Lisa

-----Original Appointment-----
From: Gavin He
Sent: Friday, November 10, 2017 9:43 AM
To: Gavin He; Lisa Stein; Ryan Blackbyrne
Cc: Sarah Harris; Jean-Francois Beaupre; William Tan; John Kim
Subject: IESO / OEFC - $120MM and $160MM Credit Facility Discussion
When: Friday, November 10, 2017 2:30 PM-3:00 PM (UTC-05:00) Eastern Time (US & Canada).
Where: Boardroom 1443

Hi all,

I am just setting up a quick meeting to discuss the questions on the IESO credit facility agreements:

<< Message: RE: IESO / OEFC - $120MM and $160MM >>

Thanks,

Gavin He

From:	Opal Kandelas
To:	Sarah Harris
Subject:	RE: IESO / OEFC - $120MM and $160MM Credit Facility Discussion
Date:	Friday, November 10, 2017 2:14:22 PM

---

thanks

From: Sarah Harris
Sent: Friday, November 10, 2017 1:12 PM
To: Opal Kandelas <Opal.Kandelas@ofina.on.ca>
Subject: FW: IESO / OEFC - $120MM and $160MM Credit Facility Discussion

Boardroom 1443 phone #:

(416) 212-3446

From: Gavin He
Sent: Friday, November 10, 2017 12:46 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: Opal Kandelas <Opal.Kandelas@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM Credit Facility Discussion

Hi Sarah,

I am not aware of anyone else who is calling in, so I think Opal can call into the boardroom directly.

Regards,

Gavin He

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To: Gavin He <Gavin.He@ofina.on.ca>
Cc: Opal Kandelas <Opal.Kandelas@ofina.on.ca>
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From: Sarah Harris
To: Gavin He
Subject: RE: IESO / OEFC - $120MM and $160MM Credit Facility Discussion
Date: Friday, November 10, 2017 1:11:04 PM

Thank you, Gavin.

Sarah

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-----Original Appointment-----
From: Gavin He
Sent: Friday, November 10, 2017 9:43 AM
To: Gavin He; Lisa Stein; Ryan Blackbyrne
Cc: Sarah Harris; Jean-Francois Beaupre; William Tan; John Kim

Subject: IESO / OEFC - $120MM and $160MM Credit Facility Discussion
When: Friday, November 10, 2017 2:30 PM-3:00 PM (UTC-05:00) Eastern Time (US & Canada).
Where: Boardroom 1443

Hi all,

I am just setting up a quick meeting to discuss the questions on the IESO credit facility agreements:

<< Message: RE: IESO / OEFC - $120MM and $160MM >>

Thanks,

Gavin He

From: Gavin He
To: Sarah Harris
Cc: Opal Kandelas
Subject: RE: IESO / OEFC - $120MM and $160MM Credit Facility Discussion
Date: Friday, November 10, 2017 12:46:13 PM

Hi Sarah,

I am not aware of anyone else who is calling in, so I think Opal can call into the boardroom directly.

Regards,

Gavin He

From: Sarah Harris
Sent: Friday, November 10, 2017 12:15 PM
To: Gavin He <Gavin.He@ofina.on.ca>
Cc: Opal Kandelas <Opal.Kandelas@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM Credit Facility Discussion

Hi Gavin,

Opal would like to participate in this meeting. Do you know if anyone else is calling in at a call in number, or should she call into the boardroom?

Thanks,

Sarah

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Sent: Friday, November 10, 2017 9:43 AM
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Sent: Friday, November 10, 2017 12:15 PM
To: Gavin He <Gavin.He@ofina.on.ca>
Cc: Opal Kandelas <Opal.Kandelas@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM Credit Facility Discussion

Hi Gavin,

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From: Gavin He
Sent: Friday, November 10, 2017 9:43 AM
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Cc: Sarah Harris; Jean-Francois Beaupre; William Tan; John Kim
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Hi all,

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<< Message: RE: IESO / OEFC - $120MM and $160MM >>

Thanks,

Gavin He

From: Sarah Harris
To: Gavin He
Cc: Opal Kandelas
Subject: RE: IESO / OEFC - $120MM and $160MM Credit Facility Discussion
Date: Friday, November 10, 2017 12:14:40 PM

Hi Gavin,

Opal would like to participate in this meeting. Do you know if anyone else is calling in at a call in number, or should she call into the boardroom?

Thanks,

Sarah

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Sent: Friday, November 10, 2017 9:43 AM
To: Gavin He; Lisa Stein; Ryan Blackbyrne
Cc: Sarah Harris; Jean-Francois Beaupre; William Tan; John Kim
Subject: IESO / OEFC - $120MM and $160MM Credit Facility Discussion
When: Friday, November 10, 2017 2:30 PM-3:00 PM (UTC-05:00) Eastern Time (US & Canada).
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<< Message: RE: IESO / OEFC - $120MM and $160MM >>

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To: Gavin He
Cc: Opal Kandelas
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Sent: Friday, November 10, 2017 9:43 AM
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Cc: Sarah Harris; Jean-Francois Beaupre; William Tan; John Kim
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Where: Boardroom 1443

Hi all,

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<< Message: RE: IESO / OEFC - $120MM and $160MM >>

Thanks,

Gavin He

From: Lisa Stein
To: Gavin He
Cc: Ryan Blackbyrne; Sarah Harris; William Tan; John Kim
Subject: RE: IESO / OEFC - $120MM and $160MM Credit Facility Discussion
Date: Friday, November 10, 2017 2:36:35 PM

Hi Gavin,

Is there a dial in number?

Thank you,

Lisa

-----Original Appointment-----
From: Gavin He
Sent: Friday, November 10, 2017 9:43 AM
To: Gavin He; Lisa Stein; Ryan Blackbyrne
Cc: Sarah Harris; Jean-Francois Beaupre; William Tan; John Kim
Subject: IESO / OEFC - $120MM and $160MM Credit Facility Discussion
When: Friday, November 10, 2017 2:30 PM-3:00 PM (UTC-05:00) Eastern Time (US & Canada).
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Hi all,

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<< Message: RE: IESO / OEFC - $120MM and $160MM >>

Thanks,

Gavin He

From:	Opal Kandelas
To:	Sarah Harris
Subject:	RE: IESO / OEFC - $120MM and $160MM
Date:	Friday, November 10, 2017 11:17:17 AM

Just reading the email stream and note now…will call you as soon as I'm done.

From: Sarah Harris
Sent: Friday, November 10, 2017 10:17 AM
To: Opal Kandelas
Subject: FW: IESO / OEFC - $120MM and $160MM

Hi Opal,

When you have two minutes to speak, I just want bring you up to date. Please let me know when we can chat.

Thanks,

Sarah

From: Gavin He
Sent: Thursday, November 09, 2017 5:50 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Hi Lisa/Ryan,

Thank you very much for the responses and that's helpful!

I will go back to IESO to verify what's their rationale to for the request. But before I go back, I just want to make sure that I understand the concerns/suggestions from our side first.

The change we made for the OFA credit facility agreement was to allow IESO to take liens related to FHP in the event if IESO can't pay OFA back the loan, correct? What was the reason for this change? And wouldn't the same reason apply for the loans that IESO has with OEFC? And if IESO can't pay back the loans to OEFC, should they still be able to take any liens related to FHP, or not? But if they were able to do so under the OFA credit facility agreement, are there any reasons that they cannot do the same under the OEFC credit facility agreement?

I understand that the $120M and $160M credit facilities are not for FHP purposes, but I think this is a separate question from whether they can take liens related to FHP if IESO can't pay OEFC back the loans? Similarly, I believe the existing $475M IESO credit facility with OFA was not for the FHP purpose, but the agreement was amended by the amendment #10 to include the FHP lien clause in the actual agreement, right? So I am just a bit confused about this process and trying to find out whether we should apply a consistent approach for OEFC's credit facilities before I push this back to IESO.

Also, a separate question on the $160M credit facility agreement. Since it was amended to be used for FHP purpose previously, do we need to amend that now since a separate facility agreement was created specifically for FHP purposes? Or that amendment automatically expires when the $2B FHP credit facility was created, and for sure we don't need to update anything in the $160M credit facility agreement to that effect?

Thanks,

Gavin He

From: Lisa Stein
Sent: Thursday, November 09, 2017 12:49 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM
I also recommend asking the IESO for the exact details of the proposed amendments.

From: Ryan Blackbyrne
Sent: Thursday, November 09, 2017 12:19 PM
To: Gavin He <Gavin.He@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: IESO / OEFC - $120MM and $160MM
Hi Gavin,
Thank you for your note. After reviewing your note and the attached agreements we had a few comments:

- We understand that the $160M credit facility agreement will not be used for FHP purposes, although an amendment was made earlier in 2017 to allow advances for the purposes of FHP.
- It is our assumption that the $160M credit facility agreement was amended in April, 2017, pursuant to Reg. 280/14 as a potential temporary option for FHP funding requirements until such time as a separate facility agreement was created specifically for FHP purposes (i.e. the $2B OFA-IESO credit facility)
- There is an existing $120M loan agreement, maturing June 30, 2020, which is not a credit facility, but a fixed term loan. No amendments were made here in relation to FHP, as it is non-revolving and used for capital purposes.
- Since the $160M credit facility agreement will not be used for FHP purposes, it is not clear to us why the change to definition of Permitted Liens is required, and how not making this change would prevent IESO from performing its obligations under the OFHP Act. Please clarify.
- Kindly confirm with Anthony why IESO believes these amendments are necessary in respect of the $160M credit facility and $120M loan agreement.

We look forward to hearing back from you. Happy to discuss further as always.
Thank You,
Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M7A 1Y7
416-325-8143
ryan.blackbyrne@ofina.on.ca
From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Tuesday, November 07, 2017 4:07 PM

To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>
Subject: IESO - OEFC Nov 7

Ryan,

As discussed with Will today, I understand you will be co-ordinating the proposed 2 amendments to the existing IESO-OEFC credit facilities.

For starters, there are no expected changes being asked to the existing agreement's key business content (e.g. amounts, dates, interest, notices etc.), rather given that IESO-OFA have just finished two new agreements pertaining to the new fair hydro program, ….I suggest we just copy and paste the salient sections from these agreements that would now be relevant to the OEFC agreements for fair hydro namely;

1.DRAFT

The definition of "Permitted Liens" is amended by deleting the word "and" at the end of subsection (xx); replacing the "." at the end of subsection (xx) and replacing it with "; and" ; and adding the following subsection (xx):

"(xx) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

2.DRAFT

The OFA agreements had required an intercept provision, …..not sure if the same applies to OEFC if yes:

"Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of November 6th , 2017 herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the Capital Investment Plan Act, 1993 (the "Intercept Letter"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("Appropriated Funds"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("Intercept").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the

IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.
(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.
The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail."
3.
If any… other relevant updates that make sense to do now……I do not anticipate any material ones.
We need your support to expedite the above in order to avoid delays in the Fair Hydro implementation.
Regards.

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This message, including any attachments, is meant only for the use of the individual(s) to whom it is intended and may contain information that is privileged/confidential. Any unauthorized use, copying or disclosure is strictly prohibited. If you are not the intended recipient or have received this message in error, please notify us immediately by reply e-mail and permanently delete this message, including any attachments, without reading them, and destroy all copies. Thank you.

From: Gavin He
Sent: Thursday, November 09, 2017 8:29 AM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Hi Lisa, Sarah, and William,
Following my email on Tuesday, EFB has drafted the attached note on the IESO's request on the OEFC credit facility, including the background information, our recommendation, and the rationale. Could you please review the accuracy of the note and would you be able to provide me with your feedback before noon today?
Sorry for the short turnaround time, but we all would like to move on this as soon as possible.
Thanks,
Gavin He

From: Lisa Stein
Sent: Wednesday, November 08, 2017 9:55 AM
To: Gavin He <Gavin.He@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Sarah Neville <Sarah.Neville@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Thanks for the update Gavin.

From: Gavin He
Sent: Tuesday, November 07, 2017 4:02 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Sarah Neville <Sarah.Neville@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Hi Lisa/Sarah H.,

We touched based with IESO and they told us that the OEFC agreements do not contemplate a general grant of security by IESO over its assets as is currently under discussion with the OPG Trust relative to the implementation of the OFHP. The changes required to allow for such a grant would be to amend the permitted liens and negative covenant language in the OEFC agreements so as to make it the same as, or very similar to, the language in the two OFA Agreements that were signed recently.

We will get a policy direction soon and will draft a note for you to review once it's ready.

Regards,

Gavin He

From: Lisa Stein
Sent: Monday, November 06, 2017 9:43 AM
To: John Kim <John.Kim@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Sarah Neville <Sarah.Neville@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

No, I don't think the OFA Lending Policy would apply to these OEFC loans. The OFA Lending Policy addresses lending activities to public bodies undertaken where the OFA is acting as an intermediary on behalf of the Province.

From: John Kim
Sent: Sunday, November 05, 2017 1:55 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>
Subject: Re: IESO / OEFC - $120MM and $160MM

Hi Sarah,

We will look at this but this is oefc so not sure if the same lending policy applies.

John

Sent from my iPhone

On Nov 5, 2017, at 12:06 PM, Sarah Harris <Sarah.Harris@ofina.on.ca> wrote:

> Hi John,
> We've received no internal direction on the nature of changes IESO is looking for in relation to existing OEFC credit facility with the IESO and the FHP. I surmise it may have to do with adjusting the agreement to allow FHP permitted liens (which we would need internal approval to do) or similar changes, but do you know if IESO communicated requirements to Gadi or Ron?
> Thanks,

Sarah
Sent from my iPhone

Begin forwarded message:

From: Anthony Martinello <Anthony.Martinello@ieso.ca>
Date: November 5, 2017 at 11:02:50 AM EST
To: William Tan <William.Tan@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>, Sarah Harris <Sarah.Harris@ofina.on.ca>, Victor Buza <Victor.Buza@ieso.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Will – unless any concerns, will appreciate if you please begin to draft the two OEFC amendments this week – given that the IESO is targeting to sign the OPG / IESO fair hydro agreement by this month's end,….we need to have the two OEFC's done before this.
Regards.

From: Anthony Martinello
Sent: November 01, 2017 12:56 PM
To: 'William Tan'
Cc: 'Lisa Stein'; 'Sarah Harris'; 'John Kim'; Victor Buza
Subject: IESO / OEFC - $120MM and $160MM

Once we have completed the 2 OFA facilities and the intercept letter – we then have to turn to the 2 outstanding IESO-OEFC credit facilities to contemplate any further amendments too.
Just ensuring that these 2 OEFC facilities are not missed.
Regards.

This e-mail message and any files transmitted with it are intended only for the named recipient(s) above and may contain information that is privileged, confidential and/or exempt from disclosure under applicable law. If you are not the intended recipient(s), any dissemination, distribution or copying of this e-mail message or any files transmitted with it is strictly prohibited. If you have received this message in error, or are not the named recipient(s), please notify the sender immediately and delete this e-mail message.

From:	Lisa Stein
To:	Ryan Blackbyrne; Gavin He
Cc:	Sarah Harris; Jean-Francois Beaupre; William Tan
Subject:	RE: IESO / OEFC - $120MM and $160MM
Date:	Thursday, November 09, 2017 12:49:01 PM

I also recommend asking the IESO for the exact details of the proposed amendments.

From: Ryan Blackbyrne
Sent: Thursday, November 09, 2017 12:19 PM
To: Gavin He
Cc: Sarah Harris ; Jean-Francois Beaupre ; William Tan ; Lisa Stein
Subject: IESO / OEFC - $120MM and $160MM

Hi Gavin,

Thank you for your note. After reviewing your note and the attached agreements we had a few comments:

- We understand that the $160M credit facility agreement will not be used for FHP purposes, although an amendment was made earlier in 2017 to allow advances for the purposes of FHP.
- It is our assumption that the $160M credit facility agreement was amended in April, 2017, pursuant to Reg. 280/14 as a potential temporary option for FHP funding requirements until such time as a separate facility agreement was created specifically for FHP purposes (i.e. the $2B OFA-IESO credit facility)
- There is an existing $120M loan agreement, maturing June 30, 2020, which is not a credit facility, but a fixed term loan. No amendments were made here in relation to FHP, as it is non-revolving and used for capital purposes.
- Since the $160M credit facility agreement will not be used for FHP purposes, it is not clear to us why the change to definition of Permitted Liens is required, and how not making this change would prevent IESO from performing its obligations under the OFHP Act. Please clarify.
- Kindly confirm with Anthony why IESO believes these amendments are necessary in respect of the $160M credit facility and $120M loan agreement.

We look forward to hearing back from you. Happy to discuss further as always.

Thank You,

Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M7A 1Y7
416-325-8143
ryan.blackbyrne@ofina.on.ca

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Tuesday, November 07, 2017 4:07 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>

Subject: IESO - OEFC Nov 7

Ryan,

As discussed with Will today, I understand you will be co-ordinating the proposed 2 amendments to the existing IESO-OEFC credit facilities.

For starters, there are no expected changes being asked to the existing agreement's key business content (e.g. amounts, dates, interest, notices etc.), rather given that IESO-OFA have just finished two new agreements pertaining to the new fair hydro program, ….I suggest we just copy and paste the salient sections from these agreements that would now be relevant to the OEFC agreements for fair hydro namely;

1.DRAFT

The definition of "Permitted Liens" is amended by deleting the word "and" at the end of subsection (xx); replacing the "." at the end of subsection (xx) and replacing it with "; and" ; and adding the following subsection (xx):

"(xx) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

2.DRAFT

The OFA agreements had required an intercept provision, …..not sure if the same applies to OEFC if yes:

"Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of November 6th , 2017 herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the Capital Investment Plan Act, 1993 (the "Intercept Letter"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("Appropriated Funds"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("Intercept").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein

and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.
The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail."
3.
If any… other relevant updates that make sense to do now……I do not anticipate any material ones.
We need your support to expedite the above in order to avoid delays in the Fair Hydro implementation.
Regards.

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From: Gavin He
Sent: Thursday, November 09, 2017 8:29 AM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Hi Lisa, Sarah, and William,
Following my email on Tuesday, EFB has drafted the attached note on the IESO's request on the OEFC credit facility, including the background information, our recommendation, and the rationale. Could you please review the accuracy of the note and would you be able to provide me with your feedback before noon today?
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Subject: RE: IESO / OEFC - $120MM and $160MM

Thanks for the update Gavin.

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Sent: Tuesday, November 07, 2017 4:02 PM

To: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Sarah Neville <Sarah.Neville@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>
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Subject: Re: IESO / OEFC - $120MM and $160MM

Hi Sarah,

We will look at this but this is oefc so not sure if the same lending policy applies.

John

Sent from my iPhone

On Nov 5, 2017, at 12:06 PM, Sarah Harris <Sarah.Harris@ofina.on.ca> wrote:

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From: Anthony Martinello <Anthony.Martinello@ieso.ca>
Date: November 5, 2017 at 11:02:50 AM EST
To: William Tan <William.Tan@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>, Sarah Harris <Sarah.Harris@ofina.on.ca>, Victor Buza <Victor.Buza@ieso.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Will – unless any concerns, will appreciate if you please begin to draft the two OEFC amendments this week – given that the IESO is targeting to sign the OPG / IESO fair hydro agreement by this month's end,….we need to have the two OEFC's done before this.
Regards.

From: Anthony Martinello
Sent: November 01, 2017 12:56 PM
To: 'William Tan'
Cc: 'Lisa Stein'; 'Sarah Harris'; 'John Kim'; Victor Buza
Subject: IESO / OEFC - $120MM and $160MM

Once we have completed the 2 OFA facilities and the intercept letter – we then have to turn to the 2 outstanding IESO-OEFC credit facilities to contemplate any further amendments too.
Just ensuring that these 2 OEFC facilities are not missed.
Regards.

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From:	Lisa Stein
To:	Ryan Blackbyrne; Gavin He
Cc:	Sarah Harris; Jean-Francois Beaupre; William Tan
Subject:	RE: IESO / OEFC - $120MM and $160MM
Date:	Thursday, November 09, 2017 12:49:01 PM

I also recommend asking the IESO for the exact details of the proposed amendments.

From: Ryan Blackbyrne
Sent: Thursday, November 09, 2017 12:19 PM
To: Gavin He
Cc: Sarah Harris ; Jean-Francois Beaupre ; William Tan ; Lisa Stein
Subject: IESO / OEFC - $120MM and $160MM

Hi Gavin,

Thank you for your note. After reviewing your note and the attached agreements we had a few comments:

- We understand that the $160M credit facility agreement will not be used for FHP purposes, although an amendment was made earlier in 2017 to allow advances for the purposes of FHP.
- It is our assumption that the $160M credit facility agreement was amended in April, 2017, pursuant to Reg. 280/14 as a potential temporary option for FHP funding requirements until such time as a separate facility agreement was created specifically for FHP purposes (i.e. the $2B OFA-IESO credit facility)
- There is an existing $120M loan agreement, maturing June 30, 2020, which is not a credit facility, but a fixed term loan. No amendments were made here in relation to FHP, as it is non-revolving and used for capital purposes.
- Since the $160M credit facility agreement will not be used for FHP purposes, it is not clear to us why the change to definition of Permitted Liens is required, and how not making this change would prevent IESO from performing its obligations under the OFHP Act. Please clarify.
- Kindly confirm with Anthony why IESO believes these amendments are necessary in respect of the $160M credit facility and $120M loan agreement.

We look forward to hearing back from you. Happy to discuss further as always.

Thank You,

Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M7A 1Y7
416-325-8143
ryan.blackbyrne@ofina.on.ca

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Tuesday, November 07, 2017 4:07 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>

Subject: IESO - OEFC Nov 7

Ryan,

As discussed with Will today, I understand you will be co-ordinating the proposed 2 amendments to the existing IESO-OEFC credit facilities.

For starters, there are no expected changes being asked to the existing agreement's key business content (e.g. amounts, dates, interest, notices etc.), rather given that IESO-OFA have just finished two new agreements pertaining to the new fair hydro program, ….I suggest we just copy and paste the salient sections from these agreements that would now be relevant to the OEFC agreements for fair hydro namely;

1.DRAFT

The definition of "Permitted Liens" is amended by deleting the word "and" at the end of subsection (xx); replacing the "." at the end of subsection (xx) and replacing it with "; and" ; and adding the following subsection (xx):

"(xx) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

2.DRAFT

The OFA agreements had required an intercept provision, …..not sure if the same applies to OEFC if yes:

"Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of November 6th , 2017 herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the Capital Investment Plan Act, 1993 (the "Intercept Letter"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("Appropriated Funds"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("Intercept").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein

and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.
The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail."
3.
If any… other relevant updates that make sense to do now……I do not anticipate any material ones.
We need your support to expedite the above in order to avoid delays in the Fair Hydro implementation.
Regards.

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From: Ryan Blackbyrne
To: Sarah Harris
Subject: RE: IESO / OEFC - $120MM and $160MM
Date: Thursday, November 09, 2017 11:04:09 AM
Attachments: $160M revolving credit - Original Agreement - April 23, 2010.pdf
$160M revolving credit - Amending Agreement no.6 - April 30, 2017.pdf
$120M note - Original Agreement - April 1, 1999 .pdf
$120M note - Amending Agreementt no.6 - April 30, 2017.pdf

Hi Sarah – is it ok to send the following email?

Hi Gavin,

Thank you for the note. Just to confirm: do the recommendations in the note apply to both the $160M and $120M credit facilities? The email I received from Anthony Martinello at IESO earlier in the week (pasted below) suggested that IESO expected amendments to be made to both the IESO-OEFC credit facility agreements.

After reviewing the attached agreements we noticed that although the $160M and $120M credit facility agreements were amended at the same time (April 30, 2017) the $160M amending agreement made clear references to the Ontario Fair Hydro Plan (OFHP) while the $120M amending agreement did not.

For example, the amending agreement for the $160M credit facility specifically provides that the $160M be used to fund "IESO Corporate Requirements". And it goes on to define IESO Corporate Requirements:

iii) A definition of "IESO Corporate Requirements" is added as follows:
"IESO Corporate Requirements" means any borrowing purposes authorized by **0.Reg. 280/14** made under the Electricity Act, 1998 (as such regulation maybe amended or replaced from time to time), other than for funding liquidity requirements relating to the settlement of the Ontario wholesale electricity markets.

We note that O.Reg 280/14 was amended in Section 3 "Authorized Borrowing" to provide for borrowing related to the OFHP.

In addition, Section 6 of the $160M amending agreement also made clear reference to the OFHP:

Paragraph 3.6(c) of the Agreement is deleted and replaced by the following:
(c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in
the financial condition of IESO, provided however that any adverse change in IESO'S financial condition related to or resulting from the discharge by IESO of its responsibilities under Ontario's Fair Hydro Plan shall be deemed not to be a material adverse change for the
purposes of this Section; and

However, despite being amended at the same time, the amending agreement for the $120M credit facility does not make any reference to the OFHP.

Is it your understanding that the recommendations in the note should still apply to both the $160M and $120M agreements?

Thank You,

Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M7A 1Y7

416-325-8143
ryan.blackbyrne@ofina.on.ca
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Subject: Re: IESO / OEFC - $120MM and $160MM

Hi Sarah,

We will look at this but this is oefc so not sure if the same lending policy applies.

John

Sent from my iPhone

On Nov 5, 2017, at 12:06 PM, Sarah Harris <Sarah.Harris@ofina.on.ca> wrote:

> Hi John,
>
> We've received no internal direction on the nature of changes IESO is looking for in relation to existing OEFC credit facility with the IESO and the FHP. I surmise it may have

to do with adjusting the agreement to allow FHP permitted liens (which we would need internal approval to do) or similar changes, but do you know if IESO communicated requirements to Gadi or Ron?
Thanks,
Sarah
Sent from my iPhone

Begin forwarded message:

> **From:** Anthony Martinello <Anthony.Martinello@ieso.ca>
> **Date:** November 5, 2017 at 11:02:50 AM EST
> **To:** William Tan <William.Tan@ofina.on.ca>
> **Cc:** Lisa Stein <Lisa.Stein@ofina.on.ca>, Sarah Harris <Sarah.Harris@ofina.on.ca>, Victor Buza <Victor.Buza@ieso.ca>
> **Subject: RE: IESO / OEFC - $120MM and $160MM**
>
> Will – unless any concerns, will appreciate if you please begin to draft the two OEFC amendments this week – given that the IESO is targeting to sign the OPG / IESO fair hydro agreement by this month's end,….we need to have the two OEFC's done before this.
> Regards.
>
> ---
>
> **From:** Anthony Martinello
> **Sent:** November 01, 2017 12:56 PM
> **To:** 'William Tan'
> **Cc:** 'Lisa Stein'; 'Sarah Harris'; 'John Kim'; Victor Buza
> **Subject:** IESO / OEFC - $120MM and $160MM
>
> Once we have completed the 2 OFA facilities and the intercept letter – we then have to turn to the 2 outstanding IESO-OEFC credit facilities to contemplate any further amendments too.
> Just ensuring that these 2 OEFC facilities are not missed.
> Regards.
>
> This e-mail message and any files transmitted with it are intended only for the named recipient(s) above and may contain information that is privileged, confidential and/or exempt from disclosure under applicable law. If you are not the intended recipient(s), any dissemination, distribution or copying of this e-mail message or any files transmitted with it is strictly prohibited. If you have received this message in error, or are not the named recipient(s), please notify the sender immediately and delete this e-mail message.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

as Borrower

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION

as Lender

REVOLVING CREDIT FACILITY AGREEMENT

Dated: April 23, 2010

THIS CREDIT FACILITY AGREEMENT is made on the 23rd day of April, 2010

between:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")

RECITAL:

IESO has requested a revolving line of credit from OEFC in the amount of up to Sixty Million Dollars for the purpose of replacing the current IESO revolving line of credit with the Toronto-Dominion Bank which is used for liquidity purposes that may also be used to fund corporate requirements. OEFC has agreed to lend such amount to IESO on the terms and conditions set out herein.

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the parties agree as follows:

ARTICLE 1
DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"Advance Date" has the meaning set forth in Section 3.2.

"Advances" means advances made by OEFC to IESO under Article 3 and **"Advance"** means any one of such advances.

"Advances Outstanding" means, at any time, an amount equal to the aggregate principal amount of all Advances outstanding at such time.

"Agreement", "herein", "hereby", "hereof", "hereunder" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression **"Article"** or **"Section"** followed by a number means the specified Article or Section of this Agreement.

"Borrowing Notice" has the meaning specified in Section 3.2.

"Business Day" means any day other than a Saturday, Sunday or a statutory or civic holiday in Toronto, Ontario.

"Commitment" means, at any time, an amount equal to the principal amount of Sixty Million Dollars.

"Consolidated Assets" means, at any time, the book value of IESO and the Subsidiaries, determined as of such time on a consolidated basis in accordance with generally accepted accounting principles.

"Credit Facility" means the revolving credit facility to be made available to IESO by OEFC under this Agreement for the purposes specified in Section 2.3.

"Default" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"Disposition" has the meaning specified in Section 6.1.

"Dollars" or "$" means lawful currency of Canada.

"Event of Default" has the meaning specified in Section 5.1.

"IESO" means Independent Electricity System Operator, a corporation existing under the laws of the Province of Ontario, until a successor corporation shall have succeeded to all of the rights and obligations of Independent Electricity System Operator pursuant to Section 6.1 and thereafter **"IESO"** shall mean such successor corporation (or any successor thereto which shall have become such pursuant to Section 6.1).

"Indebtedness" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) every obligation of such Person for borrowed money;

(b) every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments;

(c) every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) every capital lease obligation of such Person; and

(f) the Swap Termination Value of each Swap Contract of such Person; and

(g) every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"Interest Payment Date" means with respect to each Advance means the first Business Day of each month.

"Interest Rate" means the Province of Ontario's cost of borrowing for a 30 day term, as determined as of the first Business Day of each month by OEFC, plus 0.25 percent per annum.

"Interest Reset Date" has the meaning specified in section 3.3(2)(i).

"Lien" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"Material Subsidiary" means, at any time, a Subsidiary which, together with its subsidiaries, has consolidated assets with a book value of more than Twenty-Five Million Dollars determined as of such time in accordance with generally accepted accounting principles.

"Note" means the note of IESO issued under this Agreement.

"Permitted Liens" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) any obligations or duties, affecting the property of IESO or a Material Subsidiary, to any municipality or governmental, statutory or public authority, with respect to any franchise, grant, license or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by IESO or such Material Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by IESO or such Material Subsidiary;

(d) any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) the right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) any undetermined or inchoate Liens and charges incidental to the current operations of IESO or a Material Subsidiary that have not at the time been filed against IESO or such Material Subsidiary; provided, however, that if any such Lien or charge shall have been filed, IESO or such Material Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) any Lien the validity of which is being contested at the time by IESO or a Material Subsidiary in good faith and the enforcement of which has been stayed;

(h) any easements, rights-of-way and servitudes that in the opinion of IESO will not in the aggregate materially and adversely impair the use or value of the land for the purpose for which it is held or occupied by IESO or a Material Subsidiary;

(i) any Liens and privileges arising out of judgments or awards with respect to which IESO or a Material Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall have secured a stay of execution pending such appeal or proceedings for review; and

(j) pledges of cash or cash equivalents to secure IESO's or a Material Subsidiary's liabilities from time to time under Swap Contracts and pledges of cash or cash equivalents in an aggregate amount not exceeding $25 million at any time to secure IESO's or a Material Subsidiary's liabilities from time to time under commodity swap, commodity option and commodity future contracts entered into in the ordinary course of business for the purpose of directly mitigating risks associated with fluctuations in prices or availability of commodities purchased or to be purchased by IESO or a Material Subsidiary in the ordinary course of business, and not entered into for the purposes of speculation; and

(k) any other Liens of a nature similar to the foregoing which do not in the opinion of IESO, acting reasonably, materially impair the use of the property subject thereto or the operation of the business of IESO or any Material Subsidiary or the value of such property for the purpose of any such business.

"Person" means any individual, corporation, partnership joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"Purchase Money Mortgage" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or part of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"Stated Maturity" when used with respect to any Indebtedness or any installment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such installment of interest is due and payable.

"Subsidiary" means:

(a) a corporation: (i) more than 50% of the voting power or the outstanding Voting Shares of which is owned, directly or indirectly, by IESO or by one or more other Subsidiaries or by IESO and one or more other Subsidiaries; or (ii) in the case of a non-share capital corporation, that the IESO has the power to appoint a majority of the Board of Directors; or

(b) any Person (other than a corporation) in which IESO, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

"Swap Contract" means any agreement whether or not in writing, relating to any transaction or derivative transaction including a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction currency swap, cross-currency rate swap, swaption, currency option or other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.

"Swap Termination Value" means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap contracts:

(a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and

(b) for any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.

"Voting Shares" of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings and Table of Contents.

The division of this Agreement into Articles and Sections the insertion of headings and the provision of a Table of Contents are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and vice versa and words importing gender may include any gender. In this Agreement, (a) the words **"including"** and **"includes"** mean "including (or includes) without limitation", and (b) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" each mean "to but excluding".

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with generally accepted accounting principles. Generally accepted accounting principles refer to accounting principles generally accepted in Canada as recommended in the Handbook of the Canadian Institute of Chartered Accountants at the relevant time applied on a consistent basis.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the following Business Day.

ARTICLE 2
REVOLVING CREDIT FACILITY

Section 2.1 Availability.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO up to the amount of the Commitment. OEFC shall make each Advance in Canadian Dollars.

Section 2.2 Commitment and Facility Limits.

The Advances Outstanding to IESO under the Credit Facility shall not at any time exceed the Commitment. The Credit Facility shall revolve and no payment under the Credit Facility shall reduce the Commitment.

Section 2.3 Use of Proceeds.

IESO shall use the proceeds of Advances for the following purposes for which it is authorized to borrow funds:

(a) to repay the revolving line of credit with the Toronto Dominion Bank;

(b) for liquidity purposes; and

(c) to fund corporate requirements.

Section 2.4 Mandatory Repayment.

Subject to Sections 3.5 and 5.2, IESO, shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder in full on or before April 30, 2013.

Section 2.5 Advances and Payments under this Agreement.

(1) OEFC shall make Advances to IESO under this Agreement to the order of IESO by wire transfer of immediately available funds in accordance with wire transfer instructions given by IESO to OEFC from time to time, or in such other manner as IESO may specify to OEFC from time to time.

(2) IESO shall make any payment required hereunder to be made by it to OEFC, to or to the order of OEFC, by wire transfer of immediately available funds in accordance with wire transfer instruction given by OEFC to IESO from time to time, or in such other manner as OEFC may specify to IESO from time to time. IESO shall make each such payment in Canadian Dollars

Section 2.6 Evidence of Indebtedness.

IESO authorizes OEFC to open and maintain records evidencing IESO's obligations under this Agreement and to record therein all advances, interest rates, accrued interest, payments of principal and interest and the aggregate principal and accrued interest outstanding from time to time under this Agreement. IESO agrees that the records kept by the OEFC in the absence of manifest error, shall be prima facie evidence of the indebtedness of IESO and the matters recorded provided that the failure of the OEFC to record or correctly record any amount or date shall not affect the obligation of IESO to repay the aggregate principal amounts and accrued interest thereon owing under this Agreement.

ARTICLE 3
ADVANCES AND INTEREST

Section 3.1 Advances.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO under the Credit Facility on the first Business Day of each month from and including May 3, 2010 to and including April 1, 2013.

Section 3.2 Procedure for Advances.

(1) Each Advance shall be made subject to four Business Day's prior notice given not later than 10:00 a.m. (Toronto time) by IESO to OEFC. Each notice of an Advance (a **"Borrowing Notice"**) shall be substantially in the form of Schedule 1, shall be irrevocable and binding on IESO and shall specify (a) the requested date of the Advance (the **"Advance Date"**), and (b) the principal amount of the Advance which shall be in a minimum amount of $1,000,000.00 (unless otherwise agreed to by OEFC), and in increments of $1,000,000.00 (or such other increments as may be agreed to by OEFC). OEFC will make the principal amount of each Advance available to IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, IESO shall execute and deliver to OEFC a grid promissory note (the "Note") in respect of Advances substantially in the form of Schedule 2. IESO authorizes OEFC to record on the grid promissory note (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal amount of the grid promissory note. Such notations, in the absence of manifest error, shall be prima facie evidence of the such advances and repayments; provided that the failure of OEFC to record any amount, rate or date shall not affect the obligation of IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement.

(3) In the event that funds are not received by IESO on the Advance Date, IESO and OEFC agree to take all steps necessary to amend the date of the Advance, without amending the Interest Rate that was agreed to with respect to such Advance.

(4) The Note shall at all times rank *pari passu* with all other unsubordinated Indebtedness of IESO, subject to the existence of any Permitted Liens of IESO.

(5) All amounts owing in respect of the Advances shall be paid without exercising any right or set off or counterclaim by IESO.

Section 3.3 Interest on Advances.

(1) IESO shall pay interest on the principal amount of each Advance then outstanding in accordance with this Section 3.3 from and including the date of such Advance until the principal amount of such Advance is repaid in full.

(2) Interest shall accrue on the principal amount of each Advance from and including the date of the Advance to but excluding the first Interest Payment Date following the date of the Advance, at the rate equal to the Interest Rate, and shall be payable on the Interest Payment Date for such Advance. The amount of interest payable on an Advance will be calculated by OEFC by dividing the Interest Rate applicable to the Advance by 365 or 366, as the case may be, and multiplying the result by the principal amount of the Advance then outstanding and further multiplying the result by the number of days in the period from the date of the Advance to the Interest Payment Date.

(i) If an Advance is outstanding on an Interest Payment Date, the interest rate applicable to such Advance shall be reset automatically by OEFC on that date (the "Interest Reset Date"), at the Interest Rate determined as of the Interest Reset Date.

(ii) For each Advance, OEFC shall notify IESO via email of the Interest Rate on the Advance Date and on each Interest Reset Date.

(3) Upon four Business Days prior notice by IESO, OEFC may at its discretion agree to capitalize the interest on any Advance on an Interest Payment Date, which shall be determined in the following manner: each such interest payment due on the Interest Payment Date shall be deemed to form part of the principal amount of the outstanding Advance and interest shall accrue and be payable thereon in accordance with Section 3.3(2). OEFC shall record on the grid forming part of the note: (a) the date and amount of the new Advance; (b) the applicable rate of interest for the Advance; and (c) the outstanding principal amount of the grid promissory note.

(4) Interest shall accrue on the principal amount of each Advance at the Interest Rate as determined from time to time, before as well as after the date such principal amount or interest thereon becomes due hereunder and both before and after default.

Section 3.4 Computations of Interest.

(1) All computations of interest shall be made by OEFC taking into account the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest is payable on the basis of a year of 365 days or 366 days, as the case may be.

(2) For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Agreement for any

period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

Section 3.5 Limit on Rate of Interest.

(1) Notwithstanding any provision contained in this Agreement, IESO shall not be obliged to make any payments of interest or other amounts payable to OEFC hereunder in excess of the amount or rate which would be prohibited by applicable law or would result in the receipt by OEFC of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada), as amended from time to time).

(2) In the event that any such payments are limited or prohibited as provided in Section 3.5(1), OEFC shall have no further obligation to make any Advances available hereunder and the Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, shall become immediately due and payable.

Section 3.6 Conditions Precedent

The obligation of OEFC to make the Advances pursuant to Section 2.1 is subject to the following conditions being met to OEFC's satisfaction at the time of making each Advance:

(a) that the representations and warranties of IESO contained in this Agreement are true and correct as at the date of making the Advance;

(b) that no Event of Default has occurred and is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default;

(c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO; and

(d) that OEFC has received such other documentation which it has reasonably requested to ensure that IESO is in compliance with the terms and conditions of this Agreement, including certified true copies of any necessary resolutions including resolutions authorizing the borrowing and authorized signatories.

ARTICLE 4

COVENANTS OF IESO

Section 4.1 Payment of Advances.

IESO will duly and punctually pay or cause to be paid all amounts owing under this Agreement in accordance with the terms and subject to the conditions of this Agreement.

Section 4.2 Use of Proceeds

The monies advanced under this Agreement shall be used only by IESO for the purposes set out in Section 2.3.

Section 4.3 IESO will Maintain its Corporate Existence.

Subject to Section 6.1, IESO will at all times maintain its corporate existence.

Section 4.4 Maintenance of Properties.

IESO will cause all property owned by IESO or any Material Subsidiary to be maintained and kept in good condition, repair and working order, all as in the judgment of IESO or any Material Subsidiary may be necessary for the proper operation of such property, except as and to the extent that IESO or any Material Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 4.4 shall prevent IESO or any Material Subsidiary from discontinuing the maintenance of any such property or decommissioning any such property if such discontinuance or decommissioning is, in the judgment of IESO or any Material Subsidiary, desirable in the conduct of its business or the business of any such Material Subsidiary, or has been directly or indirectly requested or required by the Province of Ontario.

Section 4.5 Insurance.

IESO will cause all property owned by IESO or any Material Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the nature and to the extent that such property is usually insured by companies operating similar businesses.

Section 4.6 Conduct of Business.

Subject to Section 4.3, IESO will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in a proper, efficient and business-like manner and in accordance with good business practice.

Section 4.7 Negative Pledge.

IESO will not, and will not permit any Material Subsidiary to, create, incur or assume any Lien, charging the interest of IESO or any Material Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, all amounts owing under this Agreement are secured equally and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) the creation, incurrence or assumption of any Purchase Money Mortgage;

(b) the grant of any Lien in the normal course of business to any banks or financial institutions for present or future indebtedness of IESO or any Material Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) any extension, renewal or replacement of any of the Liens referred to in Sections 4.7(a), (b) or (c), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased; and

(e) any Lien charging the interest of IESO or any Material Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 4.7(a), (b) or (c), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 4.6(e) which is outstanding at such time does not exceed 10% of Consolidated Assets at such time.

Section 4.8 Payment of OEFC Expenses.

IESO will, on demand, reimburse and indemnify OEFC for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OEFC in connection with the preservation of rights under or enforcement of this Agreement at

any time during the continuance of a Default or Event of Default. All such costs, charges and expenses shall bear interest at the Province's cost of funds plus 0.25 percent per annum (as determined by OEFC) calculated and payable monthly not in advance from in each case from the date on which OEFC incurs the cost, charge or expense until the date on which IESO reimbursement OEFC therefor. OEFC agrees, acting reasonably, to invoice IESO for any such costs, charges and expense as they are incurred, together with interest at the aforesaid rate (with interest on overdue interest).

Section 4.9 Reporting Requirements.

IESO covenants to provide to OEFC, or at its direction, to the Province of Ontario and the Ontario Financing Authority,

(a) any available information respecting its financial position which may be reasonably requested by OEFC, the Province of Ontario or the Ontario Financing Authority from time to time; and

(b) any additional reports or supporting documentation which may be reasonably requested by the OEFC, the Province of Ontario or the Ontario Financing Authority from time to time.

ARTICLE 5
EVENTS OF DEFAULT AND REMEDIES

Section 5.1 Event of Default.

Wherever used in this Agreement, the term **"Event of Default"** means any of the following:

(a) failure to pay any interest upon any Advance when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) failure to pay the principal amount of the Advances Outstanding, all interest accrued thereon and all other amounts owing under this Agreement on April 30, 2013;

(c) failure on the part of IESO to observe or perform its obligations set forth in Section 6.1;

(d) failure on the part of IESO to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 30 days after

the date on which written notice of such failure shall have been given to IESO by OEFC;

(e) any representation or warranty made by IESO in this Agreement or in any certificate or other document at any time delivered hereunder to OEFC was incorrect or misleading in any material respect;

(f) one or more breaches by IESO of its covenants under one or more evidences of indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $25 million, which breaches:

(i) constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist; or

(ii) have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived or rescinded);

(g) IESO, or any Material Subsidiary:

(i) becomes generally not able to pay its debts as they become due;

(ii) admits in writing its inability to pay its debts generally or makes a general assignment for the benefit of its creditors or files a proposal or other scheme of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) institutes or has instituted against it any proceeding seeking:

(A) to adjudicate it a bankrupt or insolvent;

(B) liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy / insolvency / reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors; or

(C) the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets;

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismisssed or unstayed for a period of 30 days, or any remedy sought in any such proceeding (including the entry of order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

(iv) takes any corporate action to authorize any of the actions in Sections 5.1(g)(i) to (iii); or

(h) if there shall be rendered against IESO or any Material Subsidiary a final judgment or judgments for the payment of money in an aggregate amount in excess of $5 million by a court or courts of competent jurisdiction, and IESO or any Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 5.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case OEFC may declare all amounts owing hereunder to be due and payable immediately, by a notice in writing to IESO, and upon any such declaration all such amounts shall become immediately due and payable.

Section 5.3 Suits for Enforcement by OEFC.

If an Event of Default occurs and is continuing, OEFC may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in OEFC by this Agreement or by law.

Section 5.4 OEFC May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of IESO under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property

of IESO, or if any other judicial proceedings relative to IESO, its creditors or its property are pending, OEFC shall be entitled and empowered, by intention in such proceeding or otherwise:

(a) to file and prove a claim for all amounts owing under this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of OEFC (including any claim for fees and disbursements of OEFC, its agents and counsel as contemplated under Section 4.7) allowed in such judicial proceeding; and

(b) to collect and receive any moneys or other property payable or deliverable on any such claim.

Section 5.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to OEFC is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.6 Delay or Omission not Waiver.

No delay or omission of OEFC to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right or remedy given by this Article 5 or by law to OEFC may be exercised from time to time, and as often as may be deemed expedient, by OEFC.

ARTICLE 6

CONSOLIDATION, AMALGAMATION, MERGER OF IESO

Section 6.1 Certain Requirements in Respect of Merger, etc.

IESO may not and may not cause any Material Subsidiary, in a single transaction or a series of related transactions, amalgamate or consolidate with or merge into any other Person, or permit any other Person to amalgamate or consolidate with or merge into IESO or the Material Subsidiary, or directly or indirectly transfer, sell, lease or otherwise dispose of all or substantially all of its property or assets (a "Disposition") to any Person without the written consent of OEFC.

Section 6.2 Successor Substituted.

Upon any consolidation, amalgamation, merger or Disposition described in, and complying with the provisions of, Section 6.1 in which IESO is not the continuing corporation, the successor Person shall succeed to all of the rights and obligations of IESO under this Agreement, and from time to time may exercise every right and power of IESO under this Agreement.

ARTICLE 7
REPRESENTATIONS AND WARRANTIES OF IESO

Section 7.1 Representations and Warranties of IESO.

IESO represents and warrants to OEFC that:

(a) the borrowing of money (including principal and accrued interest) by IESO and the execution, delivery and performance of this Agreement are within the powers and capacities of IESO and have been duly authorized by all necessary legal action and proper proceedings;

(b) the execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the compliance with the terms and conditions of this Agreement will not conflict with or result in a breach of any of the terms or provisions of the constituting documents or by-laws of IESO, laws of Ontario, including laws of Canada applicable therein, applicable to IESO or any contractual or other obligation binding on IESO; and

(c) this Agreement will, when executed and delivered, constitute the legal, valid and binding obligation of IESO enforceable against it in accordance with its terms.

Section 7.2 Continuation of Representation and Warranties.

The representations and warranties set out in Section 7.1 herein shall survive the execution and delivery of this Agreement, the making of each advance by OEFC, notwithstanding any investigations or examinations which may be made by counsel for OEFC.

ARTICLE 8

GENERAL

Section 8.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy or other means of electronic communication addressed:

If to IESO, to it at:
Independent Electricity System Operator
655 Bay Street, Suite 410
Toronto, ON M5G 2K4
Attention: Chief Financial Officer
Telephone:
Telecopier:

If to OEFC, to it at:

Ontario Electricity Financial Corporation
c/o Ontario Financing Authority
1 Dundas Street West
Suite 1400
Toronto, ON M7A IY7

Attention: Executive Director - Capital Markets Division
Telephone: (416) 325-8930
Telecopier: (416) 325-8111

provided that any Borrowing Notice shall be addressed as indicated on Schedule 1.

Any communication hereunder shall be deemed to have been validly and effectively given if (a) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p. m (Toronto time), otherwise on the next Business Day, (b) transmitted by telecopier other means of electronic communication, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice given in accordance with this Section 8.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 8.1.

Section 8.2 Successors and Assigns.

This Agreement shall be binding on and enure to the benefit of OEFC and IESO and their respective successors and permitted assigns, except that IESO shall not, without the prior written consent of OEFC assign, pledge or hypothecate any rights or obligations with respect to this Agreement.

Section 8.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of OEFC and IESO.

Section 8.4 Waiver.

(1) No waiver of any provisions of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) or this Agreement nor shall such waiver be binding unless executed in writing by the party to be bound by the waiver.

(2) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude another or further exercise of such right or the exercise of any other right.

Section 8.5 Further Assurances.

Each of IESO and OEFC shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement.

Section 8.6 Severability.

In case any provision in this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement shall not in any way be affected or impaired thereby.

Section 8.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 8.8 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF the parties have executed this Agreement as of the 23rd day of April, 2010.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Ted Leonard
Vice President, Finance and Chief Financial Officer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: ~~Michael D. Manning~~ DAVID PETERS
Title: ~~Chief Operating Officer~~ DIRECTOR, DEBT MANAGEMENT
CAPITAL MARKETS DIVISION
ONTARIO FINANCING AUTHORITY

SCHEDULE 1

FORM OF BORROWING NOTICE

Date:

Ontario Electricity Financial Corporation **("OEFC")**
c/o Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A1Y7

Attention: Cash Management
(Fax No. (416-204-7920)

Dear Sirs:

The undersigned, Independent Electricity System Operator ("IESO"), refer to the Revolving Credit Facility Agreement dated •, 2010 (as amended, supplemented or restated from time to time, the **"Agreement"**, the terms defined therein being used herein as therein defined) between IESO and OEFC, and gives you notice pursuant to Section 3.2 of the Agreement that IESO requests an Advance under the Agreement, and, in that connection, sets forth below the information relating to such Advance (the **"Proposed Advance"**) as required by Section 3.2 of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is •;
(b) The aggregate amount of the Proposed Advance is •;

IESO hereby certifies that:

The representations and warranties of IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received previously as Advances under the Agreement have been expended or are being held solely for the purpose for which they were advanced; no part of said funds has been nor any part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Authorized Signature

Per: _____
Authorized Signature

*To be confirmed by telephone call to OEFC Cash Management (416) 325-8108

SCHEDULE 2

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $60,000,000 Date: •

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("**IESO**"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid (**"Grid"**) attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement (as defined below).

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before April 30, 2013.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Revolving Credit Facility Agreement dated as of April 30, 2010 between IESO and OEFC (the "**Agreement**"). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Credit Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment, demand, protest, notice of dishonest and notice of

non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Authorized Signature

Per: _____
Authorized Signature

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID
(Revolving Credit Facility April 30, 2010)

DATE	PRINCIPAL ADVANCED	INTEREST RATE	INTEREST RESET DATE	INTEREST RESET RATE	PRINCIPAL PAYMENT DATE AND AMOUNT	INTEREST PAYMENT DATE AND AMOUNT	UNPAID PRINCIPAL BALANCE	NOTATION MADE BY

AMENDING AGREEMENT NO. 6

This Amending Agreement is effective as of the 30 day of April, 2017.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011, Amending Agreement No. 3 dated April 30, 2013, Amending Agreement No. 4 dated April 30, 2014 and Amending Agreement No. 5 dated December 19, 2014 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $95 million.

AND WHEREAS IESO and OEFC wish to amend the Agreement to increase the revolving line of credit from a principal amount of CDN $95 million to a principal amount of up to CDN $160 million to provide funding for IESO Corporate Requirements (as defined herein);

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for an extension of the mandatory repayment date established in the Agreement to June 30, 2020;

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for the ability for Advances to be made on any business day up to a maximum of 12 times per year;

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. Section 1.1 Definitions of the Agreement is amended as follows:

   i) The definition of "Amalgamation" is deleted.

   ii) The definition of "Commitment" is deleted and replaced with:

   "Commitment" means, at any time, an amount equal to the principal amount of One Hundred and Sixty Million Dollars.

   iii) A definition of "IESO Corporate Requirements" is added as follows:

   "IESO Corporate Requirements" means any borrowing purposes authorized by O. Reg. 280/14 made under the *Electricity Act, 1998* (as such regulation may be amended or

replaced from time to time), other than for funding liquidity requirements relating to the settlement of the Ontario wholesale electricity markets.

iv) A definition of "Ontario's Fair Hydro Plan" is added as follows:

"Ontario's Fair Hydro Plan" means the plan announced March 2, 2017 by the Government of Ontario to affect the Ontario Energy Board's setting of electricity prices for certain Ontario consumers of electricity, which plan is referred to in the Ontario Energy Board's report dated April 20, 2017 and titled "Regulated Price Plan Price Report – May 1, 2017 to April 30, 2018", and including all relevant developments in or changes to such plan from time to time.

v) The definition of "New IESO" is deleted.

vi) The definition of "Note" is deleted and replaced with:

"Note" means the $160 Million Note issued pursuant to Section 2 of Amending Agreement No. 6 dated as of the 30th day of April, 2017.

vii) The definition of "OPA" is deleted.

viii) The definition of "Pre-Amalgamation IESO" is deleted.

2. IESO shall execute and deliver to OEFC a grid promissory note in the form attached as Schedule I hereto which shall be in an aggregate principal amount of up to One Hundred and Sixty Million Dollars (the "$160 Million Note") dated April 30, 2017 and on which shall be recorded the Advances Outstanding under the grid promissory note delivered pursuant to Amending Agreement No. 4. Upon receipt by OEFC of the $160 Million Note dated April 30, 2017, the $95 Million Note dated April 30, 2014 shall be of no further force and effect and shall be returned to the IESO marked "cancelled".

3. Section 2.3 of the Agreement is deleted and replaced by the following:

Section 2.3 Use of Proceeds

IESO shall use the proceeds of Advances for the funding of IESO Corporate Requirements.

4. Section 2.4 of the Agreement is deleted and replaced by the following:

Section 2.4 Mandatory Repayment.

Subject to Sections 3.5 and 5.2 of this Agreement, IESO shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, in full on or before June 30, 2020.

5. Section 3.1 of the Agreement is deleted and replaced by the following:

Section 3.1 Advances.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO under the Credit Facility on any Business Day in a month up to twelve (12) times per annum from and including May 1, 2017 to and including May 29, 2020

6. Paragraph 3.6(c) of the Agreement is deleted and replaced by the following:
   (c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO, provided however that any adverse change in IESO's financial condition related to or resulting from the discharge by IESO of its responsibilities under Ontario's Fair Hydro Plan shall be deemed not to be a material adverse change for the purposes of this Section; and

7. The Form of Borrowing Notice is deleted and replaced with the Form of Borrowing Notice attached hereto as Schedule 1.

8. This Amending Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

SCHEDULE 1

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $160,000,000 Date: 30 April, 2017

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("**IESO**"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid **("Grid")** attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No. 1 dated July 21, 2010, by Amending Agreement No. 2 dated October 14, 2011, by Amending Agreement No. 3 dated April 30, 2013, by Amending Agreement No. 4 dated April 30, 2014, by Amending Agreement No. 5 dated December 19, 2014, and by Amending Agreement No. 6 dated April 30, 2017 (collectively the "Agreement").

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before June 30, 2020.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance or part of an Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be p*rima facie* evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Agreement. All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment, demand, protest, notice of dishonour and notice

of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

(Revolving Credit Facility April 30, 2017)

DATE	PRINCIPAL ADVANCED	RATE	REPAYMENT DATE	INTEREST AMOUNT	AMOUNT OF PAYMENT		UNPAID BALANCE			NOTATION MADE BY
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	REFINANCED (AMOUNT & DATE)	

INDEPENDENT ELECTRICITY MARKET OPERATOR

as Issuer

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION

as Holder

AGREEMENT
PROVIDING FOR ISSUANCE OF A NOTE

April 1, 1999

TABLE OF CONTENTS

ARTICLE 1
DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1	Definitions	1
Section 1.2	Effect of Headings and Table of Contents	8
Section 1.3	Singular, Plural, Gender, Certain Phrases, etc	8
Section 1.4	Accounting	8
Section 1.5	Non-Business Days	8

ARTICLE 2
THE NOTE

Section 2.1	Issue of Note	8
Section 2.2	Terms of the Note	8
Section 2.3	Interest	9
Section 2.4	Prepayment	9
Section 2.5	Public Debt Covenants	10
Section 2.6	Payment	11

ARTICLE 3
COVENANTS OF THE COMPANY

Section 3.1	Payment of the Note	11
Section 3.2	Company will Maintain its Corporate Existence	11
Section 3.3	Maintenance of Properties	11
Section 3.4	Insurance	12
Section 3.5	Conduct of Business	12
Section 3.6	Financial Statements	12
Section 3.7	Other Indebtedness	12
Section 3.8	Negative Pledge	12
Section 3.9	Payment of OEFC's Expenses	13

ARTICLE 4
EVENTS OF DEFAULT AND REMEDIES

Section 4.1	Event of Default	14
Section 4.2	Acceleration of Maturity; Rescission and Annulment	15
Section 4.3	Suits for Enforcement by OEFC	16
Section 4.4	OEFC May File Proof of Claim	16
Section 4.5	Rights and Remedies Cumulative	16
Section 4.6	Delay or Omission not Waiver	16

ARTICLE 5
CONSOLIDATION, AMALGAMATION, MERGER OF COMPANY

Section 5.1 Certain Requirements in Respect of Merger, etc. 17
Section 5.2 Successor Substituted. 18

ARTICLE 6
GENERAL

Section 6.1 Notices. 18
Section 6.2 Successors and Assigns. 19
Section 6.3 Amendments. 19
Section 6.4 Waiver. 19
Section 6.5 Further Assurances. 19
Section 6.6 Severability. 19
Section 6.7 Governing Law. 20
Section 6.8 Counterparts. 20

Schedule 2.2(1) – Form of Note

THIS AGREEMENT is made on the 1st day of April, 1999 between:

A. **INDEPENDENT ELECTRICITY MARKET OPERATOR** (the "**Company**")

B. **ONTARIO ELECTRICITY FINANCIAL CORPORATION** ("**OEFC**").

RECITALS:

1. Pursuant to section 116 of the *Electricity Act, 1998*, the Lieutenant Governor in Council has made an order (the "**Transfer Order**") transferring certain officers, employees, assets, liabilities, rights and obligations of Ontario Hydro to the Company;

2. Pursuant to the Transfer Order, the Company is required to issue certain debt securities to Ontario Hydro as partial payment for such assets and rights; and

3. On April 1, 1999, Ontario Hydro is continued as OEFC.

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the parties agree as follows:

ARTICLE 1
DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"**Agreement**", "**herein**", "**hereby**", "**hereof**", "**hereunder**" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression "**Article**" or "**Section**" followed by a number means the specified Article or Section of this Agreement.

"**Business Day**" means any day other than a Saturday, Sunday or a statutory or civic holiday in Toronto, Ontario.

"**Canadian Dollars**" or "**$**" means lawful currency of Canada.

"**Canadian Prime Rate**" means, at any time, the greater of (i) the average of the rates of interest per annum equal to the per annum rate of interest quoted, published and commonly known as the "prime rate" of each of the Reference

Lenders which each of the Reference Lenders establishes at its main office in Toronto, Ontario as the reference rate of interest in order to determine interest rates for loans in Canadian Dollars to its borrowers in Canada, adjusted automatically with each quoted or published change in such rate, and (ii) the sum of (y) the average of the rates per annum for Canadian Dollar bankers' acceptances having a term of one month that appears on the Reuters CDOR Page as of 10:00 a.m. (Toronto time) on the date of determination, as reported by OEFC (and if such screen is not available, any successor or similar service as may be selected by OEFC), and (z) 0.50%.

"**Capital Stock**" of any Person means any and all shares, or interests, participations or other equivalents (however designated) of shares, in the capital of such Person.

"**Company**" means the Independent Electricity Market Operator, a corporation existing under the laws of the Province of Ontario, until a successor corporation shall have succeeded to all of the rights and obligations of the Independent Electricity Market Operator pursuant to Section 5.1 and thereafter "**Company**" shall mean such successor corporation (or any successor thereto which shall have become such pursuant to Section 5.1).

"**Consolidated Assets**" means, at any time, the book value of the assets of the Company and the Subsidiaries, determined as of such time on a consolidated basis in accordance with generally accepted accounting principles.

"**default**" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"**disposition**" has the meaning specified in Section 5.1.

"**Event of Default**" has the meaning specified in Section 4.1.

"**Indebtedness**" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) Every obligation of such Person for borrowed money;

(b) Every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments, including obligations for borrowed money incurred in connection with the acquisition of property, assets or businesses;

(c) Every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) Every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) Every capital lease obligation of such Person;

(f) The Swap Termination Value of each Swap Contract of such Person; and

(g) Every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"**Lien**" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"**Material Subsidiary**" means, at any time, a Subsidiary which has consolidated assets with a book value of more than $25 million determined as of such time in accordance with generally accepted accounting principles.

"**Note**" means the note of the Company issued under this Agreement.

"**Ontario Yield Price**" means, with respect to the Note or part thereof to be prepaid pursuant to Section 2.4, a price equal to the price of the Note or part thereof to be so prepaid calculated to provide a yield to maturity, compounded semi-annually and calculated in accordance with generally accepted financial practice, equal to the Province of Ontario Yield on the Business Day preceding the date on which such prepayment is to be made by the Company to OEFC in accordance with Section 2.4.

"**Permitted Liens**" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) Any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) Any obligations or duties, affecting the property of the Company or a Subsidiary, to any municipality or governmental, statutory or public

authority, with respect to any franchise, grant, licence or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by the Company or such Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by the Company or such Subsidiary;

(d) Any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) The right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) Any undetermined or inchoate Liens and charges incidental to the current operations of the Company or a Subsidiary that have not at the time been filed against the Company or such Subsidiary; provided, however, that if any such Lien or charge shall have been filed, the Company or such Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) Any Lien the validity of which is being contested at the time by the Company or a Subsidiary in good faith and the enforcement of which has been stayed;

(h) Any easements, rights-of-way and servitudes that in the opinion of the Company will not in the aggregate materially and adversely impair the use or value of the land concerned for the purpose for which it is held by the Company or a Subsidiary;

(i) Any Liens and privileges arising out of judgments or awards with respect to which the Company or a Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall

have secured a stay of execution pending such appeal or proceedings for review;

(j) pledges of cash or cash equivalents to secure the Company's or a Subsidiary's liabilities from time to time under Permitted Swap Contracts; and

(k) Any other Liens of a nature similar to the foregoing which do not in the opinion of the Company, acting reasonably, materially impair the use of the property subject thereto or the operation of the business of the Company or any Subsidiary or the value of such property for the purpose of any such business.

"**Permitted Swap Contract**" means a Swap Contract to which the Company or a Subsidiary is a party, provided that:

(a) The Company or such Subsidiary enters into such Swap Contract in the ordinary course of business for the purpose of directly mitigating risks associated with fluctuations in interest rates or currency exchange rates with respect to Indebtedness of the Company or such Subsidiary and not for the purposes of speculation or taking a "market view";

(b) The notional amount of such Swap Contract does not exceed the payments due with respect to the Indebtedness being hedged thereby;

(c) Such Swap Contract does not contain any "walk-away" provision exonerating the non-defaulting party from its obligation to make payments on any outstanding transaction to the defaulting party; and

(d) Such Swap Contract is in a form approved by the International Swaps & Derivatives Association, Inc. at the time such Swap Contract is entered into or in such other form as shall be customary at such time for the documentation, in accordance with good market practise by regulated financial institutions carrying on business in Canada, of obligations similar to the obligations documented in such Swap Contract.

"**Person**" means any individual, corporation, partnership, joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"**Province of Ontario Yield**" means, with respect to the Note or part thereof to be prepaid pursuant to Section 2.4, the average of the quotations obtained by the Company from two major Canadian investment dealers selected by OEFC, as to the yield to maturity on the Business Day preceding the date on

which such prepayment is to be made by the Company to OEFC in accordance with Section 2.4, compounded semi-annually and calculated in accordance with generally accepted financial practice, which a non-callable Government of Ontario bond would carry if issued in Canadian Dollars in Canada at 100% of its principal amount on such date with a term to maturity approximately equal to the remaining term to maturity, calculated as at the applicable prepayment date, of the Note.

"**Purchase Money Mortgage**" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or part of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"**Reference Lenders**" means, collectively, any two major financial institutions in Canada who, in the ordinary course of business, provide loans in Canadian Dollars to borrowers in Canada, as selected from time to time by OEFC and, in the singular, any one of them.

"**Reuters CDOR Page**" means the display page so designated on the Reuters Monitor Money Rates Service (or such other page as may replace that page on that service for the purpose of displaying rates for Canadian Dollar bankers' acceptances).

"**Senior Debt**" means all Indebtedness of the Company, including the Note, which is not subordinated in right of payment to any other Indebtedness of the Company.

"**Stated Maturity**" when used with respect to any Indebtedness or any instalment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such instalment of interest is due and payable.

"**Subsidiary**" means:

(a) A corporation more than 50% of the voting power of the outstanding Voting Shares of which is owned, directly or indirectly, by the Company or by one or more other Subsidiaries or by the Company and one or more other Subsidiaries, or

(b) Any Person (other than a corporation) in which the Company, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

"Successor Person" has the meaning specified in Section 5.1.

"Swap Contract" means any agreement, whether or not in writing, relating to any transaction that is a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction, currency swap, cross-currency rate swap, swaption, currency option or any other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.

"Swap Termination Value" means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap Contracts:

(a) For any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and

(b) For any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.

"U.S. Dollars" means lawful currency of the United States of America.

"Voting Shares" of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings and Table of Contents.

The division of this Agreement into Articles and Sections, the insertion of headings and the provision of a Table of Contents are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and *vice versa* and words importing gender may include any gender. In this Agreement and the Note, (i) the words **"including"** and **"includes"** mean **"including (or includes) without limitation"**, and (ii) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word **"from"** means **"from and including"** and the words **"to"** and **"until"** each mean **"to but excluding"**.

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with generally accepted accounting principles. Generally accepted accounting principles refer to accounting principles generally accepted in Canada as recommended in the Handbook of the Canadian Institute of Chartered Accountants at the relevant time applied on a consistent basis.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the next succeeding Business Day.

ARTICLE 2
THE NOTE

Section 2.1 Issue of Note.

In consideration of the transfer of certain officers, employees, assets and rights of OEFC to the Company pursuant to the Transfer Order and as partial payment for such assets and rights, the Company issues and delivers the Note to OEFC.

Section 2.2 Terms of the Note.

(1) The Note shall be in substantially the form set out in Schedule 2.2(1), shall be in the aggregate principal amount of $70.3 million, shall be dated as of the

date of this Agreement, shall mature on May 1, 2009, and shall bear interest at the rate of 7.90% per annum (after as well as before default or judgment, with interest on the amounts in default at the same rate).

(2) The Note shall at all times rank pari passu with all other Senior Debt, except Senior Debt that is statutorily preferred and Senior Debt that is secured by a Lien referred to in Sections 3.8(a) to 3.8(f), inclusive.

(3) Interest shall be payable on the Note in accordance with Section 2.3.

(4) The Company may prepay all or part of the Note in accordance with Section 2.4.

(5) All amounts owing in respect of the Note shall be paid without exercising any right of set off or counterclaim by the Company irrespective of whether or not, at the time any such amount is due and payable, amounts are due and payable by OEFC to the Company.

Section 2.3 Interest.

Interest on the Note at the rate specified in Section 2.2(1) shall accrue daily, and shall be payable in equal semi-annual instalments on May 1 and November 1 in each year, the first such payment for the Note to be made for the period from the date of this Agreement to May 1, 1999 and, whenever it is necessary to compute interest in respect of the Note for a period of less than one full year, other than such equal semi-annual instalments, such interest shall be calculated on the basis of the actual number of days elapsed in a year of 365 days or 366 days, as the case may be.

Section 2.4 Prepayment.

(1) If the Company has, upon the number of days notice to OEFC determined in accordance with Section 2.4(2), delivered a notice to OEFC stating the proposed date and the Note or part thereof that the Company wishes to prepay, on such date the Company shall pay to OEFC the greater of:

(a) The principal amount of the Note or part thereof that is to be prepaid, as the case may be; and

(b) The Ontario Yield Price for the Note or such part;

together in each case with all interest accrued on the Note or such part to such date or, if the Company and OEFC agree, such amount as they agree upon.

(2) The Company may, at any time and from time to time, prepay all or part of the Note upon giving OEFC not less than 30 days' prior written notice of such prepayment.

Section 2.5 Public Debt Covenants.

(1) If the Company issues notes, bonds, debentures or other evidences of Senior Debt to the public with a term to maturity of at least 5 years and in an aggregate principal amount of at least 100 million in Canadian Dollars or at least 100 million in U.S. Dollars pursuant to a trust indenture, the Company shall, within 3 Business Days of the first such issuance, give OEFC notice of such issuance and a copy of such trust indenture. Effective upon such issuance, the representations and warranties, the positive and negative covenants of the Company (including any financial covenants but excluding covenants relating to interest rates, interest payment dates, maturity dates of principal, prepayments and manner and place of payments) and the events of default applicable to such Senior Debt as specified in such trust indenture shall automatically become applicable to the Note in lieu of the representations and warranties, covenants or Events of Default, as the case may be, included herein as if the same had been originally included in this Agreement when executed and delivered and this Agreement shall be deemed to be amended as of the date such Senior Debt is issued to the extent necessary to incorporate such representations and warranties, covenants and events of default into this Agreement. The Company, at the request of OEFC, shall promptly execute and deliver an agreement which sets out the terms and provisions of this Agreement, as so amended.

(2) If, at any time or from time to time, the representations or warranties, the positive or negative covenants (including any financial covenants but excluding covenants relating to interest rates, interest payment dates, maturity dates of principal, prepayments and manner and place of payments) or the events of default applicable to the Senior Debt referred to in Section 2.5(1) are amended, modified or restated, the Company shall, within 3 Business Days of such amendment, modification or restatement, give OEFC notice thereof and a copy of the agreement amending or modifying the trust indenture referred to in Section 2.5(1) or a copy of the restatement of such trust indenture, as the case may be. OEFC may, upon notice to the Company given at any time within 90 days of receipt by OEFC of a copy of such agreement or such restatement, elect to have such amendment, modification or restatement apply to the Note and this Agreement (as amended pursuant to Section 2.5(1)). If OEFC so elects, such amendment, modification or restatement shall become applicable to the Note and this Agreement (as so amended) as of the date of such election, as if such amendment, modification or restatement amended, modified or restated this Agreement (as so amended) as of such date and this Agreement shall be deemed to be amended, modified or restated as of such date to the extent necessary to incorporate such representations and warranties, positive and negative covenants (including any financial covenants but excluding covenants

relating to interest rates, interest payment dates, maturity dates of principal, prepayments and manner and place of payments) and events of default. The Company, at the request of OEFC, shall promptly execute and deliver an agreement which sets out the terms of this Agreement, as amended pursuant to Section 2.5(1) and as further amended, modified or restated pursuant to this Section 2.5(2).

Section 2.6 Payment.

All amounts required to be paid by the Company to OEFC pursuant to this Agreement shall be paid to or to the order of OEFC by electronic wire transfer of immediately available funds in accordance with transfer instructions given by OEFC to the Company from time to time, or in any such other manner as OEFC may specify to the Company from time to time.

ARTICLE 3
COVENANTS OF THE COMPANY

Section 3.1 Payment of the Note.

The Company will duly and punctually pay or cause to be paid all amounts owing in respect of the Note or under this Agreement in accordance with the terms and subject to the conditions of the Note and this Agreement.

Section 3.2 Company will Maintain its Corporate Existence.

Subject to Section 5.1, the Company will at all times maintain its corporate existence.

Section 3.3 Maintenance of Properties.

The Company will cause all property owned by the Company or any Subsidiary to be maintained and kept in good condition, repair and working order, all as in the judgment of the Company or any Subsidiary may be necessary for the proper operation of such property, except as and to the extent that the Company or any Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 3.3 shall prevent the Company or any Subsidiary from discontinuing the maintenance of any such property if such discontinuance is, in the judgment of the Company or any Subsidiary, desirable in the conduct of its business or the business of any such Subsidiary.

Section 3.4 Insurance.

The Company will cause all property owned by the Company or any Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the nature and to the extent that such property is usually insured by companies operating similar businesses.

Section 3.5 Conduct of Business.

The Company will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in a proper, efficient and business-like manner and in accordance with good business practice.

Section 3.6 Financial Statements.

The Company will furnish to OEFC:

(a) Within 140 days after the end of each fiscal year, beginning with the fiscal year ended December 31, 1999, audited financial statements of the Company consisting of a consolidated balance sheet of the Company at the end of each such fiscal year and related consolidated statements of income and retained earnings and, commencing with the financial statements relating to the fiscal year of the Company commencing January 1, 2000, changes in financial position for each such fiscal year prepared in accordance with generally accepted accounting principles; and

(b) Within 60 days after the end of each of the first three fiscal quarters of each fiscal year of the Company, unaudited interim consolidated financial statements of the Company for the interim period so ended prepared in accordance with generally accepted accounting principles.

Section 3.7 Other Indebtedness.

The Company covenants that if it shall cause any payment of principal, premium or interest on any of its Indebtedness to be subordinated or postponed to the prior payment of any other Indebtedness it shall in like manner subordinate or postpone such payment to the prior payment of the Note.

Section 3.8 Negative Pledge.

The Company will not, and will not permit any Subsidiary to, create, incur or assume any Lien, charging the interest of the Company or any Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, the Note is secured equally

and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) The creation, incurrence or assumption of any Purchase Money Mortgage;

(b) The grant of any Lien in the normal course of business to any banks or financial institutions for present or future Indebtedness of the Company or any Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) Liens granted by a Subsidiary to the Company;

(e) Any extension, renewal or replacement of any of the Liens referred to in Sections 3.8(a) to (d), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased.; and

(f) Any Lien charging the interest of the Company or any Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 3.8(a) to (d), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 3.8(f) which is outstanding at such time does not exceed 25% of Consolidated Assets at such time.

Section 3.9 Payment of OEFC's Expenses

The Company will, on demand, reimburse OEFC for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OEFC in connection with the preservation of rights under or enforcement of this Agreement at any time during the continuance of a default or Event of Default. All such costs, charges and expenses shall bear interest at the Canadian Prime Rate, payable monthly in arrears from the third Business Day after demand for reimbursement thereof is made by OEFC.

ARTICLE 4
EVENTS OF DEFAULT AND REMEDIES

Section 4.1 Event of Default.

"**Event of Default**", wherever used herein, means any one of the following events:

(a) Failure to pay any interest upon the Note when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) Failure to pay the principal of the Note at its Stated Maturity;

(c) Failure on the part of the Company to observe or perform its obligations set forth in Section 5.1;

(d) Failure on the part of the Company to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 30 days after the date on which written notice of such failure shall have been given to the Company by OEFC;

(e) One or more breaches by the Company or any Subsidiary of its covenants under one or more evidences of Indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $25 million, which breaches:

(i) Constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist, or

(ii) Have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived or rescinded);

(f) The Company or any Material Subsidiary:

(i) Becomes generally not able to pay its debts as they become due;

(ii) Admits in writing its inability to pay its debts generally or makes a general assignment for the benefit of its creditors or files a proposal or other scheme of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) Institutes or has instituted against it any proceeding seeking:

(A) To adjudicate it a bankrupt or insolvent,

(B) Liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors, or

(C) The entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets,

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismissed or unstayed for a period of 30 days, or any of the actions sought in such proceeding (including the entry of an order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

(iv) Takes any corporate action to authorize any of the actions in Sections 4.1(f)(i), (ii) or (iii); or

(g) If there shall be rendered against the Company or any Material Subsidiary a final judgment or judgments for the payment of money in an aggregate amount in excess of $25 million by a court or courts of competent jurisdiction, and the Company or such Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 4.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case OEFC may declare all amounts owing on the Note and all other amounts owing hereunder to be due and payable immediately, by a notice in writing to the Company, and upon any such declaration all such amounts shall become immediately due and payable.

Section 4.3 Suits for Enforcement by OEFC.

If an Event of Default occurs and is continuing, OEFC may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in OEFC by this Agreement or by law.

Section 4.4 OEFC May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of the Company under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property of the Company, or if any other judicial proceedings relative to the Company, its creditors or its property are pending, OEFC (irrespective of whether the principal amount of the Note shall then be due and payable as therein expressed or by declaration or otherwise and irrespective of whether OEFC shall have made any demand on the Company for the payment of any overdue principal or interest) shall be entitled and empowered, by intervention in such proceeding or otherwise:

(a) To file and prove a claim for all amounts owing on the Note or under this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of OEFC (including any claim for fees and disbursements of OEFC, its agents and counsel) allowed in such judicial proceeding; and

(b) To collect and receive any moneys or other property payable or deliverable on any such claim.

Section 4.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to OEFC is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 4.6 Delay or Omission not Waiver.

No delay or omission of OEFC to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right and remedy given

by this Article 4 or by law to OEFC may be exercised from time to time, and as often as may be deemed expedient, by OEFC.

ARTICLE 5
CONSOLIDATION, AMALGAMATION, MERGER OF COMPANY

Section 5.1 Certain Requirements in Respect of Merger, etc.

The Company may not, in a single transaction or a series of related transactions, amalgamate or consolidate with or merge into any other Person, or permit any other Person to amalgamate or consolidate with or merge into the Company, or directly or indirectly transfer, sell, lease or otherwise dispose of all or substantially all of its property or assets (a "**disposition**") to any Person, but may do so if:

(a) The Company shall be the surviving Person, or the Person (if other than the Company) formed by such amalgamation, consolidation or into which the Company is merged or that acquires by disposition all or substantially all of the properties or assets of the Company shall be a corporation, partnership or trust organized and validly existing under the federal laws of Canada or any province or territory thereof and shall expressly assume, by an agreement executed and delivered to OEFC in form satisfactory to OEFC, all of the Company's obligations under this Agreement and the Note and, in the case of an entity organized other than under the laws of the Province of Ontario, shall attorn to the jurisdiction of the courts of the Province of Ontario (the Company or such other Person who becomes such a successor obligor under this Agreement being herein referred to as the "**Successor Person**");

(b) Immediately before and after giving effect to such transaction, no default or Event of Default shall have occurred and be continuing; and

(c) The Successor Person shall have delivered to OEFC a certificate of the Successor Person and an opinion of counsel, each stating that such amalgamation, consolidation, merger or disposition by the Company, and, if an agreement is required to be entered into by the Successor Person in connection with such transaction pursuant to Section 5.1(a), such agreement, comply with Section 5.1(a) and the certificate of the Successor Person shall also state that all conditions precedent in this Section 5.1 relating to such transaction have been satisfied.

Section 5.2 Successor Substituted.

Upon any consolidation, amalgamation, merger or disposition described in, and complying with the provisions of, Section 5.1 in which the Company is not the continuing corporation, the Successor Person shall succeed to all of the rights and obligations of the Company under this Agreement and the Note, and from time to time may exercise every right and power of the Company under this Agreement and the Note.

ARTICLE 6
GENERAL

Section 6.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy addressed:

If to the Company, to it at:

Independent Electricity Market Operator
P.O. Box 1
Suite 410
655 Bay Street
Toronto, Ontario
M5G 2K4

Attention: Douglas Thomas, CA, Treasurer
Telephone: (416) 506-2818
Telecopier: (416) 506-2843

If to OEFC, to it at:

Ontario Electricity Financial Corporation
c/o Ontario Financing Authority
1 Dundas Street West
Suite 1400
Toronto, Ontario
M3A 1Y7

Attention: Executive Director - Capital Markets Division
Telephone: (416) 325-8128
Telecopier: (416) 325-8005

Any such communication shall be deemed to have been validly and effectively given if (i) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p.m. (Toronto time), otherwise on the next Business Day, (ii) transmitted by telecopier, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice given in accordance with this Section 6.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 6.1.

Section 6.2 Successors and Assigns.

Subject to Section 5.1, the Company cannot assign or transfer this Agreement or the Note or any of its rights or obligations under this Agreement or the Note without the prior written consent of OEFC. OEFC cannot assign or transfer this Agreement or the Note or any of its rights or obligations under this Agreement or the Note without the prior written consent of the Company.

Section 6.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of OEFC and the Company.

Section 6.4 Waiver.

(3) No waiver of any provision of the Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) of this Agreement nor shall such waiver be binding unless executed in writing by the party to be bound by the waiver.

(4) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude any other or further exercise of such right or the exercise of any other right.

Section 6.5 Further Assurances.

Each of the Company and OEFC shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement.

Section 6.6 Severability.

In case any provision in this Agreement or in the Note shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement or in the Note shall not in any way be affected or impaired thereby.

Section 6.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 6.8 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF the parties have executed this Agreement.

INDEPENDENT ELECTRICITY MARKET OPERATOR

By: Douglas J. Thomas

By: _____

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By: _____

By: _____

AMENDING AGREEMENT NO. 6

This Amending Agreement is made as of the 30th day of April, 2017

between:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR
("IESO")

- and -

ONTARIO ELECTRICITY FINANCIAL CORPORATION
("OEFC")

WHEREAS IESO and OEFC have entered into an agreement Providing for the Issuance of a Note dated April 1, 1999 (the "Original Agreement");

AND WHEREAS pursuant to amending agreements dated March 23, 2000, April 23, 2009, May 1, 2011, May 1, 2013, and April 30, 2014 the parties amended the Original Agreement (as so amended, the "Agreement");

AND WHEREAS the parties wish to further amend the Agreement to increase the loan advanced to IESO from a principal amount of C$90 million to a principal amount of up to C$120 million and to extend the maturity date of the loan to June 30, 2020, all of which is to be evidenced through the the issuance of a Fifth Refinancing Note.

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and sufficiency of which are hereby acknowledged by each party), the parties agree as follows:

1. **Defined Terms**

Capitalized terms used in this Amending Agreement and not otherwise defined herein have the meanings specified in the Agreement.

2. **Amendments to Agreement**

(a) Definition of "Loan" in the Agreement is deleted.

(b) Article 1a (The Loan) of the Agreement is deleted in its entirety and replaced with the following:

Article 1a $30 Million Advance

Section 1a.1

Effective April 30, 2017, OEFC will make an advance to IESO in the amount of $30 million (the "$30 Million Advance"). IESO directs OEFC to apply, and OEFC agrees to apply, the $30 Million Advance, first to repay Advances Outstanding (as such term is defined in the Revolving Credit Facility Agreement), if any, under the Revolving Credit Facility Agreement, with any amount remaining out of the $30 Million Advance after repaying all Advances Outstanding to be used by IESO for the purpose of funding new IESO capital expenditures.

(c) The following sections are added to the Agreement following Section 2.15:

" Section 2.16 Fifth Refinancing Note

On April 30, 2017, IESO shall execute and deliver to OEFC a promissory note in the form attached as Schedule 1 (the "Fifth Refinancing Note") which shall be in an aggregate principal amount equal to $120 million, dated as of April 30, 2017 and maturing on June 30, 2020 and bearing interest at a per annum rate equal to the Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020, as determined by the Chief Executive Officer of OEFC or the Chief Operating Officer of OEFC, or by a person designated by either of them, plus fifty basis points (0.50%) (after as well as before default or judgment, with interest on the amounts in default at the same rate). Upon receipt of the Fifth Refinancing Note by OEFC, the Fourth Refinancing Note dated April 30, 2014 shall be of no further force or effect and shall be returned by OEFC to IESO marked "cancelled".

For greater clarity, the Fifth Refinancing Note shall evidence the indebtedness of IESO to OEFC in respect of the principal amount of $90 million under the Fourth Refinancing Note ("Part A") and the additional $30 Million Advance ("Part B"), for a total aggregate principal amount of $120 million.

Notwithstanding Section 1.5 herein, the interest rate on the Fifth Refinancing Note shall be set on Monday, May 1, 2017, with interest accruing on Part A commencing on Sunday, April 30, 2017, and interest accruing on Part B commencing on Monday, May 1, 2017.

Section 2.17 Interest on Fifth Refinancing Note

Notwithstanding Section 1.5 herein, interest on the Fifth Refinancing Note at the rate specified in Section 2.16 shall accrue daily and shall be payable in equal semi-annual instalments on June 30 and December 31(each an "Interest Payment Date"), provided however that the calculation of the amount of the first such interest payment for Part A shall be in respect only of the period from and including April 30, 2017 to but excluding June 30, 2017, and for Part B in respect only of the period from May 1, 2017 to but excluding June 30, 2017.

For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under the Fifth Refinancing Note for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period."

3. **Reference to and Effect on the Agreement.**

On and after this date, each reference in the Agreement to "this Agreement" and each reference to the Agreement in any and all other agreements, documents and instruments delivered by IESO and OEFC shall mean and be a reference to the Agreement as amended by this Amending Agreement. On and after this date, each reference in the Agreement to either "the Note" or "the New Note" and each reference to either "the Note" or "the New Note" in any and all other agreements, documents and instruments delivered by IESO and OEFC shall mean and be a reference to the Fifth Refinancing Note.

4. **Governing Law**

This Amending Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

5. **Counterparts**

This Amending Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.

6. **Enurement**

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

IN ALL OTHER RESPECTS, the Agreement is confirmed by the parties.

IN WITNESS WHEREOF the parties have executed and delivered this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

SCHEDULE 1
FORM OF FIFTH REFINANCING NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

NOTE

Aggregate Principal Amount: $120 million, consisting of: a Part A amount of $90 million ("Part A"), whereon interest accrues commencing on April 30, 2017, and a Part B amount of $30 million ("Part B"), whereon interest accrues commencing on May 1, 2017.

Date: April 30, 2017

Interest Rate: (Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020 + 50 basis points)

Due: June 30, 2020

FOR VALUE RECEIVED, the INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO") existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, PROMISES TO PAY to or to the order of ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC") at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of $120 million in lawful money of Canada, with interest on such amount at the rate, calculated in the manner and payable at the times specified in this Note.

The principal amount of this Note together with all interest accrued thereon shall become due and payable on June 30, 2020.

The principal amount of this Note remaining from time to time unpaid and outstanding shall bear interest from the date of this Note both before and after maturity and both before and after default at the rate per annum equal to the Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020, as determined by the Chief Executive Officer of OEFC or the Chief Operating Officer of OEFC, or by a person designated by either of them, plus fifty basis points (0.50%). Interest at such rate shall accrue daily and shall be payable in arrears in equal semi-annual instalments on June 30 and December 31 (each an "Interest Payment Date") commencing June 30, 2017, provided however that the calculation of the amount of the first such interest payment for Part A shall be in respect only of the period from and including April 30, 2017 to but excluding June 30, 2017, and for Part B in respect only of the period from and including May 1, 2017 to but excluding June 30, 2017.

For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Note for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of an agreement providing for the issuance of a note dated April 1, 1999 between the IESO and OEFC and amended by an amending agreement dated March 23, 2000, an amending agreement dated April 23, 2009, an amending agreement dated May 1, 2011, an amending agreement dated May 1, 2013, an amending agreement dated April 30, 2014, and an amending agreement dated April 30, 2017 (as so amended, the "Agreement"), which Agreement provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

From: Ryan Blackbyrne
To: Sarah Harris
Subject: RE: IESO / OEFC - $120MM and $160MM
Date: Thursday, November 09, 2017 11:04:09 AM
Attachments: $160M revolving credit - Original Agreement - April 23, 2010.pdf
$160M revolving credit - Amending Agreement no.6 - April 30, 2017.pdf
$120M note - Original Agreement - April 1, 1999 .pdf
$120M note - Amending Agreementt no.6 - April 30, 2017.pdf

Hi Sarah – is it ok to send the following email?

Hi Gavin,

Thank you for the note. Just to confirm: do the recommendations in the note apply to both the $160M and $120M credit facilities? The email I received from Anthony Martinello at IESO earlier in the week (pasted below) suggested that IESO expected amendments to be made to both the IESO-OEFC credit facility agreements.

After reviewing the attached agreements we noticed that although the $160M and $120M credit facility agreements were amended at the same time (April 30, 2017) the $160M amending agreement made clear references to the Ontario Fair Hydro Plan (OFHP) while the $120M amending agreement did not.

For example, the amending agreement for the $160M credit facility specifically provides that the $160M be used to fund "IESO Corporate Requirements". And it goes on to define IESO Corporate Requirements:

iii) A definition of "IESO Corporate Requirements" is added as follows:
"IESO Corporate Requirements" means any borrowing purposes authorized by **0.Reg. 280/14** made under the Electricity Act, 1998 (as such regulation maybe amended or replaced from time to time), other than for funding liquidity requirements relating to the settlement of the Ontario wholesale electricity markets.

We note that O.Reg 280/14 was amended in Section 3 "Authorized Borrowing" to provide for borrowing related to the OFHP.

In addition, Section 6 of the $160M amending agreement also made clear reference to the OFHP:

Paragraph 3.6(c) of the Agreement is deleted and replaced by the following:
(c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in
the financial condition of IESO, provided however that any adverse change in IESO'S financial condition related to or resulting from the discharge by IESO of its responsibilities under Ontario's Fair Hydro Plan shall be deemed not to be a material adverse change for the
purposes of this Section; and

However, despite being amended at the same time, the amending agreement for the $120M credit facility does not make any reference to the OFHP.

Is it your understanding that the recommendations in the note should still apply to both the $160M and $120M agreements?

Thank You,

Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M7A 1Y7

416-325-8143
ryan.blackbyrne@ofina.on.ca
From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Tuesday, November 07, 2017 4:07 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>
Subject: IESO - OEFC Nov 7

Ryan,

As discussed with Will today, I understand you will be co-ordinating the proposed 2 amendments to the existing IESO-OEFC credit facilities.

For starters, there are no expected changes being asked to the existing agreement's key business content (e.g. amounts, dates, interest, notices etc.), rather given that IESO-OFA have just finished two new agreements pertaining to the new fair hydro program, ….I suggest we just copy and paste the salient sections from these agreements that would now be relevant to the OEFC agreements for fair hydro namely;

1.DRAFT

The definition of "Permitted Liens" is amended by deleting the word "and" at the end of subsection (xx); replacing the "." at the end of subsection (xx) and replacing it with "; and" ; and adding the following subsection (xx):

"(xx) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

2.DRAFT

The OFA agreements had required an intercept provision, …..not sure if the same applies to OEFC if yes:

"Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of November 6th , 2017 herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the Capital Investment Plan Act, 1993 (the "Intercept Letter"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("Appropriated Funds"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("Intercept").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this

Agreement.
(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.
(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.
The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail."
3.
If any… other relevant updates that make sense to do now……I do not anticipate any material ones.
We need your support to expedite the above in order to avoid delays in the Fair Hydro implementation.
Regards.

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From: Gavin He
Sent: Thursday, November 09, 2017 8:29 AM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Hi Lisa, Sarah, and William,
Following my email on Tuesday, EFB has drafted the attached note on the IESO's request on the OEFC credit facility, including the background information, our recommendation, and the rationale. Could you please review the accuracy of the note and would you be able to provide me with your feedback before noon today?
Sorry for the short turnaround time, but we all would like to move on this as soon as possible.
Thanks,
Gavin He

From: Lisa Stein
Sent: Wednesday, November 08, 2017 9:55 AM
To: Gavin He <Gavin.He@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>

Cc: William Tan <William.Tan@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Sarah Neville <Sarah.Neville@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Thanks for the update Gavin.

From: Gavin He
Sent: Tuesday, November 07, 2017 4:02 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Sarah Neville <Sarah.Neville@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Hi Lisa/Sarah H.,

We touched based with IESO and they told us that the OEFC agreements do not contemplate a general grant of security by IESO over its assets as is currently under discussion with the OPG Trust relative to the implementation of the OFHP. The changes required to allow for such a grant would be to amend the permitted liens and negative covenant language in the OEFC agreements so as to make it the same as, or very similar to, the language in the two OFA Agreements that were signed recently.

We will get a policy direction soon and will draft a note for you to review once it's ready.

Regards,

Gavin He

From: Lisa Stein
Sent: Monday, November 06, 2017 9:43 AM
To: John Kim <John.Kim@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Sarah Neville <Sarah.Neville@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

No, I don't think the OFA Lending Policy would apply to these OEFC loans. The OFA Lending Policy addresses lending activities to public bodies undertaken where the OFA is acting as an intermediary on behalf of the Province.

From: John Kim
Sent: Sunday, November 05, 2017 1:55 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>
Subject: Re: IESO / OEFC - $120MM and $160MM

Hi Sarah,

We will look at this but this is oefc so not sure if the same lending policy applies.

John

Sent from my iPhone

On Nov 5, 2017, at 12:06 PM, Sarah Harris <Sarah.Harris@ofina.on.ca> wrote:

> Hi John,
>
> We've received no internal direction on the nature of changes IESO is looking for in relation to existing OEFC credit facility with the IESO and the FHP. I surmise it may have

to do with adjusting the agreement to allow FHP permitted liens (which we would need internal approval to do) or similar changes, but do you know if IESO communicated requirements to Gadi or Ron?
Thanks,
Sarah
Sent from my iPhone

Begin forwarded message:

> **From:** Anthony Martinello <Anthony.Martinello@ieso.ca>
> **Date:** November 5, 2017 at 11:02:50 AM EST
> **To:** William Tan <William.Tan@ofina.on.ca>
> **Cc:** Lisa Stein <Lisa.Stein@ofina.on.ca>, Sarah Harris <Sarah.Harris@ofina.on.ca>, Victor Buza <Victor.Buza@ieso.ca>
> **Subject: RE: IESO / OEFC - $120MM and $160MM**
>
> Will – unless any concerns, will appreciate if you please begin to draft the two OEFC amendments this week – given that the IESO is targeting to sign the OPG / IESO fair hydro agreement by this month's end,….we need to have the two OEFC's done before this.
> Regards.
>
> ---
>
> **From:** Anthony Martinello
> **Sent:** November 01, 2017 12:56 PM
> **To:** 'William Tan'
> **Cc:** 'Lisa Stein'; 'Sarah Harris'; 'John Kim'; Victor Buza
> **Subject:** IESO / OEFC - $120MM and $160MM
>
> Once we have completed the 2 OFA facilities and the intercept letter – we then have to turn to the 2 outstanding IESO-OEFC credit facilities to contemplate any further amendments too.
> Just ensuring that these 2 OEFC facilities are not missed.
> Regards.
>
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INDEPENDENT ELECTRICITY SYSTEM OPERATOR

as Borrower

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION

as Lender

REVOLVING CREDIT FACILITY AGREEMENT

Dated: April 23, 2010

THIS CREDIT FACILITY AGREEMENT is made on the 23rd day of April, 2010

between:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")

RECITAL:

IESO has requested a revolving line of credit from OEFC in the amount of up to Sixty Million Dollars for the purpose of replacing the current IESO revolving line of credit with the Toronto-Dominion Bank which is used for liquidity purposes that may also be used to fund corporate requirements. OEFC has agreed to lend such amount to IESO on the terms and conditions set out herein.

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the parties agree as follows:

ARTICLE 1
DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"Advance Date" has the meaning set forth in Section 3.2.

"Advances" means advances made by OEFC to IESO under Article 3 and **"Advance"** means any one of such advances.

"Advances Outstanding" means, at any time, an amount equal to the aggregate principal amount of all Advances outstanding at such time.

"Agreement", "herein", "hereby", "hereof", "hereunder" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression **"Article"** or **"Section"** followed by a number means the specified Article or Section of this Agreement.

"Borrowing Notice" has the meaning specified in Section 3.2.

"Business Day" means any day other than a Saturday, Sunday or a statutory or civic holiday in Toronto, Ontario.

"Commitment" means, at any time, an amount equal to the principal amount of Sixty Million Dollars.

"Consolidated Assets" means, at any time, the book value of IESO and the Subsidiaries, determined as of such time on a consolidated basis in accordance with generally accepted accounting principles.

"Credit Facility" means the revolving credit facility to be made available to IESO by OEFC under this Agreement for the purposes specified in Section 2.3.

"Default" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"Disposition" has the meaning specified in Section 6.1.

"Dollars" or "$" means lawful currency of Canada.

"Event of Default" has the meaning specified in Section 5.1.

"IESO" means Independent Electricity System Operator, a corporation existing under the laws of the Province of Ontario, until a successor corporation shall have succeeded to all of the rights and obligations of Independent Electricity System Operator pursuant to Section 6.1 and thereafter **"IESO"** shall mean such successor corporation (or any successor thereto which shall have become such pursuant to Section 6.1).

"Indebtedness" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) every obligation of such Person for borrowed money;

(b) every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments;

(c) every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) every capital lease obligation of such Person; and

(f) the Swap Termination Value of each Swap Contract of such Person; and

(g) every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"Interest Payment Date" means with respect to each Advance means the first Business Day of each month.

"Interest Rate" means the Province of Ontario's cost of borrowing for a 30 day term, as determined as of the first Business Day of each month by OEFC, plus 0.25 percent per annum.

"Interest Reset Date" has the meaning specified in section 3.3(2)(i).

"Lien" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"Material Subsidiary" means, at any time, a Subsidiary which, together with its subsidiaries, has consolidated assets with a book value of more than Twenty-Five Million Dollars determined as of such time in accordance with generally accepted accounting principles.

"Note" means the note of IESO issued under this Agreement.

"Permitted Liens" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) any obligations or duties, affecting the property of IESO or a Material Subsidiary, to any municipality or governmental, statutory or public authority, with respect to any franchise, grant, license or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by IESO or such Material Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by IESO or such Material Subsidiary;

(d) any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) the right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) any undetermined or inchoate Liens and charges incidental to the current operations of IESO or a Material Subsidiary that have not at the time been filed against IESO or such Material Subsidiary; provided, however, that if any such Lien or charge shall have been filed, IESO or such Material Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) any Lien the validity of which is being contested at the time by IESO or a Material Subsidiary in good faith and the enforcement of which has been stayed;

(h) any easements, rights-of-way and servitudes that in the opinion of IESO will not in the aggregate materially and adversely impair the use or value of the land for the purpose for which it is held or occupied by IESO or a Material Subsidiary;

(i) any Liens and privileges arising out of judgments or awards with respect to which IESO or a Material Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall have secured a stay of execution pending such appeal or proceedings for review; and

(j) pledges of cash or cash equivalents to secure IESO's or a Material Subsidiary's liabilities from time to time under Swap Contracts and pledges of cash or cash equivalents in an aggregate amount not exceeding $25 million at any time to secure IESO's or a Material Subsidiary's liabilities from time to time under commodity swap, commodity option and commodity future contracts entered into in the ordinary course of business for the purpose of directly mitigating risks associated with fluctuations in prices or availability of commodities purchased or to be purchased by IESO or a Material Subsidiary in the ordinary course of business, and not entered into for the purposes of speculation; and

(k) any other Liens of a nature similar to the foregoing which do not in the opinion of IESO, acting reasonably, materially impair the use of the property subject thereto or the operation of the business of IESO or any Material Subsidiary or the value of such property for the purpose of any such business.

"Person" means any individual, corporation, partnership joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"Purchase Money Mortgage" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or part of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"Stated Maturity" when used with respect to any Indebtedness or any installment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such installment of interest is due and payable.

"Subsidiary" means:

(a) a corporation: (i) more than 50% of the voting power or the outstanding Voting Shares of which is owned, directly or indirectly, by IESO or by one or more other Subsidiaries or by IESO and one or more other Subsidiaries; or (ii) in the case of a non-share capital corporation, that the IESO has the power to appoint a majority of the Board of Directors; or

(b) any Person (other than a corporation) in which IESO, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

"Swap Contract" means any agreement whether or not in writing, relating to any transaction or derivative transaction including a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction currency swap, cross-currency rate swap, swaption, currency option or other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.

"Swap Termination Value" means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap contracts:

(a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and

(b) for any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.

"Voting Shares" of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings and Table of Contents.

The division of this Agreement into Articles and Sections the insertion of headings and the provision of a Table of Contents are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and vice versa and words importing gender may include any gender. In this Agreement, (a) the words **"including"** and **"includes"** mean "including (or includes) without limitation", and (b) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" each mean "to but excluding".

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with generally accepted accounting principles. Generally accepted accounting principles refer to accounting principles generally accepted in Canada as recommended in the Handbook of the Canadian Institute of Chartered Accountants at the relevant time applied on a consistent basis.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the following Business Day.

ARTICLE 2
REVOLVING CREDIT FACILITY

Section 2.1 Availability.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO up to the amount of the Commitment. OEFC shall make each Advance in Canadian Dollars.

Section 2.2 Commitment and Facility Limits.

The Advances Outstanding to IESO under the Credit Facility shall not at any time exceed the Commitment. The Credit Facility shall revolve and no payment under the Credit Facility shall reduce the Commitment.

Section 2.3 Use of Proceeds.

IESO shall use the proceeds of Advances for the following purposes for which it is authorized to borrow funds:

(a) to repay the revolving line of credit with the Toronto Dominion Bank;

(b) for liquidity purposes; and

(c) to fund corporate requirements.

Section 2.4 Mandatory Repayment.

Subject to Sections 3.5 and 5.2, IESO, shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder in full on or before April 30, 2013.

Section 2.5 Advances and Payments under this Agreement.

(1) OEFC shall make Advances to IESO under this Agreement to the order of IESO by wire transfer of immediately available funds in accordance with wire transfer instructions given by IESO to OEFC from time to time, or in such other manner as IESO may specify to OEFC from time to time.

(2) IESO shall make any payment required hereunder to be made by it to OEFC, to or to the order of OEFC, by wire transfer of immediately available funds in accordance with wire transfer instruction given by OEFC to IESO from time to time, or in such other manner as OEFC may specify to IESO from time to time. IESO shall make each such payment in Canadian Dollars

Section 2.6 Evidence of Indebtedness.

IESO authorizes OEFC to open and maintain records evidencing IESO's obligations under this Agreement and to record therein all advances, interest rates, accrued interest, payments of principal and interest and the aggregate principal and accrued interest outstanding from time to time under this Agreement. IESO agrees that the records kept by the OEFC in the absence of manifest error, shall be prima facie evidence of the indebtedness of IESO and the matters recorded provided that the failure of the OEFC to record or correctly record any amount or date shall not affect the obligation of IESO to repay the aggregate principal amounts and accrued interest thereon owing under this Agreement.

ARTICLE 3
ADVANCES AND INTEREST

Section 3.1 Advances.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO under the Credit Facility on the first Business Day of each month from and including May 3, 2010 to and including April 1, 2013.

Section 3.2 Procedure for Advances.

(1) Each Advance shall be made subject to four Business Day's prior notice given not later than 10:00 a.m. (Toronto time) by IESO to OEFC. Each notice of an Advance (a **"Borrowing Notice"**) shall be substantially in the form of Schedule 1, shall be irrevocable and binding on IESO and shall specify (a) the requested date of the Advance (the **"Advance Date"**), and (b) the principal amount of the Advance which shall be in a minimum amount of $1,000,000.00 (unless otherwise agreed to by OEFC), and in increments of $1,000,000.00 (or such other increments as may be agreed to by OEFC). OEFC will make the principal amount of each Advance available to IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, IESO shall execute and deliver to OEFC a grid promissory note (the "Note") in respect of Advances substantially in the form of Schedule 2. IESO authorizes OEFC to record on the grid promissory note (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal amount of the grid promissory note. Such notations, in the absence of manifest error, shall be prima facie evidence of the such advances and repayments; provided that the failure of OEFC to record any amount, rate or date shall not affect the obligation of IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement.

(3) In the event that funds are not received by IESO on the Advance Date, IESO and OEFC agree to take all steps necessary to amend the date of the Advance, without amending the Interest Rate that was agreed to with respect to such Advance.

(4) The Note shall at all times rank *pari passu* with all other unsubordinated Indebtedness of IESO, subject to the existence of any Permitted Liens of IESO.

(5) All amounts owing in respect of the Advances shall be paid without exercising any right or set off or counterclaim by IESO.

Section 3.3 Interest on Advances.

(1) IESO shall pay interest on the principal amount of each Advance then outstanding in accordance with this Section 3.3 from and including the date of such Advance until the principal amount of such Advance is repaid in full.

(2) Interest shall accrue on the principal amount of each Advance from and including the date of the Advance to but excluding the first Interest Payment Date following the date of the Advance, at the rate equal to the Interest Rate, and shall be payable on the Interest Payment Date for such Advance. The amount of interest payable on an Advance will be calculated by OEFC by dividing the Interest Rate applicable to the Advance by 365 or 366, as the case may be, and multiplying the result by the principal amount of the Advance then outstanding and further multiplying the result by the number of days in the period from the date of the Advance to the Interest Payment Date.

(i) If an Advance is outstanding on an Interest Payment Date, the interest rate applicable to such Advance shall be reset automatically by OEFC on that date (the "Interest Reset Date"), at the Interest Rate determined as of the Interest Reset Date.

(ii) For each Advance, OEFC shall notify IESO via email of the Interest Rate on the Advance Date and on each Interest Reset Date.

(3) Upon four Business Days prior notice by IESO, OEFC may at its discretion agree to capitalize the interest on any Advance on an Interest Payment Date, which shall be determined in the following manner: each such interest payment due on the Interest Payment Date shall be deemed to form part of the principal amount of the outstanding Advance and interest shall accrue and be payable thereon in accordance with Section 3.3(2). OEFC shall record on the grid forming part of the note: (a) the date and amount of the new Advance; (b) the applicable rate of interest for the Advance; and (c) the outstanding principal amount of the grid promissory note.

(4) Interest shall accrue on the principal amount of each Advance at the Interest Rate as determined from time to time, before as well as after the date such principal amount or interest thereon becomes due hereunder and both before and after default.

Section 3.4 Computations of Interest.

(1) All computations of interest shall be made by OEFC taking into account the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest is payable on the basis of a year of 365 days or 366 days, as the case may be.

(2) For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Agreement for any

period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

Section 3.5 Limit on Rate of Interest.

(1) Notwithstanding any provision contained in this Agreement, IESO shall not be obliged to make any payments of interest or other amounts payable to OEFC hereunder in excess of the amount or rate which would be prohibited by applicable law or would result in the receipt by OEFC of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada), as amended from time to time).

(2) In the event that any such payments are limited or prohibited as provided in Section 3.5(1), OEFC shall have no further obligation to make any Advances available hereunder and the Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, shall become immediately due and payable.

Section 3.6 Conditions Precedent

The obligation of OEFC to make the Advances pursuant to Section 2.1 is subject to the following conditions being met to OEFC's satisfaction at the time of making each Advance:

(a) that the representations and warranties of IESO contained in this Agreement are true and correct as at the date of making the Advance;

(b) that no Event of Default has occurred and is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default;

(c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO; and

(d) that OEFC has received such other documentation which it has reasonably requested to ensure that IESO is in compliance with the terms and conditions of this Agreement, including certified true copies of any necessary resolutions including resolutions authorizing the borrowing and authorized signatories.

ARTICLE 4

COVENANTS OF IESO

Section 4.1 Payment of Advances.

IESO will duly and punctually pay or cause to be paid all amounts owing under this Agreement in accordance with the terms and subject to the conditions of this Agreement.

Section 4.2 Use of Proceeds

The monies advanced under this Agreement shall be used only by IESO for the purposes set out in Section 2.3.

Section 4.3 IESO will Maintain its Corporate Existence.

Subject to Section 6.1, IESO will at all times maintain its corporate existence.

Section 4.4 Maintenance of Properties.

IESO will cause all property owned by IESO or any Material Subsidiary to be maintained and kept in good condition, repair and working order, all as in the judgment of IESO or any Material Subsidiary may be necessary for the proper operation of such property, except as and to the extent that IESO or any Material Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 4.4 shall prevent IESO or any Material Subsidiary from discontinuing the maintenance of any such property or decommissioning any such property if such discontinuance or decommissioning is, in the judgment of IESO or any Material Subsidiary, desirable in the conduct of its business or the business of any such Material Subsidiary, or has been directly or indirectly requested or required by the Province of Ontario.

Section 4.5 Insurance.

IESO will cause all property owned by IESO or any Material Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the nature and to the extent that such property is usually insured by companies operating similar businesses.

Section 4.6 Conduct of Business.

Subject to Section 4.3, IESO will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in a proper, efficient and business-like manner and in accordance with good business practice.

Section 4.7 Negative Pledge.

IESO will not, and will not permit any Material Subsidiary to, create, incur or assume any Lien, charging the interest of IESO or any Material Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, all amounts owing under this Agreement are secured equally and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) the creation, incurrence or assumption of any Purchase Money Mortgage;

(b) the grant of any Lien in the normal course of business to any banks or financial institutions for present or future indebtedness of IESO or any Material Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) any extension, renewal or replacement of any of the Liens referred to in Sections 4.7(a), (b) or (c), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased; and

(e) any Lien charging the interest of IESO or any Material Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 4.7(a), (b) or (c), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 4.6(e) which is outstanding at such time does not exceed 10% of Consolidated Assets at such time.

Section 4.8 Payment of OEFC Expenses.

IESO will, on demand, reimburse and indemnify OEFC for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OEFC in connection with the preservation of rights under or enforcement of this Agreement at

any time during the continuance of a Default or Event of Default. All such costs, charges and expenses shall bear interest at the Province's cost of funds plus 0.25 percent per annum (as determined by OEFC) calculated and payable monthly not in advance from in each case from the date on which OEFC incurs the cost, charge or expense until the date on which IESO reimbursement OEFC therefor. OEFC agrees, acting reasonably, to invoice IESO for any such costs, charges and expense as they are incurred, together with interest at the aforesaid rate (with interest on overdue interest).

Section 4.9 Reporting Requirements.

IESO covenants to provide to OEFC, or at its direction, to the Province of Ontario and the Ontario Financing Authority,

(a) any available information respecting its financial position which may be reasonably requested by OEFC, the Province of Ontario or the Ontario Financing Authority from time to time; and

(b) any additional reports or supporting documentation which may be reasonably requested by the OEFC, the Province of Ontario or the Ontario Financing Authority from time to time.

ARTICLE 5
EVENTS OF DEFAULT AND REMEDIES

Section 5.1 Event of Default.

Wherever used in this Agreement, the term **"Event of Default"** means any of the following:

(a) failure to pay any interest upon any Advance when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) failure to pay the principal amount of the Advances Outstanding, all interest accrued thereon and all other amounts owing under this Agreement on April 30, 2013;

(c) failure on the part of IESO to observe or perform its obligations set forth in Section 6.1;

(d) failure on the part of IESO to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 30 days after

the date on which written notice of such failure shall have been given to IESO by OEFC;

(e) any representation or warranty made by IESO in this Agreement or in any certificate or other document at any time delivered hereunder to OEFC was incorrect or misleading in any material respect;

(f) one or more breaches by IESO of its covenants under one or more evidences of indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $25 million, which breaches:

(i) constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist; or

(ii) have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived or rescinded);

(g) IESO, or any Material Subsidiary:

(i) becomes generally not able to pay its debts as they become due;

(ii) admits in writing its inability to pay its debts generally or makes a general assignment for the benefit of its creditors or files a proposal or other scheme of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) institutes or has instituted against it any proceeding seeking:

(A) to adjudicate it a bankrupt or insolvent;

(B) liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy / insolvency / reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors; or

(C) the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets;

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismisssed or unstayed for a period of 30 days, or any remedy sought in any such proceeding (including the entry of order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

(iv) takes any corporate action to authorize any of the actions in Sections 5.1(g)(i) to (iii); or

(h) if there shall be rendered against IESO or any Material Subsidiary a final judgment or judgments for the payment of money in an aggregate amount in excess of $5 million by a court or courts of competent jurisdiction, and IESO or any Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 5.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case OEFC may declare all amounts owing hereunder to be due and payable immediately, by a notice in writing to IESO, and upon any such declaration all such amounts shall become immediately due and payable.

Section 5.3 Suits for Enforcement by OEFC.

If an Event of Default occurs and is continuing, OEFC may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in OEFC by this Agreement or by law.

Section 5.4 OEFC May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of IESO under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property

of IESO, or if any other judicial proceedings relative to IESO, its creditors or its property are pending, OEFC shall be entitled and empowered, by intention in such proceeding or otherwise:

(a) to file and prove a claim for all amounts owing under this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of OEFC (including any claim for fees and disbursements of OEFC, its agents and counsel as contemplated under Section 4.7) allowed in such judicial proceeding; and

(b) to collect and receive any moneys or other property payable or deliverable on any such claim.

Section 5.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to OEFC is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.6 Delay or Omission not Waiver.

No delay or omission of OEFC to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right or remedy given by this Article 5 or by law to OEFC may be exercised from time to time, and as often as may be deemed expedient, by OEFC.

ARTICLE 6

CONSOLIDATION, AMALGAMATION, MERGER OF IESO

Section 6.1 Certain Requirements in Respect of Merger, etc.

IESO may not and may not cause any Material Subsidiary, in a single transaction or a series of related transactions, amalgamate or consolidate with or merge into any other Person, or permit any other Person to amalgamate or consolidate with or merge into IESO or the Material Subsidiary, or directly or indirectly transfer, sell, lease or otherwise dispose of all or substantially all of its property or assets (a "Disposition") to any Person without the written consent of OEFC.

Section 6.2 Successor Substituted.

Upon any consolidation, amalgamation, merger or Disposition described in, and complying with the provisions of, Section 6.1 in which IESO is not the continuing corporation, the successor Person shall succeed to all of the rights and obligations of IESO under this Agreement, and from time to time may exercise every right and power of IESO under this Agreement.

ARTICLE 7
REPRESENTATIONS AND WARRANTIES OF IESO

Section 7.1 Representations and Warranties of IESO.

IESO represents and warrants to OEFC that:

(a) the borrowing of money (including principal and accrued interest) by IESO and the execution, delivery and performance of this Agreement are within the powers and capacities of IESO and have been duly authorized by all necessary legal action and proper proceedings;

(b) the execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the compliance with the terms and conditions of this Agreement will not conflict with or result in a breach of any of the terms or provisions of the constituting documents or by-laws of IESO, laws of Ontario, including laws of Canada applicable therein, applicable to IESO or any contractual or other obligation binding on IESO; and

(c) this Agreement will, when executed and delivered, constitute the legal, valid and binding obligation of IESO enforceable against it in accordance with its terms.

Section 7.2 Continuation of Representation and Warranties.

The representations and warranties set out in Section 7.1 herein shall survive the execution and delivery of this Agreement, the making of each advance by OEFC, notwithstanding any investigations or examinations which may be made by counsel for OEFC.

ARTICLE 8

GENERAL

Section 8.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy or other means of electronic communication addressed:

If to IESO, to it at:
Independent Electricity System Operator
655 Bay Street, Suite 410
Toronto, ON M5G 2K4
Attention: Chief Financial Officer
Telephone:
Telecopier:

If to OEFC, to it at:

Ontario Electricity Financial Corporation
c/o Ontario Financing Authority
1 Dundas Street West
Suite 1400
Toronto, ON M7A IY7

Attention: Executive Director - Capital Markets Division
Telephone: (416) 325-8930
Telecopier: (416) 325-8111

provided that any Borrowing Notice shall be addressed as indicated on Schedule 1.

Any communication hereunder shall be deemed to have been validly and effectively given if (a) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p. m (Toronto time), otherwise on the next Business Day, (b) transmitted by telecopier other means of electronic communication, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice given in accordance with this Section 8.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 8.1.

Section 8.2 Successors and Assigns.

This Agreement shall be binding on and enure to the benefit of OEFC and IESO and their respective successors and permitted assigns, except that IESO shall not, without the prior written consent of OEFC assign, pledge or hypothecate any rights or obligations with respect to this Agreement.

Section 8.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of OEFC and IESO.

Section 8.4 Waiver.

(1) No waiver of any provisions of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) or this Agreement nor shall such waiver be binding unless executed in writing by the party to be bound by the waiver.

(2) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude another or further exercise of such right or the exercise of any other right.

Section 8.5 Further Assurances.

Each of IESO and OEFC shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement.

Section 8.6 Severability.

In case any provision in this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement shall not in any way be affected or impaired thereby.

Section 8.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 8.8 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF the parties have executed this Agreement as of the 23rd day of April, 2010.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Ted Leonard
Vice President, Finance and Chief Financial Officer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: ~~Michael D. Manning~~ DAVID PETERS
Title: ~~Chief Operating Officer~~ DIRECTOR, DEBT MANAGEMENT
CAPITAL MARKETS DIVISION
ONTARIO FINANCING AUTHORITY

SCHEDULE 1

FORM OF BORROWING NOTICE

Date:

Ontario Electricity Financial Corporation **("OEFC")**
c/o Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A1Y7

Attention: Cash Management
(Fax No. (416-204-7920)

Dear Sirs:

The undersigned, Independent Electricity System Operator ("IESO"), refer to the Revolving Credit Facility Agreement dated •, 2010 (as amended, supplemented or restated from time to time, the **"Agreement"**, the terms defined therein being used herein as therein defined) between IESO and OEFC, and gives you notice pursuant to Section 3.2 of the Agreement that IESO requests an Advance under the Agreement, and, in that connection, sets forth below the information relating to such Advance (the **"Proposed Advance"**) as required by Section 3.2 of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is •;
(b) The aggregate amount of the Proposed Advance is •;

IESO hereby certifies that:

The representations and warranties of IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received previously as Advances under the Agreement have been expended or are being held solely for the purpose for which they were advanced; no part of said funds has been nor any part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Authorized Signature

Per: _____
Authorized Signature

*To be confirmed by telephone call to OEFC Cash Management (416) 325-8108

SCHEDULE 2

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $60,000,000 Date: •

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("**IESO**"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid (**"Grid"**) attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement (as defined below).

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before April 30, 2013.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Revolving Credit Facility Agreement dated as of April 30, 2010 between IESO and OEFC (the "**Agreement**"). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Credit Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment, demand, protest, notice of dishonest and notice of

non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Authorized Signature

Per: _____
Authorized Signature

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID
(Revolving Credit Facility April 30, 2010)

DATE	PRINCIPAL ADVANCED	INTEREST RATE	INTEREST RESET DATE	INTEREST RESET RATE	PRINCIPAL PAYMENT DATE AND AMOUNT	INTEREST PAYMENT DATE AND AMOUNT	UNPAID PRINCIPAL BALANCE	NOTATION MADE BY

AMENDING AGREEMENT NO. 6

This Amending Agreement is effective as of the 30 day of April, 2017.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011, Amending Agreement No. 3 dated April 30, 2013, Amending Agreement No. 4 dated April 30, 2014 and Amending Agreement No. 5 dated December 19, 2014 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $95 million.

AND WHEREAS IESO and OEFC wish to amend the Agreement to increase the revolving line of credit from a principal amount of CDN $95 million to a principal amount of up to CDN $160 million to provide funding for IESO Corporate Requirements (as defined herein);

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for an extension of the mandatory repayment date established in the Agreement to June 30, 2020;

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for the ability for Advances to be made on any business day up to a maximum of 12 times per year;

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. Section 1.1 Definitions of the Agreement is amended as follows:

   i) The definition of "Amalgamation" is deleted.

   ii) The definition of "Commitment" is deleted and replaced with:

   "Commitment" means, at any time, an amount equal to the principal amount of One Hundred and Sixty Million Dollars.

   iii) A definition of "IESO Corporate Requirements" is added as follows:

   "IESO Corporate Requirements" means any borrowing purposes authorized by O. Reg. 280/14 made under the *Electricity Act, 1998* (as such regulation may be amended or

replaced from time to time), other than for funding liquidity requirements relating to the settlement of the Ontario wholesale electricity markets.

iv) A definition of "Ontario's Fair Hydro Plan" is added as follows:

"Ontario's Fair Hydro Plan" means the plan announced March 2, 2017 by the Government of Ontario to affect the Ontario Energy Board's setting of electricity prices for certain Ontario consumers of electricity, which plan is referred to in the Ontario Energy Board's report dated April 20, 2017 and titled "Regulated Price Plan Price Report – May 1, 2017 to April 30, 2018", and including all relevant developments in or changes to such plan from time to time.

v) The definition of "New IESO" is deleted.

vi) The definition of "Note" is deleted and replaced with:

"Note" means the $160 Million Note issued pursuant to Section 2 of Amending Agreement No. 6 dated as of the 30th day of April, 2017.

vii) The definition of "OPA" is deleted.

viii) The definition of "Pre-Amalgamation IESO" is deleted.

2. IESO shall execute and deliver to OEFC a grid promissory note in the form attached as Schedule I hereto which shall be in an aggregate principal amount of up to One Hundred and Sixty Million Dollars (the "$160 Million Note") dated April 30, 2017 and on which shall be recorded the Advances Outstanding under the grid promissory note delivered pursuant to Amending Agreement No. 4. Upon receipt by OEFC of the $160 Million Note dated April 30, 2017, the $95 Million Note dated April 30, 2014 shall be of no further force and effect and shall be returned to the IESO marked "cancelled".

3. Section 2.3 of the Agreement is deleted and replaced by the following:

Section 2.3 Use of Proceeds

IESO shall use the proceeds of Advances for the funding of IESO Corporate Requirements.

4. Section 2.4 of the Agreement is deleted and replaced by the following:

Section 2.4 Mandatory Repayment.

Subject to Sections 3.5 and 5.2 of this Agreement, IESO shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, in full on or before June 30, 2020.

5. Section 3.1 of the Agreement is deleted and replaced by the following:

Section 3.1 Advances.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO under the Credit Facility on any Business Day in a month up to twelve (12) times per annum from and including May 1, 2017 to and including May 29, 2020

6. Paragraph 3.6(c) of the Agreement is deleted and replaced by the following:
   (c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO, provided however that any adverse change in IESO's financial condition related to or resulting from the discharge by IESO of its responsibilities under Ontario's Fair Hydro Plan shall be deemed not to be a material adverse change for the purposes of this Section; and

7. The Form of Borrowing Notice is deleted and replaced with the Form of Borrowing Notice attached hereto as Schedule 1.

8. This Amending Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

SCHEDULE 1

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $160,000,000 Date: 30 April, 2017

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("**IESO**"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid **("Grid")** attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No. 1 dated July 21, 2010, by Amending Agreement No. 2 dated October 14, 2011, by Amending Agreement No. 3 dated April 30, 2013, by Amending Agreement No. 4 dated April 30, 2014, by Amending Agreement No. 5 dated December 19, 2014, and by Amending Agreement No. 6 dated April 30, 2017 (collectively the "Agreement").

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before June 30, 2020.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance or part of an Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be p*rima facie* evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Agreement. All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment, demand, protest, notice of dishonour and notice

of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

(Revolving Credit Facility April 30, 2017)

DATE	PRINCIPAL ADVANCED	RATE	REPAYMENT DATE	INTEREST AMOUNT	AMOUNT OF PAYMENT		UNPAID BALANCE			NOTATION MADE BY
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	REFINANCED (AMOUNT & DATE)	

INDEPENDENT ELECTRICITY MARKET OPERATOR

as Issuer

and

ONTARIO ELECTRICITY FINANCIAL CORPORATION

as Holder

AGREEMENT
PROVIDING FOR ISSUANCE OF A NOTE

April 1, 1999

TABLE OF CONTENTS

ARTICLE 1
DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1	Definitions	1
Section 1.2	Effect of Headings and Table of Contents	8
Section 1.3	Singular, Plural, Gender, Certain Phrases, etc	8
Section 1.4	Accounting	8
Section 1.5	Non-Business Days	8

ARTICLE 2
THE NOTE

Section 2.1	Issue of Note	8
Section 2.2	Terms of the Note	8
Section 2.3	Interest	9
Section 2.4	Prepayment	9
Section 2.5	Public Debt Covenants	10
Section 2.6	Payment	11

ARTICLE 3
COVENANTS OF THE COMPANY

Section 3.1	Payment of the Note	11
Section 3.2	Company will Maintain its Corporate Existence	11
Section 3.3	Maintenance of Properties	11
Section 3.4	Insurance	12
Section 3.5	Conduct of Business	12
Section 3.6	Financial Statements	12
Section 3.7	Other Indebtedness	12
Section 3.8	Negative Pledge	12
Section 3.9	Payment of OEFC's Expenses	13

ARTICLE 4
EVENTS OF DEFAULT AND REMEDIES

Section 4.1	Event of Default	14
Section 4.2	Acceleration of Maturity; Rescission and Annulment	15
Section 4.3	Suits for Enforcement by OEFC	16
Section 4.4	OEFC May File Proof of Claim	16
Section 4.5	Rights and Remedies Cumulative	16
Section 4.6	Delay or Omission not Waiver	16

ARTICLE 5
CONSOLIDATION, AMALGAMATION, MERGER OF COMPANY

Section 5.1 Certain Requirements in Respect of Merger, etc. 17
Section 5.2 Successor Substituted. 18

ARTICLE 6
GENERAL

Section 6.1 Notices. 18
Section 6.2 Successors and Assigns. 19
Section 6.3 Amendments. 19
Section 6.4 Waiver. 19
Section 6.5 Further Assurances. 19
Section 6.6 Severability. 19
Section 6.7 Governing Law. 20
Section 6.8 Counterparts. 20

Schedule 2.2(1) – Form of Note

THIS AGREEMENT is made on the 1st day of April, 1999 between:

A. **INDEPENDENT ELECTRICITY MARKET OPERATOR** (the "**Company**")

B. **ONTARIO ELECTRICITY FINANCIAL CORPORATION** ("**OEFC**").

RECITALS:

1. Pursuant to section 116 of the *Electricity Act, 1998*, the Lieutenant Governor in Council has made an order (the "**Transfer Order**") transferring certain officers, employees, assets, liabilities, rights and obligations of Ontario Hydro to the Company;

2. Pursuant to the Transfer Order, the Company is required to issue certain debt securities to Ontario Hydro as partial payment for such assets and rights; and

3. On April 1, 1999, Ontario Hydro is continued as OEFC.

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the parties agree as follows:

ARTICLE 1
DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"**Agreement**", "**herein**", "**hereby**", "**hereof**", "**hereunder**" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression "**Article**" or "**Section**" followed by a number means the specified Article or Section of this Agreement.

"**Business Day**" means any day other than a Saturday, Sunday or a statutory or civic holiday in Toronto, Ontario.

"**Canadian Dollars**" or "**$**" means lawful currency of Canada.

"**Canadian Prime Rate**" means, at any time, the greater of (i) the average of the rates of interest per annum equal to the per annum rate of interest quoted, published and commonly known as the "prime rate" of each of the Reference

Lenders which each of the Reference Lenders establishes at its main office in Toronto, Ontario as the reference rate of interest in order to determine interest rates for loans in Canadian Dollars to its borrowers in Canada, adjusted automatically with each quoted or published change in such rate, and (ii) the sum of (y) the average of the rates per annum for Canadian Dollar bankers' acceptances having a term of one month that appears on the Reuters CDOR Page as of 10:00 a.m. (Toronto time) on the date of determination, as reported by OEFC (and if such screen is not available, any successor or similar service as may be selected by OEFC), and (z) 0.50%.

"**Capital Stock**" of any Person means any and all shares, or interests, participations or other equivalents (however designated) of shares, in the capital of such Person.

"**Company**" means the Independent Electricity Market Operator, a corporation existing under the laws of the Province of Ontario, until a successor corporation shall have succeeded to all of the rights and obligations of the Independent Electricity Market Operator pursuant to Section 5.1 and thereafter "**Company**" shall mean such successor corporation (or any successor thereto which shall have become such pursuant to Section 5.1).

"**Consolidated Assets**" means, at any time, the book value of the assets of the Company and the Subsidiaries, determined as of such time on a consolidated basis in accordance with generally accepted accounting principles.

"**default**" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"**disposition**" has the meaning specified in Section 5.1.

"**Event of Default**" has the meaning specified in Section 4.1.

"**Indebtedness**" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) Every obligation of such Person for borrowed money;

(b) Every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments, including obligations for borrowed money incurred in connection with the acquisition of property, assets or businesses;

(c) Every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) Every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) Every capital lease obligation of such Person;

(f) The Swap Termination Value of each Swap Contract of such Person; and

(g) Every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"**Lien**" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"**Material Subsidiary**" means, at any time, a Subsidiary which has consolidated assets with a book value of more than $25 million determined as of such time in accordance with generally accepted accounting principles.

"**Note**" means the note of the Company issued under this Agreement.

"**Ontario Yield Price**" means, with respect to the Note or part thereof to be prepaid pursuant to Section 2.4, a price equal to the price of the Note or part thereof to be so prepaid calculated to provide a yield to maturity, compounded semi-annually and calculated in accordance with generally accepted financial practice, equal to the Province of Ontario Yield on the Business Day preceding the date on which such prepayment is to be made by the Company to OEFC in accordance with Section 2.4.

"**Permitted Liens**" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) Any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) Any obligations or duties, affecting the property of the Company or a Subsidiary, to any municipality or governmental, statutory or public

authority, with respect to any franchise, grant, licence or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by the Company or such Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by the Company or such Subsidiary;

(d) Any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) The right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) Any undetermined or inchoate Liens and charges incidental to the current operations of the Company or a Subsidiary that have not at the time been filed against the Company or such Subsidiary; provided, however, that if any such Lien or charge shall have been filed, the Company or such Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) Any Lien the validity of which is being contested at the time by the Company or a Subsidiary in good faith and the enforcement of which has been stayed;

(h) Any easements, rights-of-way and servitudes that in the opinion of the Company will not in the aggregate materially and adversely impair the use or value of the land concerned for the purpose for which it is held by the Company or a Subsidiary;

(i) Any Liens and privileges arising out of judgments or awards with respect to which the Company or a Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall

have secured a stay of execution pending such appeal or proceedings for review;

(j) pledges of cash or cash equivalents to secure the Company's or a Subsidiary's liabilities from time to time under Permitted Swap Contracts; and

(k) Any other Liens of a nature similar to the foregoing which do not in the opinion of the Company, acting reasonably, materially impair the use of the property subject thereto or the operation of the business of the Company or any Subsidiary or the value of such property for the purpose of any such business.

"**Permitted Swap Contract**" means a Swap Contract to which the Company or a Subsidiary is a party, provided that:

(a) The Company or such Subsidiary enters into such Swap Contract in the ordinary course of business for the purpose of directly mitigating risks associated with fluctuations in interest rates or currency exchange rates with respect to Indebtedness of the Company or such Subsidiary and not for the purposes of speculation or taking a "market view";

(b) The notional amount of such Swap Contract does not exceed the payments due with respect to the Indebtedness being hedged thereby;

(c) Such Swap Contract does not contain any "walk-away" provision exonerating the non-defaulting party from its obligation to make payments on any outstanding transaction to the defaulting party; and

(d) Such Swap Contract is in a form approved by the International Swaps & Derivatives Association, Inc. at the time such Swap Contract is entered into or in such other form as shall be customary at such time for the documentation, in accordance with good market practise by regulated financial institutions carrying on business in Canada, of obligations similar to the obligations documented in such Swap Contract.

"**Person**" means any individual, corporation, partnership, joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"**Province of Ontario Yield**" means, with respect to the Note or part thereof to be prepaid pursuant to Section 2.4, the average of the quotations obtained by the Company from two major Canadian investment dealers selected by OEFC, as to the yield to maturity on the Business Day preceding the date on

which such prepayment is to be made by the Company to OEFC in accordance with Section 2.4, compounded semi-annually and calculated in accordance with generally accepted financial practice, which a non-callable Government of Ontario bond would carry if issued in Canadian Dollars in Canada at 100% of its principal amount on such date with a term to maturity approximately equal to the remaining term to maturity, calculated as at the applicable prepayment date, of the Note.

"**Purchase Money Mortgage**" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or part of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"**Reference Lenders**" means, collectively, any two major financial institutions in Canada who, in the ordinary course of business, provide loans in Canadian Dollars to borrowers in Canada, as selected from time to time by OEFC and, in the singular, any one of them.

"**Reuters CDOR Page**" means the display page so designated on the Reuters Monitor Money Rates Service (or such other page as may replace that page on that service for the purpose of displaying rates for Canadian Dollar bankers' acceptances).

"**Senior Debt**" means all Indebtedness of the Company, including the Note, which is not subordinated in right of payment to any other Indebtedness of the Company.

"**Stated Maturity**" when used with respect to any Indebtedness or any instalment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such instalment of interest is due and payable.

"**Subsidiary**" means:

(a) A corporation more than 50% of the voting power of the outstanding Voting Shares of which is owned, directly or indirectly, by the Company or by one or more other Subsidiaries or by the Company and one or more other Subsidiaries, or

(b) Any Person (other than a corporation) in which the Company, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

"Successor Person" has the meaning specified in Section 5.1.

"Swap Contract" means any agreement, whether or not in writing, relating to any transaction that is a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction, currency swap, cross-currency rate swap, swaption, currency option or any other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.

"Swap Termination Value" means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap Contracts:

(a) For any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and

(b) For any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.

"U.S. Dollars" means lawful currency of the United States of America.

"Voting Shares" of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings and Table of Contents.

The division of this Agreement into Articles and Sections, the insertion of headings and the provision of a Table of Contents are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and *vice versa* and words importing gender may include any gender. In this Agreement and the Note, (i) the words **"including"** and **"includes"** mean **"including (or includes) without limitation"**, and (ii) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word **"from"** means **"from and including"** and the words **"to"** and **"until"** each mean **"to but excluding"**.

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with generally accepted accounting principles. Generally accepted accounting principles refer to accounting principles generally accepted in Canada as recommended in the Handbook of the Canadian Institute of Chartered Accountants at the relevant time applied on a consistent basis.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the next succeeding Business Day.

ARTICLE 2
THE NOTE

Section 2.1 Issue of Note.

In consideration of the transfer of certain officers, employees, assets and rights of OEFC to the Company pursuant to the Transfer Order and as partial payment for such assets and rights, the Company issues and delivers the Note to OEFC.

Section 2.2 Terms of the Note.

(1) The Note shall be in substantially the form set out in Schedule 2.2(1), shall be in the aggregate principal amount of $70.3 million, shall be dated as of the

date of this Agreement, shall mature on May 1, 2009, and shall bear interest at the rate of 7.90% per annum (after as well as before default or judgment, with interest on the amounts in default at the same rate).

(2) The Note shall at all times rank pari passu with all other Senior Debt, except Senior Debt that is statutorily preferred and Senior Debt that is secured by a Lien referred to in Sections 3.8(a) to 3.8(f), inclusive.

(3) Interest shall be payable on the Note in accordance with Section 2.3.

(4) The Company may prepay all or part of the Note in accordance with Section 2.4.

(5) All amounts owing in respect of the Note shall be paid without exercising any right of set off or counterclaim by the Company irrespective of whether or not, at the time any such amount is due and payable, amounts are due and payable by OEFC to the Company.

Section 2.3 Interest.

Interest on the Note at the rate specified in Section 2.2(1) shall accrue daily, and shall be payable in equal semi-annual instalments on May 1 and November 1 in each year, the first such payment for the Note to be made for the period from the date of this Agreement to May 1, 1999 and, whenever it is necessary to compute interest in respect of the Note for a period of less than one full year, other than such equal semi-annual instalments, such interest shall be calculated on the basis of the actual number of days elapsed in a year of 365 days or 366 days, as the case may be.

Section 2.4 Prepayment.

(1) If the Company has, upon the number of days notice to OEFC determined in accordance with Section 2.4(2), delivered a notice to OEFC stating the proposed date and the Note or part thereof that the Company wishes to prepay, on such date the Company shall pay to OEFC the greater of:

(a) The principal amount of the Note or part thereof that is to be prepaid, as the case may be; and

(b) The Ontario Yield Price for the Note or such part;

together in each case with all interest accrued on the Note or such part to such date or, if the Company and OEFC agree, such amount as they agree upon.

(2) The Company may, at any time and from time to time, prepay all or part of the Note upon giving OEFC not less than 30 days' prior written notice of such prepayment.

Section 2.5 Public Debt Covenants.

(1) If the Company issues notes, bonds, debentures or other evidences of Senior Debt to the public with a term to maturity of at least 5 years and in an aggregate principal amount of at least 100 million in Canadian Dollars or at least 100 million in U.S. Dollars pursuant to a trust indenture, the Company shall, within 3 Business Days of the first such issuance, give OEFC notice of such issuance and a copy of such trust indenture. Effective upon such issuance, the representations and warranties, the positive and negative covenants of the Company (including any financial covenants but excluding covenants relating to interest rates, interest payment dates, maturity dates of principal, prepayments and manner and place of payments) and the events of default applicable to such Senior Debt as specified in such trust indenture shall automatically become applicable to the Note in lieu of the representations and warranties, covenants or Events of Default, as the case may be, included herein as if the same had been originally included in this Agreement when executed and delivered and this Agreement shall be deemed to be amended as of the date such Senior Debt is issued to the extent necessary to incorporate such representations and warranties, covenants and events of default into this Agreement. The Company, at the request of OEFC, shall promptly execute and deliver an agreement which sets out the terms and provisions of this Agreement, as so amended.

(2) If, at any time or from time to time, the representations or warranties, the positive or negative covenants (including any financial covenants but excluding covenants relating to interest rates, interest payment dates, maturity dates of principal, prepayments and manner and place of payments) or the events of default applicable to the Senior Debt referred to in Section 2.5(1) are amended, modified or restated, the Company shall, within 3 Business Days of such amendment, modification or restatement, give OEFC notice thereof and a copy of the agreement amending or modifying the trust indenture referred to in Section 2.5(1) or a copy of the restatement of such trust indenture, as the case may be. OEFC may, upon notice to the Company given at any time within 90 days of receipt by OEFC of a copy of such agreement or such restatement, elect to have such amendment, modification or restatement apply to the Note and this Agreement (as amended pursuant to Section 2.5(1)). If OEFC so elects, such amendment, modification or restatement shall become applicable to the Note and this Agreement (as so amended) as of the date of such election, as if such amendment, modification or restatement amended, modified or restated this Agreement (as so amended) as of such date and this Agreement shall be deemed to be amended, modified or restated as of such date to the extent necessary to incorporate such representations and warranties, positive and negative covenants (including any financial covenants but excluding covenants

relating to interest rates, interest payment dates, maturity dates of principal, prepayments and manner and place of payments) and events of default. The Company, at the request of OEFC, shall promptly execute and deliver an agreement which sets out the terms of this Agreement, as amended pursuant to Section 2.5(1) and as further amended, modified or restated pursuant to this Section 2.5(2).

Section 2.6 Payment.

All amounts required to be paid by the Company to OEFC pursuant to this Agreement shall be paid to or to the order of OEFC by electronic wire transfer of immediately available funds in accordance with transfer instructions given by OEFC to the Company from time to time, or in any such other manner as OEFC may specify to the Company from time to time.

ARTICLE 3
COVENANTS OF THE COMPANY

Section 3.1 Payment of the Note.

The Company will duly and punctually pay or cause to be paid all amounts owing in respect of the Note or under this Agreement in accordance with the terms and subject to the conditions of the Note and this Agreement.

Section 3.2 Company will Maintain its Corporate Existence.

Subject to Section 5.1, the Company will at all times maintain its corporate existence.

Section 3.3 Maintenance of Properties.

The Company will cause all property owned by the Company or any Subsidiary to be maintained and kept in good condition, repair and working order, all as in the judgment of the Company or any Subsidiary may be necessary for the proper operation of such property, except as and to the extent that the Company or any Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 3.3 shall prevent the Company or any Subsidiary from discontinuing the maintenance of any such property if such discontinuance is, in the judgment of the Company or any Subsidiary, desirable in the conduct of its business or the business of any such Subsidiary.

Section 3.4 Insurance.

The Company will cause all property owned by the Company or any Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the nature and to the extent that such property is usually insured by companies operating similar businesses.

Section 3.5 Conduct of Business.

The Company will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in a proper, efficient and business-like manner and in accordance with good business practice.

Section 3.6 Financial Statements.

The Company will furnish to OEFC:

(a) Within 140 days after the end of each fiscal year, beginning with the fiscal year ended December 31, 1999, audited financial statements of the Company consisting of a consolidated balance sheet of the Company at the end of each such fiscal year and related consolidated statements of income and retained earnings and, commencing with the financial statements relating to the fiscal year of the Company commencing January 1, 2000, changes in financial position for each such fiscal year prepared in accordance with generally accepted accounting principles; and

(b) Within 60 days after the end of each of the first three fiscal quarters of each fiscal year of the Company, unaudited interim consolidated financial statements of the Company for the interim period so ended prepared in accordance with generally accepted accounting principles.

Section 3.7 Other Indebtedness.

The Company covenants that if it shall cause any payment of principal, premium or interest on any of its Indebtedness to be subordinated or postponed to the prior payment of any other Indebtedness it shall in like manner subordinate or postpone such payment to the prior payment of the Note.

Section 3.8 Negative Pledge.

The Company will not, and will not permit any Subsidiary to, create, incur or assume any Lien, charging the interest of the Company or any Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, the Note is secured equally

and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) The creation, incurrence or assumption of any Purchase Money Mortgage;

(b) The grant of any Lien in the normal course of business to any banks or financial institutions for present or future Indebtedness of the Company or any Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) Liens granted by a Subsidiary to the Company;

(e) Any extension, renewal or replacement of any of the Liens referred to in Sections 3.8(a) to (d), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased.; and

(f) Any Lien charging the interest of the Company or any Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 3.8(a) to (d), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 3.8(f) which is outstanding at such time does not exceed 25% of Consolidated Assets at such time.

Section 3.9 Payment of OEFC's Expenses

The Company will, on demand, reimburse OEFC for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OEFC in connection with the preservation of rights under or enforcement of this Agreement at any time during the continuance of a default or Event of Default. All such costs, charges and expenses shall bear interest at the Canadian Prime Rate, payable monthly in arrears from the third Business Day after demand for reimbursement thereof is made by OEFC.

ARTICLE 4
EVENTS OF DEFAULT AND REMEDIES

Section 4.1 Event of Default.

"**Event of Default**", wherever used herein, means any one of the following events:

(a) Failure to pay any interest upon the Note when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) Failure to pay the principal of the Note at its Stated Maturity;

(c) Failure on the part of the Company to observe or perform its obligations set forth in Section 5.1;

(d) Failure on the part of the Company to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 30 days after the date on which written notice of such failure shall have been given to the Company by OEFC;

(e) One or more breaches by the Company or any Subsidiary of its covenants under one or more evidences of Indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $25 million, which breaches:

(i) Constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist, or

(ii) Have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived or rescinded);

(f) The Company or any Material Subsidiary:

(i) Becomes generally not able to pay its debts as they become due;

(ii) Admits in writing its inability to pay its debts generally or makes a general assignment for the benefit of its creditors or files a proposal or other scheme of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) Institutes or has instituted against it any proceeding seeking:

(A) To adjudicate it a bankrupt or insolvent,

(B) Liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors, or

(C) The entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets,

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismissed or unstayed for a period of 30 days, or any of the actions sought in such proceeding (including the entry of an order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

(iv) Takes any corporate action to authorize any of the actions in Sections 4.1(f)(i), (ii) or (iii); or

(g) If there shall be rendered against the Company or any Material Subsidiary a final judgment or judgments for the payment of money in an aggregate amount in excess of $25 million by a court or courts of competent jurisdiction, and the Company or such Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 4.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case OEFC may declare all amounts owing on the Note and all other amounts owing hereunder to be due and payable immediately, by a notice in writing to the Company, and upon any such declaration all such amounts shall become immediately due and payable.

Section 4.3 Suits for Enforcement by OEFC.

If an Event of Default occurs and is continuing, OEFC may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in OEFC by this Agreement or by law.

Section 4.4 OEFC May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of the Company under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property of the Company, or if any other judicial proceedings relative to the Company, its creditors or its property are pending, OEFC (irrespective of whether the principal amount of the Note shall then be due and payable as therein expressed or by declaration or otherwise and irrespective of whether OEFC shall have made any demand on the Company for the payment of any overdue principal or interest) shall be entitled and empowered, by intervention in such proceeding or otherwise:

(a) To file and prove a claim for all amounts owing on the Note or under this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of OEFC (including any claim for fees and disbursements of OEFC, its agents and counsel) allowed in such judicial proceeding; and

(b) To collect and receive any moneys or other property payable or deliverable on any such claim.

Section 4.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to OEFC is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 4.6 Delay or Omission not Waiver.

No delay or omission of OEFC to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right and remedy given

by this Article 4 or by law to OEFC may be exercised from time to time, and as often as may be deemed expedient, by OEFC.

ARTICLE 5
CONSOLIDATION, AMALGAMATION, MERGER OF COMPANY

Section 5.1 Certain Requirements in Respect of Merger, etc.

The Company may not, in a single transaction or a series of related transactions, amalgamate or consolidate with or merge into any other Person, or permit any other Person to amalgamate or consolidate with or merge into the Company, or directly or indirectly transfer, sell, lease or otherwise dispose of all or substantially all of its property or assets (a "**disposition**") to any Person, but may do so if:

(a) The Company shall be the surviving Person, or the Person (if other than the Company) formed by such amalgamation, consolidation or into which the Company is merged or that acquires by disposition all or substantially all of the properties or assets of the Company shall be a corporation, partnership or trust organized and validly existing under the federal laws of Canada or any province or territory thereof and shall expressly assume, by an agreement executed and delivered to OEFC in form satisfactory to OEFC, all of the Company's obligations under this Agreement and the Note and, in the case of an entity organized other than under the laws of the Province of Ontario, shall attorn to the jurisdiction of the courts of the Province of Ontario (the Company or such other Person who becomes such a successor obligor under this Agreement being herein referred to as the "**Successor Person**");

(b) Immediately before and after giving effect to such transaction, no default or Event of Default shall have occurred and be continuing; and

(c) The Successor Person shall have delivered to OEFC a certificate of the Successor Person and an opinion of counsel, each stating that such amalgamation, consolidation, merger or disposition by the Company, and, if an agreement is required to be entered into by the Successor Person in connection with such transaction pursuant to Section 5.1(a), such agreement, comply with Section 5.1(a) and the certificate of the Successor Person shall also state that all conditions precedent in this Section 5.1 relating to such transaction have been satisfied.

Section 5.2 Successor Substituted.

Upon any consolidation, amalgamation, merger or disposition described in, and complying with the provisions of, Section 5.1 in which the Company is not the continuing corporation, the Successor Person shall succeed to all of the rights and obligations of the Company under this Agreement and the Note, and from time to time may exercise every right and power of the Company under this Agreement and the Note.

ARTICLE 6
GENERAL

Section 6.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy addressed:

If to the Company, to it at:

Independent Electricity Market Operator
P.O. Box 1
Suite 410
655 Bay Street
Toronto, Ontario
M5G 2K4

Attention: Douglas Thomas, CA, Treasurer
Telephone: (416) 506-2818
Telecopier: (416) 506-2843

If to OEFC, to it at:

Ontario Electricity Financial Corporation
c/o Ontario Financing Authority
1 Dundas Street West
Suite 1400
Toronto, Ontario
M3A 1Y7

Attention: Executive Director - Capital Markets Division
Telephone: (416) 325-8128
Telecopier: (416) 325-8005

Any such communication shall be deemed to have been validly and effectively given if (i) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p.m. (Toronto time), otherwise on the next Business Day, (ii) transmitted by telecopier, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice given in accordance with this Section 6.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 6.1.

Section 6.2 Successors and Assigns.

Subject to Section 5.1, the Company cannot assign or transfer this Agreement or the Note or any of its rights or obligations under this Agreement or the Note without the prior written consent of OEFC. OEFC cannot assign or transfer this Agreement or the Note or any of its rights or obligations under this Agreement or the Note without the prior written consent of the Company.

Section 6.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of OEFC and the Company.

Section 6.4 Waiver.

(3) No waiver of any provision of the Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) of this Agreement nor shall such waiver be binding unless executed in writing by the party to be bound by the waiver.

(4) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude any other or further exercise of such right or the exercise of any other right.

Section 6.5 Further Assurances.

Each of the Company and OEFC shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement.

Section 6.6 Severability.

In case any provision in this Agreement or in the Note shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement or in the Note shall not in any way be affected or impaired thereby.

Section 6.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 6.8 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF the parties have executed this Agreement.

INDEPENDENT ELECTRICITY MARKET OPERATOR

By: Douglas J. Thomas

By: _____

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By: _____

By: _____

AMENDING AGREEMENT NO. 6

This Amending Agreement is made as of the 30th day of April, 2017

between:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR
("IESO")

- and -

ONTARIO ELECTRICITY FINANCIAL CORPORATION
("OEFC")

WHEREAS IESO and OEFC have entered into an agreement Providing for the Issuance of a Note dated April 1, 1999 (the "Original Agreement");

AND WHEREAS pursuant to amending agreements dated March 23, 2000, April 23, 2009, May 1, 2011, May 1, 2013, and April 30, 2014 the parties amended the Original Agreement (as so amended, the "Agreement");

AND WHEREAS the parties wish to further amend the Agreement to increase the loan advanced to IESO from a principal amount of C$90 million to a principal amount of up to C$120 million and to extend the maturity date of the loan to June 30, 2020, all of which is to be evidenced through the the issuance of a Fifth Refinancing Note.

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and sufficiency of which are hereby acknowledged by each party), the parties agree as follows:

1. **Defined Terms**

Capitalized terms used in this Amending Agreement and not otherwise defined herein have the meanings specified in the Agreement.

2. **Amendments to Agreement**

(a) Definition of "Loan" in the Agreement is deleted.

(b) Article 1a (The Loan) of the Agreement is deleted in its entirety and replaced with the following:

Article 1a $30 Million Advance

Section 1a.1

Effective April 30, 2017, OEFC will make an advance to IESO in the amount of $30 million (the "$30 Million Advance"). IESO directs OEFC to apply, and OEFC agrees to apply, the $30 Million Advance, first to repay Advances Outstanding (as such term is defined in the Revolving Credit Facility Agreement), if any, under the Revolving Credit Facility Agreement, with any amount remaining out of the $30 Million Advance after repaying all Advances Outstanding to be used by IESO for the purpose of funding new IESO capital expenditures.

(c) The following sections are added to the Agreement following Section 2.15:

" Section 2.16 Fifth Refinancing Note

On April 30, 2017, IESO shall execute and deliver to OEFC a promissory note in the form attached as Schedule 1 (the "Fifth Refinancing Note") which shall be in an aggregate principal amount equal to $120 million, dated as of April 30, 2017 and maturing on June 30, 2020 and bearing interest at a per annum rate equal to the Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020, as determined by the Chief Executive Officer of OEFC or the Chief Operating Officer of OEFC, or by a person designated by either of them, plus fifty basis points (0.50%) (after as well as before default or judgment, with interest on the amounts in default at the same rate). Upon receipt of the Fifth Refinancing Note by OEFC, the Fourth Refinancing Note dated April 30, 2014 shall be of no further force or effect and shall be returned by OEFC to IESO marked "cancelled".

For greater clarity, the Fifth Refinancing Note shall evidence the indebtedness of IESO to OEFC in respect of the principal amount of $90 million under the Fourth Refinancing Note ("Part A") and the additional $30 Million Advance ("Part B"), for a total aggregate principal amount of $120 million.

Notwithstanding Section 1.5 herein, the interest rate on the Fifth Refinancing Note shall be set on Monday, May 1, 2017, with interest accruing on Part A commencing on Sunday, April 30, 2017, and interest accruing on Part B commencing on Monday, May 1, 2017.

Section 2.17 Interest on Fifth Refinancing Note

Notwithstanding Section 1.5 herein, interest on the Fifth Refinancing Note at the rate specified in Section 2.16 shall accrue daily and shall be payable in equal semi-annual instalments on June 30 and December 31(each an "Interest Payment Date"), provided however that the calculation of the amount of the first such interest payment for Part A shall be in respect only of the period from and including April 30, 2017 to but excluding June 30, 2017, and for Part B in respect only of the period from May 1, 2017 to but excluding June 30, 2017.

For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under the Fifth Refinancing Note for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period."

3. **Reference to and Effect on the Agreement.**

On and after this date, each reference in the Agreement to "this Agreement" and each reference to the Agreement in any and all other agreements, documents and instruments delivered by IESO and OEFC shall mean and be a reference to the Agreement as amended by this Amending Agreement. On and after this date, each reference in the Agreement to either "the Note" or "the New Note" and each reference to either "the Note" or "the New Note" in any and all other agreements, documents and instruments delivered by IESO and OEFC shall mean and be a reference to the Fifth Refinancing Note.

4. **Governing Law**

This Amending Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

5. **Counterparts**

This Amending Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.

6. **Enurement**

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

IN ALL OTHER RESPECTS, the Agreement is confirmed by the parties.

IN WITNESS WHEREOF the parties have executed and delivered this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

SCHEDULE 1
FORM OF FIFTH REFINANCING NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

NOTE

Aggregate Principal Amount: $120 million, consisting of: a Part A amount of $90 million ("Part A"), whereon interest accrues commencing on April 30, 2017, and a Part B amount of $30 million ("Part B"), whereon interest accrues commencing on May 1, 2017.

Date: April 30, 2017

Interest Rate: (Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020 + 50 basis points)

Due: June 30, 2020

FOR VALUE RECEIVED, the INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO") existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, PROMISES TO PAY to or to the order of ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC") at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of $120 million in lawful money of Canada, with interest on such amount at the rate, calculated in the manner and payable at the times specified in this Note.

The principal amount of this Note together with all interest accrued thereon shall become due and payable on June 30, 2020.

The principal amount of this Note remaining from time to time unpaid and outstanding shall bear interest from the date of this Note both before and after maturity and both before and after default at the rate per annum equal to the Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020, as determined by the Chief Executive Officer of OEFC or the Chief Operating Officer of OEFC, or by a person designated by either of them, plus fifty basis points (0.50%). Interest at such rate shall accrue daily and shall be payable in arrears in equal semi-annual instalments on June 30 and December 31 (each an "Interest Payment Date") commencing June 30, 2017, provided however that the calculation of the amount of the first such interest payment for Part A shall be in respect only of the period from and including April 30, 2017 to but excluding June 30, 2017, and for Part B in respect only of the period from and including May 1, 2017 to but excluding June 30, 2017.

For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Note for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of an agreement providing for the issuance of a note dated April 1, 1999 between the IESO and OEFC and amended by an amending agreement dated March 23, 2000, an amending agreement dated April 23, 2009, an amending agreement dated May 1, 2011, an amending agreement dated May 1, 2013, an amending agreement dated April 30, 2014, and an amending agreement dated April 30, 2017 (as so amended, the "Agreement"), which Agreement provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

From:	Gavin He
To:	Sarah Harris
Cc:	Lisa Stein; William Tan; Ryan Blackbyrne; Jean-Francois Beaupre
Subject:	RE: IESO / OEFC - $120MM and $160MM
Date:	Thursday, November 09, 2017 9:18:14 AM

Hi Sarah/William,
Sure, will do.
Regards,
Gavin He

From: Sarah Harris
Sent: Thursday, November 09, 2017 8:54 AM
To: Gavin He
Cc: Lisa Stein ; William Tan ; Ryan Blackbyrne ; Jean-Francois Beaupre
Subject: FW: IESO / OEFC - $120MM and $160MM

HI Gavin,
Could you please include Ryan Blackbyrne and Jean-Francois Beaupre on these e-mails. Ryan will be working on OEFC amendments and Jean-Francois will also be reviewing during my pending absence next week.
Thanks,
Sarah

From: Gavin He
Sent: Thursday, November 09, 2017 8:29 AM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Hi Lisa, Sarah, and William,
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Subject: RE: IESO / OEFC - $120MM and $160MM

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To: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
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Cc: 'Lisa Stein'; 'Sarah Harris'; 'John Kim'; Victor Buza
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From:	Gavin He
To:	Sarah Harris
Cc:	Lisa Stein; William Tan; Ryan Blackbyrne; Jean-Francois Beaupre
Subject:	RE: IESO / OEFC - $120MM and $160MM
Date:	Thursday, November 09, 2017 9:18:14 AM

Hi Sarah/William,
Sure, will do.
Regards,
Gavin He

From: Sarah Harris
Sent: Thursday, November 09, 2017 8:54 AM
To: Gavin He
Cc: Lisa Stein ; William Tan ; Ryan Blackbyrne ; Jean-Francois Beaupre
Subject: FW: IESO / OEFC - $120MM and $160MM

HI Gavin,
Could you please include Ryan Blackbyrne and Jean-Francois Beaupre on these e-mails. Ryan will be working on OEFC amendments and Jean-Francois will also be reviewing during my pending absence next week.
Thanks,
Sarah

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Cc:	Lisa Stein; Jean-Francois Beaupre
Subject:	RE: IESO / OEFC - $120MM and $160MM
Date:	Thursday, November 09, 2017 8:54:07 AM

Sorry, All. Seems I duplicated.
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Subject:	RE: IESO / OEFC - $120MM and $160MM
Date:	Thursday, November 09, 2017 8:47:18 AM
Attachments:	IESO-OEFC - FHP LoC_Nov 2017_v2.docx

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> Thanks,
> Sarah
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> Begin forwarded message:
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> > **Date:** November 5, 2017 at 11:02:50 AM EST
> > **To:** William Tan <William.Tan@ofina.on.ca>
> > **Cc:** Lisa Stein <Lisa.Stein@ofina.on.ca>, Sarah Harris <Sarah.Harris@ofina.on.ca>, Victor Buza <Victor.Buza@ieso.ca>
> > **Subject: RE: IESO / OEFC - $120MM and $160MM**
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Regards.

From: Anthony Martinello
Sent: November 01, 2017 12:56 PM
To: 'William Tan'
Cc: 'Lisa Stein'; 'Sarah Harris'; 'John Kim'; Victor Buza
Subject: IESO / OEFC - $120MM and $160MM

Once we have completed the 2 OFA facilities and the intercept letter – we then have to turn to the 2 outstanding IESO-OEFC credit facilities to contemplate any further amendments too.

Just ensuring that these 2 OEFC facilities are not missed.

Regards.

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OEFC -- IESO CREDIT FACILITY AGREEMENT & THE PERMITTED LIENS

ISSUE

The IESO has requested OEFC to reopen the existing credit facility agreement between OEFC and IESO to make amendment to the definition of the permitted liens.

CONTEXT

To support IESO's role in the implementation and participation under the *Ontario Fair Hydro Plan Act, 2017* ("OFHP Act"), OFA recently amended the credit facility agreement between OFA and the IESO. One of the amendments to the agreement is to amend the definition of the permitted liens to include any lien arising from the IESO's role and obligations under the OFHP.

The OFA credit facility agreement was amended due to additional roles IESO is taking on under Ontario's Fair Hydro Plan. To fufil its obligation, the IESO will need a general grant of security on any lien arising from the IESO's role and obligations under the OFHP. Therefore, the OFA credit facility agreement was amended to allow for such a general grant of security.

For the same reason, the IESO has requested OEFC to reopen the existing credit facility agreement between OEFC and IESO to make the similar amendment. Specifically, adding a clause in the OEFC credit facility agreement that any lien related to OFHP will not be viewed as negative pledge by OEFC, so those liens can be used to secure the performance of IESO's obligations to OEFC.

RECOMMENDATION

- To maintain a consistent approach with IESO's credit facilities, CEFD staff and IESO are of the view that the exisiting OEFC credit facility should amend the permitted liens and negative covenant language to make it the same as, or very similar to, the language in the two OFA Agreements that were signed recently.
- Although the OEFC credit facility is not used for OFHP's purpose, such change to the permitted liens is still required in order for IESO to meet its role and obligation under the OFHP Act.

BACKGROUND

- Currently, under the existing credit facility agreement between OEFC and the IESO, the definition of the "permitted liens" does not include any lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.
- On November 6, 2017, OFA and IESO signed an updated OFA IESO credit facility agreement with respect to changes related to OFHP. Below are the related changes made to the OFA credit facility:

  Excerpt from the excuted OFA IESO Amending Agreement #10:

  > *The definition of "Permitted Liens" is amended by deleting the word "and" at the end of subsection (i); replacing the "." at the end of subsection (j) and replacing it with "; and" ; and adding the following subsection (k):*
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Electricity Finance Branch / Corporate and Electricity Finance Division / Ontario Financing Authority
November 08, 2017

From:	William Tan
To:	Gavin He; Ryan Blackbyrne
Cc:	Lisa Stein; Sarah Harris; Jean-Francois Beaupre
Subject:	RE: IESO / OEFC - $120MM and $160MM
Date:	Thursday, November 09, 2017 8:47:18 AM
Attachments:	IESO-OEFC - FHP LoC_Nov 2017_v2.docx

Hello Gavin,
I am forwarding this to Ryan Blackbyrne as Ryan is leading the IESO/OEFC agreement amendment.
Also, please copy Jean-Francois on this file as well.
Thanks,
Will

From: Gavin He
Sent: Thursday, November 09, 2017 8:29 AM
To: Lisa Stein ; Sarah Harris ; William Tan
Subject: RE: IESO / OEFC - $120MM and $160MM
Hi Lisa, Sarah, and William,
Following my email on Tuesday, EFB has drafted the attached note on the IESO's request on the OEFC credit facility, including the background information, our recommendation, and the rationale. Could you please review the accuracy of the note and would you be able to provide me with your feedback before noon today?
Sorry for the short turnaround time, but we all would like to move on this as soon as possible.
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Subject: RE: IESO / OEFC - $120MM and $160MM
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Electricity Finance Branch / Corporate and Electricity Finance Division / Ontario Financing Authority
November 08, 2017

From:	Lisa Stein
To:	Ryan Blackbyrne; Gavin He
Cc:	Sarah Harris; Jean-Francois Beaupre; William Tan
Subject:	RE: IESO / OEFC - $120MM and $160MM
Date:	Friday, November 10, 2017 9:28:41 AM

I'm available for a call this afternoon. After 2:30 would be best. Thanks

From: Ryan Blackbyrne
Sent: Thursday, November 09, 2017 8:56 PM
To: Gavin He ; Lisa Stein
Cc: Sarah Harris ; Jean-Francois Beaupre ; William Tan
Subject: RE: IESO / OEFC - $120MM and $160MM

Hi Gavin,
Happy to jump on a call tomorrow. My calendar is up to date.
Thanks,
Ryan

From: Gavin He
Sent: Thursday, November 09, 2017 8:50 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Hi Lisa/Ryan,
If it's easier, I can set up a quick meeting to chat about this too if you prefer.
Thanks,
Gavin He

From: Gavin He
Sent: Thursday, November 09, 2017 5:50 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Hi Lisa/Ryan,
Thank you very much for the responses and that's helpful!
I will go back to IESO to verify what's their rationale to for the request. But before I go back, I just want to make sure that I understand the concerns/suggestions from our side first.
The change we made for the OFA credit facility agreement was to allow IESO to take liens related to FHP in the event if IESO can't pay OFA back the loan, correct? What was the reason for this change? And wouldn't the same reason apply for the loans that IESO has with OEFC? And if IESO can't pay back the loans to OEFC, should they still be able to take any liens related to FHP, or not? But if they were able to do so under the OFA credit facility agreement, are there any reasons that they cannot do the same under the OEFC credit facility agreement?
I understand that the $120M and $160M credit facilities are not for FHP purposes, but I think this is a separate question from whether they can take liens related to FHP if IESO can't pay OEFC back the loans? Similarly, I believe the existing $475M IESO credit facility with OFA was not for the FHP

purpose, but the agreement was amended by the amendment #10 to include the FHP lien clause in the actual agreement, right? So I am just a bit confused about this process and trying to find out whether we should apply a consistent approach for OEFC's credit facilities before I push this back to IESO.

Also, a separate question on the $160M credit facility agreement. Since it was amended to be used for FHP purpose previously, do we need to amend that now since a separate facility agreement was created specifically for FHP purposes? Or that amendment automatically expires when the $2B FHP credit facility was created, and for sure we don't need to update anything in the $160M credit facility agreement to that effect?

Thanks,

Gavin He

From: Lisa Stein
Sent: Thursday, November 09, 2017 12:49 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

I also recommend asking the IESO for the exact details of the proposed amendments.

From: Ryan Blackbyrne
Sent: Thursday, November 09, 2017 12:19 PM
To: Gavin He <Gavin.He@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: IESO / OEFC - $120MM and $160MM

Hi Gavin,

Thank you for your note. After reviewing your note and the attached agreements we had a few comments:

- We understand that the $160M credit facility agreement will not be used for FHP purposes, although an amendment was made earlier in 2017 to allow advances for the purposes of FHP.
- It is our assumption that the $160M credit facility agreement was amended in April, 2017, pursuant to Reg. 280/14 as a potential temporary option for FHP funding requirements until such time as a separate facility agreement was created specifically for FHP purposes (i.e. the $2B OFA-IESO credit facility)
- There is an existing $120M loan agreement, maturing June 30, 2020, which is not a credit facility, but a fixed term loan. No amendments were made here in relation to FHP, as it is non-revolving and used for capital purposes.
- Since the $160M credit facility agreement will not be used for FHP purposes, it is not clear to us why the change to definition of Permitted Liens is required, and how not making this change would prevent IESO from performing its obligations under the OFHP Act. Please clarify.
- Kindly confirm with Anthony why IESO believes these amendments are necessary in respect of the $160M credit facility and $120M loan agreement.

We look forward to hearing back from you. Happy to discuss further as always.
Thank You,
Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M7A 1Y7
416-325-8143
ryan.blackbyrne@ofina.on.ca
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Subject: IESO - OEFC Nov 7
Ryan,
As discussed with Will today, I understand you will be co-ordinating the proposed 2 amendments to the existing IESO-OEFC credit facilities.
For starters, there are no expected changes being asked to the existing agreement's key business content (e.g. amounts, dates, interest, notices etc.), rather given that IESO-OFA have just finished two new agreements pertaining to the new fair hydro program, ….I suggest we just copy and paste the salient sections from these agreements that would now be relevant to the OEFC agreements for fair hydro namely;
1.DRAFT
The definition of "Permitted Liens" is amended by deleting the word "and" at the end of subsection (xx); replacing the "." at the end of subsection (xx) and replacing it with "; and" ; and adding the following subsection (xx):
"(xx) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."
2.DRAFT
The OFA agreements had required an intercept provision, …..not sure if the same applies to OEFC if yes:
"Section 5.7 Intercept
(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of November 6th , 2017 herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the Capital Investment Plan Act, 1993 (the "Intercept Letter"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("Appropriated Funds"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated

Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("Intercept").
(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.
(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.
(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.
The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail."
3.
If any… other relevant updates that make sense to do now……I do not anticipate any material ones.
We need your support to expedite the above in order to avoid delays in the Fair Hydro implementation.
Regards.

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> > **To:** William Tan <William.Tan@ofina.on.ca>
> > **Cc:** Lisa Stein <Lisa.Stein@ofina.on.ca>, Sarah Harris <Sarah.Harris@ofina.on.ca>, Victor Buza <Victor.Buza@ieso.ca>
> > **Subject: RE: IESO / OEFC - $120MM and $160MM**
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Date: Thursday, November 09, 2017 8:29:23 AM
Attachments: IESO-OEFC - FHP LoC_Nov 2017_v2.docx

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OEFC -- IESO CREDIT FACILITY AGREEMENT & THE PERMITTED LIENS

ISSUE

The IESO has requested OEFC to reopen the existing credit facility agreement between OEFC and IESO to make amendment to the definition of the permitted liens.

CONTEXT

To support IESO's role in the implementation and participation under the *Ontario Fair Hydro Plan Act, 2017* ("OFHP Act"), OFA recently amended the credit facility agreement between OFA and the IESO. One of the amendments to the agreement is to amend the definition of the permitted liens to include any lien arising from the IESO's role and obligations under the OFHP.

The OFA credit facility agreement was amended due to additional roles IESO is taking on under Ontario's Fair Hydro Plan. To fufil its obligation, the IESO will need a general grant of security on any lien arising from the IESO's role and obligations under the OFHP. Therefore, the OFA credit facility agreement was amended to allow for such a general grant of security.

For the same reason, the IESO has requested OEFC to reopen the existing credit facility agreement between OEFC and IESO to make the similar amendment. Specifically, adding a clause in the OEFC credit facility agreement that any lien related to OFHP will not be viewed as negative pledge by OEFC, so those liens can be used to secure the performance of IESO's obligations to OEFC.

RECOMMENDATION

- To maintain a consistent approach with IESO's credit facilities, CEFD staff and IESO are of the view that the exisiting OEFC credit facility should amend the permitted liens and negative covenant language to make it the same as, or very similar to, the language in the two OFA Agreements that were signed recently.
- Although the OEFC credit facility is not used for OFHP's purpose, such change to the permitted liens is still required in order for IESO to meet its role and obligation under the OFHP Act.

BACKGROUND

- Currently, under the existing credit facility agreement between OEFC and the IESO, the definition of the "permitted liens" does not include any lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.
- On November 6, 2017, OFA and IESO signed an updated OFA IESO credit facility agreement with respect to changes related to OFHP. Below are the related changes made to the OFA credit facility:

  Excerpt from the excuted OFA IESO Amending Agreement #10:

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Electricity Finance Branch / Corporate and Electricity Finance Division / Ontario Financing Authority
November 08, 2017

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Electricity Finance Branch / Corporate and Electricity Finance Division / Ontario Financing Authority
November 08, 2017

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To: Sarah Harris
Subject: RE: IESO / OEFC - $120MM and $160MM
Date: Wednesday, November 08, 2017 10:01:46 AM

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> **To:** 'William Tan'
> **Cc:** 'Lisa Stein'; 'Sarah Harris'; 'John Kim'; Victor Buza
> **Subject:** IESO / OEFC - $120MM and $160MM
> Once we have completed the 2 OFA facilities and the intercept letter – we then have to turn to the 2 outstanding IESO-OEFC credit facilities to contemplate any further amendments too.
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From:	Lisa Stein
To:	Gavin He; Sarah Harris
Cc:	William Tan; Opal Kandelas; Sarah Neville; John Kim
Subject:	RE: IESO / OEFC - $120MM and $160MM
Date:	Wednesday, November 08, 2017 9:54:40 AM

Thanks for the update Gavin.

From: Gavin He
Sent: Tuesday, November 07, 2017 4:02 PM
To: Lisa Stein ; Sarah Harris
Cc: William Tan ; Opal Kandelas ; Sarah Neville ; John Kim
Subject: RE: IESO / OEFC - $120MM and $160MM

Hi Lisa/Sarah H.,
We touched based with IESO and they told us that the OEFC agreements do not contemplate a general grant of security by IESO over its assets as is currently under discussion with the OPG Trust relative to the implementation of the OFHP. The changes required to allow for such a grant would be to amend the permitted liens and negative covenant language in the OEFC agreements so as to make it the same as, or very similar to, the language in the two OFA Agreements that were signed recently.
We will get a policy direction soon and will draft a note for you to review once it's ready.
Regards,
Gavin He

From: Lisa Stein
Sent: Monday, November 06, 2017 9:43 AM
To: John Kim <John.Kim@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Sarah Neville <Sarah.Neville@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

No, I don't think the OFA Lending Policy would apply to these OEFC loans. The OFA Lending Policy addresses lending activities to public bodies undertaken where the OFA is acting as an intermediary on behalf of the Province.

From: John Kim
Sent: Sunday, November 05, 2017 1:55 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>
Subject: Re: IESO / OEFC - $120MM and $160MM

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John
Sent from my iPhone

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Sarah
Sent from my iPhone

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> **Cc:** Lisa Stein <Lisa.Stein@ofina.on.ca>, Sarah Harris <Sarah.Harris@ofina.on.ca>, Victor Buza <Victor.Buza@ieso.ca>
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From: Gavin He
To: Lisa Stein; Sarah Harris
Cc: William Tan; Opal Kandelas; Sarah Neville; John Kim
Subject: RE: IESO / OEFC - $120MM and $160MM
Date: Tuesday, November 07, 2017 4:01:42 PM

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We touched based with IESO and they told us that the OEFC agreements do not contemplate a general grant of security by IESO over its assets as is currently under discussion with the OPG Trust relative to the implementation of the OFHP. The changes required to allow for such a grant would be to amend the permitted liens and negative covenant language in the OEFC agreements so as to make it the same as, or very similar to, the language in the two OFA Agreements that were signed recently.
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To:	John Kim; Sarah Harris
Cc:	William Tan; Opal Kandelas; Gavin He; Sarah Neville
Subject:	RE: IESO / OEFC - $120MM and $160MM
Date:	Monday, November 06, 2017 9:43:15 AM

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From:	Lisa Stein
To:	Ryan Blackbyrne; Gavin He
Cc:	Sarah Harris; Jean-Francois Beaupre; William Tan
Subject:	RE: IESO / OEFC - $120MM and $160MM
Date:	Friday, November 10, 2017 9:28:41 AM

I'm available for a call this afternoon. After 2:30 would be best. Thanks

From: Ryan Blackbyrne
Sent: Thursday, November 09, 2017 8:56 PM
To: Gavin He ; Lisa Stein
Cc: Sarah Harris ; Jean-Francois Beaupre ; William Tan
Subject: RE: IESO / OEFC - $120MM and $160MM

Hi Gavin,
Happy to jump on a call tomorrow. My calendar is up to date.
Thanks,
Ryan

From: Gavin He
Sent: Thursday, November 09, 2017 8:50 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Hi Lisa/Ryan,
If it's easier, I can set up a quick meeting to chat about this too if you prefer.
Thanks,
Gavin He

From: Gavin He
Sent: Thursday, November 09, 2017 5:50 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Hi Lisa/Ryan,
Thank you very much for the responses and that's helpful!
I will go back to IESO to verify what's their rationale to for the request. But before I go back, I just want to make sure that I understand the concerns/suggestions from our side first.
The change we made for the OFA credit facility agreement was to allow IESO to take liens related to FHP in the event if IESO can't pay OFA back the loan, correct? What was the reason for this change? And wouldn't the same reason apply for the loans that IESO has with OEFC? And if IESO can't pay back the loans to OEFC, should they still be able to take any liens related to FHP, or not? But if they were able to do so under the OFA credit facility agreement, are there any reasons that they cannot do the same under the OEFC credit facility agreement?
I understand that the $120M and $160M credit facilities are not for FHP purposes, but I think this is a separate question from whether they can take liens related to FHP if IESO can't pay OEFC back the loans? Similarly, I believe the existing $475M IESO credit facility with OFA was not for the FHP

purpose, but the agreement was amended by the amendment #10 to include the FHP lien clause in the actual agreement, right? So I am just a bit confused about this process and trying to find out whether we should apply a consistent approach for OEFC's credit facilities before I push this back to IESO.

Also, a separate question on the $160M credit facility agreement. Since it was amended to be used for FHP purpose previously, do we need to amend that now since a separate facility agreement was created specifically for FHP purposes? Or that amendment automatically expires when the $2B FHP credit facility was created, and for sure we don't need to update anything in the $160M credit facility agreement to that effect?

Thanks,

Gavin He

From: Lisa Stein
Sent: Thursday, November 09, 2017 12:49 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

I also recommend asking the IESO for the exact details of the proposed amendments.

From: Ryan Blackbyrne
Sent: Thursday, November 09, 2017 12:19 PM
To: Gavin He <Gavin.He@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: IESO / OEFC - $120MM and $160MM

Hi Gavin,

Thank you for your note. After reviewing your note and the attached agreements we had a few comments:

- We understand that the $160M credit facility agreement will not be used for FHP purposes, although an amendment was made earlier in 2017 to allow advances for the purposes of FHP.
- It is our assumption that the $160M credit facility agreement was amended in April, 2017, pursuant to Reg. 280/14 as a potential temporary option for FHP funding requirements until such time as a separate facility agreement was created specifically for FHP purposes (i.e. the $2B OFA-IESO credit facility)
- There is an existing $120M loan agreement, maturing June 30, 2020, which is not a credit facility, but a fixed term loan. No amendments were made here in relation to FHP, as it is non-revolving and used for capital purposes.
- Since the $160M credit facility agreement will not be used for FHP purposes, it is not clear to us why the change to definition of Permitted Liens is required, and how not making this change would prevent IESO from performing its obligations under the OFHP Act. Please clarify.
- Kindly confirm with Anthony why IESO believes these amendments are necessary in respect of the $160M credit facility and $120M loan agreement.

We look forward to hearing back from you. Happy to discuss further as always.
Thank You,
Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M7A 1Y7
416-325-8143
ryan.blackbyrne@ofina.on.ca
From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Tuesday, November 07, 2017 4:07 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>
Subject: IESO - OEFC Nov 7
Ryan,
As discussed with Will today, I understand you will be co-ordinating the proposed 2 amendments to the existing IESO-OEFC credit facilities.
For starters, there are no expected changes being asked to the existing agreement's key business content (e.g. amounts, dates, interest, notices etc.), rather given that IESO-OFA have just finished two new agreements pertaining to the new fair hydro program, ….I suggest we just copy and paste the salient sections from these agreements that would now be relevant to the OEFC agreements for fair hydro namely;
1.DRAFT
The definition of "Permitted Liens" is amended by deleting the word "and" at the end of subsection (xx); replacing the "." at the end of subsection (xx) and replacing it with "; and" ; and adding the following subsection (xx):
"(xx) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."
2.DRAFT
The OFA agreements had required an intercept provision, …..not sure if the same applies to OEFC if yes:
"Section 5.7 Intercept
(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of November 6th , 2017 herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the Capital Investment Plan Act, 1993 (the "Intercept Letter"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("Appropriated Funds"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated

Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("Intercept").
(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.
(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.
(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.
The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail."
3.
If any… other relevant updates that make sense to do now……I do not anticipate any material ones.
We need your support to expedite the above in order to avoid delays in the Fair Hydro implementation.
Regards.

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From: Gavin He
Sent: Thursday, November 09, 2017 8:29 AM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Hi Lisa, Sarah, and William,

Following my email on Tuesday, EFB has drafted the attached note on the IESO's request on the OEFC credit facility, including the background information, our recommendation, and the rationale.

Could you please review the accuracy of the note and would you be able to provide me with your feedback before noon today?
Sorry for the short turnaround time, but we all would like to move on this as soon as possible.
Thanks,
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Subject: RE: IESO / OEFC - $120MM and $160MM

Thanks for the update Gavin.

From: Gavin He
Sent: Tuesday, November 07, 2017 4:02 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Sarah Neville <Sarah.Neville@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>
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Subject: RE: IESO / OEFC - $120MM and $160MM

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Cc: William Tan <William.Tan@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>
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Sent from my iPhone

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>
> > **From:** Anthony Martinello <Anthony.Martinello@ieso.ca>
> > **Date:** November 5, 2017 at 11:02:50 AM EST
> > **To:** William Tan <William.Tan@ofina.on.ca>
> > **Cc:** Lisa Stein <Lisa.Stein@ofina.on.ca>, Sarah Harris <Sarah.Harris@ofina.on.ca>, Victor Buza <Victor.Buza@ieso.ca>
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> > **Cc:** 'Lisa Stein'; 'Sarah Harris'; 'John Kim'; Victor Buza
> > **Subject:** IESO / OEFC - $120MM and $160MM
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To: William Tan
Cc: Lisa Stein; Sarah Harris; Victor Buza
Subject: RE: IESO / OEFC - $120MM and $160MM
Date: Sunday, November 05, 2017 11:03:05 AM

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Thanks,
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The change we made for the OFA credit facility agreement was to allow IESO to take liens related to FHP in the event if IESO can't pay OFA back the loan, correct? What was the reason for this change? And wouldn't the same reason apply for the loans that IESO has with OEFC? And if IESO can't pay back the loans to OEFC, should they still be able to take any liens related to FHP, or not? But if they were able to do so under the OFA credit facility agreement, are there any reasons that they cannot do the same under the OEFC credit facility agreement?
I understand that the $120M and $160M credit facilities are not for FHP purposes, but I think this is a separate question from whether they can take liens related to FHP if IESO can't pay OEFC back the loans? Similarly, I believe the existing $475M IESO credit facility with OFA was not for the FHP purpose, but the agreement was amended by the amendment #10 to include the FHP lien clause in the actual agreement, right? So I am just a bit confused about this process and trying to find out whether we should apply a consistent approach for OEFC's credit facilities before I push this back to IESO.
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Subject: IESO / OEFC - $120MM and $160MM
Hi Gavin,
Thank you for your note. After reviewing your note and the attached agreements we had a few comments:

- We understand that the $160M credit facility agreement will not be used for FHP purposes, although an amendment was made earlier in 2017 to allow advances for the purposes of FHP.
- It is our assumption that the $160M credit facility agreement was amended in April, 2017, pursuant to Reg. 280/14 as a potential temporary option for FHP funding requirements until such time as a separate facility agreement was created specifically for FHP purposes (i.e. the $2B OFA-IESO credit facility)
- There is an existing $120M loan agreement, maturing June 30, 2020, which is not a credit facility, but a fixed term loan. No amendments were made here in relation to FHP, as it is non-revolving and used for capital purposes.
- Since the $160M credit facility agreement will not be used for FHP purposes, it is not clear to us why the change to definition of Permitted Liens is required, and how not making this change would prevent IESO from performing its obligations under the OFHP Act. Please clarify.
- Kindly confirm with Anthony why IESO believes these amendments are necessary in respect of the $160M credit facility and $120M loan agreement.

We look forward to hearing back from you. Happy to discuss further as always.
Thank You,
Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M7A 1Y7

416-325-8143
ryan.blackbyrne@ofina.on.ca
From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Tuesday, November 07, 2017 4:07 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>
Subject: IESO - OEFC Nov 7

Ryan,

As discussed with Will today, I understand you will be co-ordinating the proposed 2 amendments to the existing IESO-OEFC credit facilities.

For starters, there are no expected changes being asked to the existing agreement's key business content (e.g. amounts, dates, interest, notices etc.), rather given that IESO-OFA have just finished two new agreements pertaining to the new fair hydro program, ….I suggest we just copy and paste the salient sections from these agreements that would now be relevant to the OEFC agreements for fair hydro namely;

1.DRAFT

The definition of "Permitted Liens" is amended by deleting the word "and" at the end of subsection (xx); replacing the "." at the end of subsection (xx) and replacing it with "; and" ; and adding the following subsection (xx):

"(xx) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

2.DRAFT

The OFA agreements had required an intercept provision, …..not sure if the same applies to OEFC if yes:

"Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of November 6th , 2017 herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the Capital Investment Plan Act, 1993 (the "Intercept Letter"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("Appropriated Funds"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("Intercept").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this

Agreement.
(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.
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- It is our assumption that the $160M credit facility agreement was amended in April, 2017, pursuant to Reg. 280/14 as a potential temporary option for FHP funding requirements until such time as a separate facility agreement was created specifically for FHP purposes (i.e. the $2B OFA-IESO credit facility)
- There is an existing $120M loan agreement, maturing June 30, 2020, which is not a credit facility, but a fixed term loan. No amendments were made here in relation to FHP, as it is non-revolving and used for capital purposes.
- Since the $160M credit facility agreement will not be used for FHP purposes, it is not clear to us why the change to definition of Permitted Liens is required, and how not making this change would prevent IESO from performing its obligations under the OFHP Act. Please clarify.
- Kindly confirm with Anthony why IESO believes these amendments are necessary in respect of the $160M credit facility and $120M loan agreement.

We look forward to hearing back from you. Happy to discuss further as always.
Thank You,
Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M7A 1Y7

416-325-8143
ryan.blackbyrne@ofina.on.ca
From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Tuesday, November 07, 2017 4:07 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>
Subject: IESO - OEFC Nov 7

Ryan,

As discussed with Will today, I understand you will be co-ordinating the proposed 2 amendments to the existing IESO-OEFC credit facilities.

For starters, there are no expected changes being asked to the existing agreement's key business content (e.g. amounts, dates, interest, notices etc.), rather given that IESO-OFA have just finished two new agreements pertaining to the new fair hydro program, ….I suggest we just copy and paste the salient sections from these agreements that would now be relevant to the OEFC agreements for fair hydro namely;

1.DRAFT

The definition of "Permitted Liens" is amended by deleting the word "and" at the end of subsection (xx); replacing the "." at the end of subsection (xx) and replacing it with "; and" ; and adding the following subsection (xx):

"(xx) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

2.DRAFT

The OFA agreements had required an intercept provision, …..not sure if the same applies to OEFC if yes:

"Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of November 6th , 2017 herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the Capital Investment Plan Act, 1993 (the "Intercept Letter"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("Appropriated Funds"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("Intercept").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this

Agreement.
(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.
(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.
The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail."
3.
If any… other relevant updates that make sense to do now……I do not anticipate any material ones.
We need your support to expedite the above in order to avoid delays in the Fair Hydro implementation.
Regards.

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From: Gavin He
Sent: Thursday, November 09, 2017 8:29 AM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Hi Lisa, Sarah, and William,
Following my email on Tuesday, EFB has drafted the attached note on the IESO's request on the OEFC credit facility, including the background information, our recommendation, and the rationale. Could you please review the accuracy of the note and would you be able to provide me with your feedback before noon today?
Sorry for the short turnaround time, but we all would like to move on this as soon as possible.
Thanks,
Gavin He

From: Lisa Stein
Sent: Wednesday, November 08, 2017 9:55 AM
To: Gavin He <Gavin.He@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>

Cc: William Tan <William.Tan@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Sarah Neville <Sarah.Neville@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Thanks for the update Gavin.

From: Gavin He
Sent: Tuesday, November 07, 2017 4:02 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Sarah Neville <Sarah.Neville@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Hi Lisa/Sarah H.,

We touched based with IESO and they told us that the OEFC agreements do not contemplate a general grant of security by IESO over its assets as is currently under discussion with the OPG Trust relative to the implementation of the OFHP. The changes required to allow for such a grant would be to amend the permitted liens and negative covenant language in the OEFC agreements so as to make it the same as, or very similar to, the language in the two OFA Agreements that were signed recently.

We will get a policy direction soon and will draft a note for you to review once it's ready.

Regards,

Gavin He

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Sent: Monday, November 06, 2017 9:43 AM
To: John Kim <John.Kim@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Sarah Neville <Sarah.Neville@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

No, I don't think the OFA Lending Policy would apply to these OEFC loans. The OFA Lending Policy addresses lending activities to public bodies undertaken where the OFA is acting as an intermediary on behalf of the Province.

From: John Kim
Sent: Sunday, November 05, 2017 1:55 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>
Subject: Re: IESO / OEFC - $120MM and $160MM

Hi Sarah,

We will look at this but this is oefc so not sure if the same lending policy applies.

John

Sent from my iPhone

On Nov 5, 2017, at 12:06 PM, Sarah Harris <Sarah.Harris@ofina.on.ca> wrote:

> Hi John,
>
> We've received no internal direction on the nature of changes IESO is looking for in relation to existing OEFC credit facility with the IESO and the FHP. I surmise it may have

to do with adjusting the agreement to allow FHP permitted liens (which we would need internal approval to do) or similar changes, but do you know if IESO communicated requirements to Gadi or Ron?
Thanks,
Sarah
Sent from my iPhone

Begin forwarded message:

> **From:** Anthony Martinello <Anthony.Martinello@ieso.ca>
> **Date:** November 5, 2017 at 11:02:50 AM EST
> **To:** William Tan <William.Tan@ofina.on.ca>
> **Cc:** Lisa Stein <Lisa.Stein@ofina.on.ca>, Sarah Harris <Sarah.Harris@ofina.on.ca>, Victor Buza <Victor.Buza@ieso.ca>
> **Subject: RE: IESO / OEFC - $120MM and $160MM**
>
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> Regards.
>
> ---
>
> **From:** Anthony Martinello
> **Sent:** November 01, 2017 12:56 PM
> **To:** 'William Tan'
> **Cc:** 'Lisa Stein'; 'Sarah Harris'; 'John Kim'; Victor Buza
> **Subject:** IESO / OEFC - $120MM and $160MM
>
> Once we have completed the 2 OFA facilities and the intercept letter – we then have to turn to the 2 outstanding IESO-OEFC credit facilities to contemplate any further amendments too.
> Just ensuring that these 2 OEFC facilities are not missed.
> Regards.
>
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From: Gavin He
To: Lisa Stein; Ryan Blackbyrne
Cc: Sarah Harris; Jean-Francois Beaupre; William Tan
Subject: RE: IESO / OEFC - $120MM and $160MM
Date: Thursday, November 09, 2017 8:49:45 PM

Hi Lisa/Ryan,
If it's easier, I can set up a quick meeting to chat about this too if you prefer.
Thanks,
Gavin He

From: Gavin He
Sent: Thursday, November 09, 2017 5:50 PM
To: Lisa Stein ; Ryan Blackbyrne
Cc: Sarah Harris ; Jean-Francois Beaupre ; William Tan
Subject: RE: IESO / OEFC - $120MM and $160MM

Hi Lisa/Ryan,
Thank you very much for the responses and that's helpful!
I will go back to IESO to verify what's their rationale to for the request. But before I go back, I just want to make sure that I understand the concerns/suggestions from our side first.
The change we made for the OFA credit facility agreement was to allow IESO to take liens related to FHP in the event if IESO can't pay OFA back the loan, correct? What was the reason for this change? And wouldn't the same reason apply for the loans that IESO has with OEFC? And if IESO can't pay back the loans to OEFC, should they still be able to take any liens related to FHP, or not? But if they were able to do so under the OFA credit facility agreement, are there any reasons that they cannot do the same under the OEFC credit facility agreement?
I understand that the $120M and $160M credit facilities are not for FHP purposes, but I think this is a separate question from whether they can take liens related to FHP if IESO can't pay OEFC back the loans? Similarly, I believe the existing $475M IESO credit facility with OFA was not for the FHP purpose, but the agreement was amended by the amendment #10 to include the FHP lien clause in the actual agreement, right? So I am just a bit confused about this process and trying to find out whether we should apply a consistent approach for OEFC's credit facilities before I push this back to IESO.
Also, a separate question on the $160M credit facility agreement. Since it was amended to be used for FHP purpose previously, do we need to amend that now since a separate facility agreement was created specifically for FHP purposes? Or that amendment automatically expires when the $2B FHP credit facility was created, and for sure we don't need to update anything in the $160M credit facility agreement to that effect?
Thanks,
Gavin He

From: Lisa Stein
Sent: Thursday, November 09, 2017 12:49 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

I also recommend asking the IESO for the exact details of the proposed amendments.

From: Ryan Blackbyrne
Sent: Thursday, November 09, 2017 12:19 PM
To: Gavin He <Gavin.He@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: IESO / OEFC - $120MM and $160MM

Hi Gavin,

Thank you for your note. After reviewing your note and the attached agreements we had a few comments:

- We understand that the $160M credit facility agreement will not be used for FHP purposes, although an amendment was made earlier in 2017 to allow advances for the purposes of FHP.
- It is our assumption that the $160M credit facility agreement was amended in April, 2017, pursuant to Reg. 280/14 as a potential temporary option for FHP funding requirements until such time as a separate facility agreement was created specifically for FHP purposes (i.e. the $2B OFA-IESO credit facility)
- There is an existing $120M loan agreement, maturing June 30, 2020, which is not a credit facility, but a fixed term loan. No amendments were made here in relation to FHP, as it is non-revolving and used for capital purposes.
- Since the $160M credit facility agreement will not be used for FHP purposes, it is not clear to us why the change to definition of Permitted Liens is required, and how not making this change would prevent IESO from performing its obligations under the OFHP Act. Please clarify.
- Kindly confirm with Anthony why IESO believes these amendments are necessary in respect of the $160M credit facility and $120M loan agreement.

We look forward to hearing back from you. Happy to discuss further as always.

Thank You,

Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M7A 1Y7
416-325-8143
ryan.blackbyrne@ofina.on.ca

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Tuesday, November 07, 2017 4:07 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>
Subject: IESO - OEFC Nov 7

Ryan,

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For starters, there are no expected changes being asked to the existing agreement's key business content (e.g. amounts, dates, interest, notices etc.), rather given that IESO-OFA have just finished two new agreements pertaining to the new fair hydro program, ….I suggest we just copy and paste the salient sections from these agreements that would now be relevant to the OEFC agreements for fair hydro namely;

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The OFA agreements had required an intercept provision, …..not sure if the same applies to OEFC if yes:

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We need your support to expedite the above in order to avoid delays in the Fair Hydro implementation.

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Subject: RE: IESO / OEFC - $120MM and $160MM

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Sent: Thursday, November 09, 2017 12:49 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

I also recommend asking the IESO for the exact details of the proposed amendments.

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To: Gavin He <Gavin.He@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: IESO / OEFC - $120MM and $160MM

Hi Gavin,

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- We understand that the $160M credit facility agreement will not be used for FHP purposes, although an amendment was made earlier in 2017 to allow advances for the purposes of FHP.
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- There is an existing $120M loan agreement, maturing June 30, 2020, which is not a credit facility, but a fixed term loan. No amendments were made here in relation to FHP, as it is non-revolving and used for capital purposes.
- Since the $160M credit facility agreement will not be used for FHP purposes, it is not clear to us why the change to definition of Permitted Liens is required, and how not making this change would prevent IESO from performing its obligations under the OFHP Act. Please clarify.
- Kindly confirm with Anthony why IESO believes these amendments are necessary in respect of the $160M credit facility and $120M loan agreement.

We look forward to hearing back from you. Happy to discuss further as always.

Thank You,

Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
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1 Dundas Street West, Suite 1400
Toronto, ON M7A 1Y7
416-325-8143
ryan.blackbyrne@ofina.on.ca

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Subject: IESO - OEFC Nov 7

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"(xx) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

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The OFA agreements had required an intercept provision, …..not sure if the same applies to OEFC if yes:

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(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of November 6th , 2017 herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the Capital Investment Plan Act, 1993 (the "Intercept Letter"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("Appropriated Funds"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("Intercept").

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(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

The parties agree that, with respect to the exercise of the Intercept generally, the terms of this

section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail."

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If any… other relevant updates that make sense to do now……I do not anticipate any material ones.

We need your support to expedite the above in order to avoid delays in the Fair Hydro implementation.

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Subject: RE: IESO / OEFC - $120MM and $160MM

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Subject: RE: IESO / OEFC - $120MM and $160MM

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Date: November 5, 2017 at 11:02:50 AM EST
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Subject: RE: IESO / OEFC - $120MM and $160MM

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Sent: November 01, 2017 12:56 PM
To: 'William Tan'
Cc: 'Lisa Stein'; 'Sarah Harris'; 'John Kim'; Victor Buza
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From: Gavin He
To: Lisa Stein; Ryan Blackbyrne
Cc: Sarah Harris; Jean-Francois Beaupre; William Tan
Subject: RE: IESO / OEFC - $120MM and $160MM
Date: Thursday, November 09, 2017 5:49:52 PM

Hi Lisa/Ryan,
Thank you very much for the responses and that's helpful!
I will go back to IESO to verify what's their rationale to for the request. But before I go back, I just want to make sure that I understand the concerns/suggestions from our side first.
The change we made for the OFA credit facility agreement was to allow IESO to take liens related to FHP in the event if IESO can't pay OFA back the loan, correct? What was the reason for this change? And wouldn't the same reason apply for the loans that IESO has with OEFC? And if IESO can't pay back the loans to OEFC, should they still be able to take any liens related to FHP, or not? But if they were able to do so under the OFA credit facility agreement, are there any reasons that they cannot do the same under the OEFC credit facility agreement?
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Thank You,

Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
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416-325-8143
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I will go back to IESO to verify what's their rationale to for the request. But before I go back, I just want to make sure that I understand the concerns/suggestions from our side first.
The change we made for the OFA credit facility agreement was to allow IESO to take liens related to FHP in the event if IESO can't pay OFA back the loan, correct? What was the reason for this change? And wouldn't the same reason apply for the loans that IESO has with OEFC? And if IESO can't pay back the loans to OEFC, should they still be able to take any liens related to FHP, or not? But if they were able to do so under the OFA credit facility agreement, are there any reasons that they cannot do the same under the OEFC credit facility agreement?
I understand that the $120M and $160M credit facilities are not for FHP purposes, but I think this is a separate question from whether they can take liens related to FHP if IESO can't pay OEFC back the loans? Similarly, I believe the existing $475M IESO credit facility with OFA was not for the FHP purpose, but the agreement was amended by the amendment #10 to include the FHP lien clause in the actual agreement, right? So I am just a bit confused about this process and trying to find out whether we should apply a consistent approach for OEFC's credit facilities before I push this back to IESO.
Also, a separate question on the $160M credit facility agreement. Since it was amended to be used for FHP purpose previously, do we need to amend that now since a separate facility agreement was created specifically for FHP purposes? Or that amendment automatically expires when the $2B FHP credit facility was created, and for sure we don't need to update anything in the $160M credit facility agreement to that effect?
Thanks,
Gavin He

From: Lisa Stein
Sent: Thursday, November 09, 2017 12:49 PM
To: Ryan Blackbyrne ; Gavin He
Cc: Sarah Harris ; Jean-Francois Beaupre ; William Tan
Subject: RE: IESO / OEFC - $120MM and $160MM
I also recommend asking the IESO for the exact details of the proposed amendments.

From: Ryan Blackbyrne
Sent: Thursday, November 09, 2017 12:19 PM
To: Gavin He <Gavin.He@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: IESO / OEFC - $120MM and $160MM
Hi Gavin,
Thank you for your note. After reviewing your note and the attached agreements we had a few comments:

- We understand that the $160M credit facility agreement will not be used for FHP purposes, although an amendment was made earlier in 2017 to allow advances for the purposes of FHP.
- It is our assumption that the $160M credit facility agreement was amended in April, 2017, pursuant to Reg. 280/14 as a potential temporary option for FHP funding requirements until such time as a separate facility agreement was created specifically for FHP purposes (i.e. the $2B OFA-IESO credit facility)
- There is an existing $120M loan agreement, maturing June 30, 2020, which is not a credit facility, but a fixed term loan. No amendments were made here in relation to FHP, as it is non-revolving and used for capital purposes.
- Since the $160M credit facility agreement will not be used for FHP purposes, it is not clear to us why the change to definition of Permitted Liens is required, and how not making this change would prevent IESO from performing its obligations under the OFHP Act. Please clarify.
- Kindly confirm with Anthony why IESO believes these amendments are necessary in respect of the $160M credit facility and $120M loan agreement.

We look forward to hearing back from you. Happy to discuss further as always.

Thank You,

Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M7A 1Y7
416-325-8143
ryan.blackbyrne@ofina.on.ca

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Tuesday, November 07, 2017 4:07 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>
Subject: IESO - OEFC Nov 7

Ryan,

As discussed with Will today, I understand you will be co-ordinating the proposed 2 amendments to the existing IESO-OEFC credit facilities.

For starters, there are no expected changes being asked to the existing agreement's key business content (e.g. amounts, dates, interest, notices etc.), rather given that IESO-OFA have just finished two new agreements pertaining to the new fair hydro program, ….I suggest we just copy and paste the salient sections from these agreements that would now be relevant to the OEFC agreements for fair hydro namely;

1.DRAFT

The definition of "Permitted Liens" is amended by deleting the word "and" at the end of subsection (xx); replacing the "." at the end of subsection (xx) and replacing it with "; and" ; and adding the following subsection (xx):

"(xx) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to

any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

2.DRAFT

The OFA agreements had required an intercept provision, …..not sure if the same applies to OEFC if yes:

"Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of November 6th , 2017 herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the Capital Investment Plan Act, 1993 (the "Intercept Letter"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("Appropriated Funds"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("Intercept").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail."

3.

If any… other relevant updates that make sense to do now……I do not anticipate any material ones. We need your support to expedite the above in order to avoid delays in the Fair Hydro implementation.

Regards.

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recipient(s) above and may contain information that is privileged, confidential and/or exempt from disclosure under applicable law. If you are not the intended recipient(s), any dissemination, distribution or copying of this e-mail message or any files transmitted with it is strictly prohibited. If you have received this message in error, or are not the named recipient(s), please notify the sender immediately and delete this e-mail message.

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From: Gavin He
Sent: Thursday, November 09, 2017 8:29 AM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Hi Lisa, Sarah, and William,

Following my email on Tuesday, EFB has drafted the attached note on the IESO's request on the OEFC credit facility, including the background information, our recommendation, and the rationale. Could you please review the accuracy of the note and would you be able to provide me with your feedback before noon today?

Sorry for the short turnaround time, but we all would like to move on this as soon as possible.

Thanks,

Gavin He

From: Lisa Stein
Sent: Wednesday, November 08, 2017 9:55 AM
To: Gavin He <Gavin.He@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Sarah Neville <Sarah.Neville@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Thanks for the update Gavin.

From: Gavin He
Sent: Tuesday, November 07, 2017 4:02 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Sarah Neville <Sarah.Neville@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Hi Lisa/Sarah H.,

We touched based with IESO and they told us that the OEFC agreements do not contemplate a general grant of security by IESO over its assets as is currently under discussion with the OPG Trust relative to the implementation of the OFHP. The changes required to allow for such a grant would be to amend the permitted liens and negative covenant language in the OEFC agreements so as to make it the same as, or very similar to, the language in the two OFA Agreements that were signed recently.

We will get a policy direction soon and will draft a note for you to review once it's ready.

Regards,

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Sent: Monday, November 06, 2017 9:43 AM
To: John Kim <John.Kim@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Sarah Neville <Sarah.Neville@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

No, I don't think the OFA Lending Policy would apply to these OEFC loans. The OFA Lending Policy addresses lending activities to public bodies undertaken where the OFA is acting as an intermediary on behalf of the Province.

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Sent: Sunday, November 05, 2017 1:55 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>
Subject: Re: IESO / OEFC - $120MM and $160MM

Hi Sarah,
We will look at this but this is oefc so not sure if the same lending policy applies.
John
Sent from my iPhone

On Nov 5, 2017, at 12:06 PM, Sarah Harris <Sarah.Harris@ofina.on.ca> wrote:

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> Thanks,
> Sarah
> Sent from my iPhone
>
> Begin forwarded message:
>
> > **From:** Anthony Martinello <Anthony.Martinello@ieso.ca>
> > **Date:** November 5, 2017 at 11:02:50 AM EST
> > **To:** William Tan <William.Tan@ofina.on.ca>
> > **Cc:** Lisa Stein <Lisa.Stein@ofina.on.ca>, Sarah Harris <Sarah.Harris@ofina.on.ca>, Victor Buza <Victor.Buza@ieso.ca>
> > **Subject: RE: IESO / OEFC - $120MM and $160MM**
> >
> > Will – unless any concerns, will appreciate if you please begin to draft the two OEFC amendments this week – given that the IESO is targeting to sign the OPG / IESO fair hydro agreement by this month's end,….we need to have the two OEFC's done before this.
> > Regards.

From: Anthony Martinello
Sent: November 01, 2017 12:56 PM
To: 'William Tan'
Cc: 'Lisa Stein'; 'Sarah Harris'; 'John Kim'; Victor Buza
Subject: IESO / OEFC - $120MM and $160MM

Once we have completed the 2 OFA facilities and the intercept letter – we then have to turn to the 2 outstanding IESO-OEFC credit facilities to contemplate any further amendments too.

Just ensuring that these 2 OEFC facilities are not missed.

Regards.

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From:	Opal Kandelas
To:	Sarah Harris
Subject:	RE: IESO / OEFC - $120MM and $160MM
Date:	Friday, November 10, 2017 11:17:17 AM

Just reading the email stream and note now…will call you as soon as I'm done.

From: Sarah Harris
Sent: Friday, November 10, 2017 10:17 AM
To: Opal Kandelas
Subject: FW: IESO / OEFC - $120MM and $160MM

Hi Opal,

When you have two minutes to speak, I just want bring you up to date. Please let me know when we can chat.

Thanks,

Sarah

From: Gavin He
Sent: Thursday, November 09, 2017 5:50 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Hi Lisa/Ryan,

Thank you very much for the responses and that's helpful!

I will go back to IESO to verify what's their rationale to for the request. But before I go back, I just want to make sure that I understand the concerns/suggestions from our side first.

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Gavin He

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Sent: Thursday, November 09, 2017 12:49 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM
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Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>
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Hi Gavin,
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- Kindly confirm with Anthony why IESO believes these amendments are necessary in respect of the $160M credit facility and $120M loan agreement.

We look forward to hearing back from you. Happy to discuss further as always.
Thank You,
Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M7A 1Y7
416-325-8143
ryan.blackbyrne@ofina.on.ca
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Subject: IESO - OEFC Nov 7

Ryan,

As discussed with Will today, I understand you will be co-ordinating the proposed 2 amendments to the existing IESO-OEFC credit facilities.

For starters, there are no expected changes being asked to the existing agreement's key business content (e.g. amounts, dates, interest, notices etc.), rather given that IESO-OFA have just finished two new agreements pertaining to the new fair hydro program, ….I suggest we just copy and paste the salient sections from these agreements that would now be relevant to the OEFC agreements for fair hydro namely;

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"(xx) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

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The OFA agreements had required an intercept provision, …..not sure if the same applies to OEFC if yes:

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3.
If any… other relevant updates that make sense to do now……I do not anticipate any material ones.
We need your support to expedite the above in order to avoid delays in the Fair Hydro implementation.
Regards.

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Subject: RE: IESO / OEFC - $120MM and $160MM

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To: 'William Tan'
Cc: 'Lisa Stein'; 'Sarah Harris'; 'John Kim'; Victor Buza
Subject: IESO / OEFC - $120MM and $160MM

Once we have completed the 2 OFA facilities and the intercept letter – we then have to turn to the 2 outstanding IESO-OEFC credit facilities to contemplate any further amendments too.
Just ensuring that these 2 OEFC facilities are not missed.
Regards.

This e-mail message and any files transmitted with it are intended only for the named recipient(s) above and may contain information that is privileged, confidential and/or exempt from disclosure under applicable law. If you are not the intended recipient(s), any dissemination, distribution or copying of this e-mail message or any files transmitted with it is strictly prohibited. If you have received this message in error, or are not the named recipient(s), please notify the sender immediately and delete this e-mail message.

From:	Ryan Blackbyrne
To:	Risa Thau
Cc:	Sarah Harris
Subject:	RE: IESO : OFA/OEFC December 31, 2017 - confirmations to KPMG
Date:	Monday, December 18, 2017 4:19:37 PM

Thanks Risa. I will reach out to them.

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Sent: Monday, December 18, 2017 4:18 PM
To: Ryan Blackbyrne
Cc: Sarah Harris
Subject: RE: IESO : OFA/OEFC December 31, 2017 - confirmations to KPMG

Hi Ryan,

San or Siva in OFA accounting needs to confirm the outstanding amount and Siva can sign the confirmations from KPMG.

Thanks,

Risa Thau
Email Address: risa.thau@ofina.on.ca
Telephone number: 416-325-6879

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Sent: Monday, December 18, 2017 3:54 PM
To: Risa Thau <Risa.Thau@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
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I can confirm the accuracy of the 2 IESO-OFA and 2 IESO-OEFC borrowing facilities with respect to the limit amounts, interest rates and maturity dates.

Are settlements able to confirm the current amounts outstanding under each facility? Or is that something OFA Accounting needs to confirm? Also, who would be the best person to sign-off on the attached confirmations for KPMG?

Thank You,

Ryan

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Friday, December 15, 2017 4:19 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Cc: De Caire, Justin J <jdecaire@kpmg.ca>; Sims, Brendan <brendansims@kpmg.ca>; Olga Whiteley <Olga.Whiteley@ieso.ca>; Natalie Schaus <Natalie.Schaus@ieso.ca>
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Please see the attached, and please confirm back to KPMG LLP.

If you have any questions, please call/contact:

Justin De Caire
KPMG LLP
80 King Street, Suite 620
P.O. Box 1294
St. Catharines, ON, L2R 7G1
Fax: 905-682-2008
T: 905-687-3284

Regards,

Anthony Martinello Director, Treasury & Pension Operations
Independent Electricity System Operator (IESO) | T: 905-403-6944
Station A, Box 4474, Toronto, ON, M5W 4E5
www.ieso.ca[ieso.ca]

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From: Risa Thau
To: Ryan Blackbyrne
Cc: Sarah Harris
Subject: RE: IESO : OFA/OEFC December 31, 2017 - confirmations to KPMG
Date: Monday, December 18, 2017 4:17:48 PM

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From:	William Tan
To:	Robert Bozinoski
Cc:	Sarah Harris
Subject:	RE: IESO loan and credit facility
Date:	Thursday, May 24, 2018 2:52:39 PM
Attachments:	Amending Agrt no.6 - Issuance of Note - $120M, IESO_OFA (Signed).pdf Amending Agrt no.6 - Revolving Credit Facility - $160M, IESO_OFA(Signed).pdf

Hello Robert,

Please find the attached signed Amending Agreements No. 6 for the $120M IESO OFA – Issuance of Note and the $160M IESO OFA -Revolving Credit Facility.

Thanks,

Will

From: Sarah Harris
Sent: Thursday, May 24, 2018 1:21 PM
To: William Tan
Subject: FW: IESO loan and credit facility

Hi Will,

Could you please look into this and let me know?

Thanks,

Sarah

From: Robert Bozinoski
Sent: Thursday, May 24, 2018 11:45 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: IESO loan and credit facility

Hi Sarah,

Attached are the IESO signed copies of the April 2017 amending agreements with OEFC. The OEFC auditor is asking for the OFA signed copy for their files. Would you be able to provide these?

I recall that Kelley mentioning that some agreements are signed in counterpart.

Thanks

Rob

AMENDING AGREEMENT NO. 6

This Amending Agreement is made as of the 30th day of April, 2017

between:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR
("IESO")

- and -

ONTARIO ELECTRICITY FINANCIAL CORPORATION
("OEFC")

WHEREAS IESO and OEFC have entered into an agreement Providing for the Issuance of a Note dated April 1, 1999 (the "Original Agreement");

AND WHEREAS pursuant to amending agreements dated March 23, 2000, April 23, 2009, May 1, 2011, May 1, 2013, and April 30, 2014 the parties amended the Original Agreement (as so amended, the "Agreement");

AND WHEREAS the parties wish to further amend the Agreement to increase the loan advanced to IESO from a principal amount of C$90 million to a principal amount of up to C$120 million and to extend the maturity date of the loan to June 30, 2020, all of which is to be evidenced through the the issuance of a Fifth Refinancing Note.

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and sufficiency of which are hereby acknowledged by each party), the parties agree as follows:

1. **Defined Terms**

Capitalized terms used in this Amending Agreement and not otherwise defined herein have the meanings specified in the Agreement.

2. **Amendments to Agreement**

(a) Definition of "Loan" in the Agreement is deleted.

(b) Article 1a (The Loan) of the Agreement is deleted in its entirety and replaced with the following:

Article 1a $30 Million Advance

Section 1a.1

Effective April 30, 2017, OEFC will make an advance to IESO in the amount of $30 million (the "$30 Million Advance"). IESO directs OEFC to apply, and OEFC agrees to apply, the $30 Million Advance, first to repay Advances Outstanding (as such term is defined in the Revolving Credit Facility Agreement), if any, under the Revolving Credit Facility Agreement, with any amount remaining out of the $30 Million Advance after repaying all Advances Outstanding to be used by IESO for the purpose of funding new IESO capital expenditures.

(c) The following sections are added to the Agreement following Section 2.15:

" Section 2.16 Fifth Refinancing Note

On April 30, 2017, IESO shall execute and deliver to OEFC a promissory note in the form attached as Schedule 1 (the "Fifth Refinancing Note") which shall be in an aggregate principal amount equal to $120 million, dated as of April 30, 2017 and maturing on June 30, 2020 and bearing interest at a per annum rate equal to the Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020, as determined by the Chief Executive Officer of OEFC or the Chief Operating Officer of OEFC, or by a person designated by either of them, plus fifty basis points (0.50%) (after as well as before default or judgment, with interest on the amounts in default at the same rate). Upon receipt of the Fifth Refinancing Note by OEFC, the Fourth Refinancing Note dated April 30, 2014 shall be of no further force or effect and shall be returned by OEFC to IESO marked "cancelled".

For greater clarity, the Fifth Refinancing Note shall evidence the indebtedness of IESO to OEFC in respect of the principal amount of $90 million under the Fourth Refinancing Note ("Part A") and the additional $30 Million Advance ("Part B"), for a total aggregate principal amount of $120 million.

Notwithstanding Section 1.5 herein, the interest rate on the Fifth Refinancing Note shall be set on Monday, May 1, 2017, with interest accruing on Part A commencing on Sunday, April 30, 2017, and interest accruing on Part B commencing on Monday, May 1, 2017.

Section 2.17 Interest on Fifth Refinancing Note

Notwithstanding Section 1.5 herein, interest on the Fifth Refinancing Note at the rate specified in Section 2.16 shall accrue daily and shall be payable in equal semi-annual instalments on June 30 and December 31(each an "Interest Payment Date"), provided however that the calculation of the amount of the first such interest payment for Part A shall be in respect only of the period from and including April 30, 2017 to but excluding June 30, 2017, and for Part B in respect only of the period from May 1, 2017 to but excluding June 30, 2017.

For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under the Fifth Refinancing Note for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period."

3. **Reference to and Effect on the Agreement.**

On and after this date, each reference in the Agreement to "this Agreement" and each reference to the Agreement in any and all other agreements, documents and instruments delivered by IESO and OEFC shall mean and be a reference to the Agreement as amended by this Amending Agreement. On and after this date, each reference in the Agreement to either "the Note" or "the New Note" and each reference to either "the Note" or "the New Note" in any and all other agreements, documents and instruments delivered by IESO and OEFC shall mean and be a reference to the Fifth Refinancing Note.

4. **Governing Law**

This Amending Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

5. **Counterparts**

This Amending Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.

6. **Enurement**

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

IN ALL OTHER RESPECTS, the Agreement is confirmed by the parties.

IN WITNESS WHEREOF the parties have executed and delivered this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

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ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

SCHEDULE 1
FORM OF FIFTH REFINANCING NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

NOTE

Aggregate Principal Amount: $120 million, consisting of: a Part A amount of $90 million ("Part A"), whereon interest accrues commencing on April 30, 2017, and a Part B amount of $30 million ("Part B"), whereon interest accrues commencing on May 1, 2017.

Date: April 30, 2017

Interest Rate: (Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020 + 50 basis points)

Due: June 30, 2020

FOR VALUE RECEIVED, the INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO") existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, PROMISES TO PAY to or to the order of ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC") at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of $120 million in lawful money of Canada, with interest on such amount at the rate, calculated in the manner and payable at the times specified in this Note.

The principal amount of this Note together with all interest accrued thereon shall become due and payable on June 30, 2020.

The principal amount of this Note remaining from time to time unpaid and outstanding shall bear interest from the date of this Note both before and after maturity and both before and after default at the rate per annum equal to the Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020, as determined by the Chief Executive Officer of OEFC or the Chief Operating Officer of OEFC, or by a person designated by either of them, plus fifty basis points (0.50%). Interest at such rate shall accrue daily and shall be payable in arrears in equal semi-annual instalments on June 30 and December 31 (each an "Interest Payment Date") commencing June 30, 2017, provided however that the calculation of the amount of the first such interest payment for Part A shall be in respect only of the period from and including April 30, 2017 to but excluding June 30, 2017, and for Part B in respect only of the period from and including May 1, 2017 to but excluding June 30, 2017.

For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Note for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of an agreement providing for the issuance of a note dated April 1, 1999 between the IESO and OEFC and amended by an amending agreement dated March 23, 2000, an amending agreement dated April 23, 2009, an amending agreement dated May 1, 2011, an amending agreement dated May 1, 2013, an amending agreement dated April 30, 2014, and an amending agreement dated April 30, 2017 (as so amended, the "Agreement"), which Agreement provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

AMENDING AGREEMENT NO. 6

This Amending Agreement is effective as of the 30 day of April, 2017.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011, Amending Agreement No. 3 dated April 30, 2013, Amending Agreement No. 4 dated April 30, 2014 and Amending Agreement No. 5 dated December 19, 2014 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $95 million.

AND WHEREAS IESO and OEFC wish to amend the Agreement to increase the revolving line of credit from a principal amount of CDN $95 million to a principal amount of up to CDN $160 million to provide funding for IESO Corporate Requirements (as defined herein);

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for an extension of the mandatory repayment date established in the Agreement to June 30, 2020;

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for the ability for Advances to be made on any business day up to a maximum of 12 times per year;

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. Section 1.1 Definitions of the Agreement is amended as follows:

   i) The definition of "Amalgamation" is deleted.

   ii) The definition of "Commitment" is deleted and replaced with:

   "Commitment" means, at any time, an amount equal to the principal amount of One Hundred and Sixty Million Dollars.

   iii) A definition of "IESO Corporate Requirements" is added as follows:

   "IESO Corporate Requirements" means any borrowing purposes authorized by O. Reg. 280/14 made under the *Electricity Act, 1998* (as such regulation may be amended or

replaced from time to time), other than for funding liquidity requirements relating to the settlement of the Ontario wholesale electricity markets.

iv) A definition of "Ontario's Fair Hydro Plan" is added as follows:

"Ontario's Fair Hydro Plan" means the plan announced March 2, 2017 by the Government of Ontario to affect the Ontario Energy Board's setting of electricity prices for certain Ontario consumers of electricity, which plan is referred to in the Ontario Energy Board's report dated April 20, 2017 and titled "Regulated Price Plan Price Report – May 1, 2017 to April 30, 2018", and including all relevant developments in or changes to such plan from time to time.

v) The definition of "New IESO" is deleted.

vi) The definition of "Note" is deleted and replaced with:

"Note" means the $160 Million Note issued pursuant to Section 2 of Amending Agreement No. 6 dated as of the 30th day of April, 2017.

vii) The definition of "OPA" is deleted.

viii) The definition of "Pre-Amalgamation IESO" is deleted.

2. IESO shall execute and deliver to OEFC a grid promissory note in the form attached as Schedule I hereto which shall be in an aggregate principal amount of up to One Hundred and Sixty Million Dollars (the "$160 Million Note") dated April 30, 2017 and on which shall be recorded the Advances Outstanding under the grid promissory note delivered pursuant to Amending Agreement No. 4. Upon receipt by OEFC of the $160 Million Note dated April 30, 2017, the $95 Million Note dated April 30, 2014 shall be of no further force and effect and shall be returned to the IESO marked "cancelled".

3. Section 2.3 of the Agreement is deleted and replaced by the following:

Section 2.3 Use of Proceeds

IESO shall use the proceeds of Advances for the funding of IESO Corporate Requirements.

4. Section 2.4 of the Agreement is deleted and replaced by the following:

Section 2.4 Mandatory Repayment.

Subject to Sections 3.5 and 5.2 of this Agreement, IESO shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, in full on or before June 30, 2020.

5. Section 3.1 of the Agreement is deleted and replaced by the following:

Section 3.1 Advances.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO under the Credit Facility on any Business Day in a month up to twelve (12) times per annum from and including May 1, 2017 to and including May 29, 2020

6. Paragraph 3.6(c) of the Agreement is deleted and replaced by the following:
   (c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO, provided however that any adverse change in IESO's financial condition related to or resulting from the discharge by IESO of its responsibilities under Ontario's Fair Hydro Plan shall be deemed not to be a material adverse change for the purposes of this Section; and

7. The Form of Borrowing Notice is deleted and replaced with the Form of Borrowing Notice attached hereto as Schedule 1.

8. This Amending Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO under the Credit Facility on any Business Day in a month up to twelve (12) times per annum from and including May 1, 2017 to and including May 29, 2020

6. Paragraph 3.6(c) of the Agreement is deleted and replaced by the following:
   (c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO, provided however that any adverse change in IESO's financial condition related to or resulting from the discharge by IESO of its responsibilities under Ontario's Fair Hydro Plan shall be deemed not to be a material adverse change for the purposes of this Section; and

7. The Form of Borrowing Notice is deleted and replaced with the Form of Borrowing Notice attached hereto as Schedule 1.

8. This Amending Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

SCHEDULE 1

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $160,000,000 Date: 30 April, 2017

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("**IESO**"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid **("Grid")** attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No. 1 dated July 21, 2010, by Amending Agreement No. 2 dated October 14, 2011, by Amending Agreement No. 3 dated April 30, 2013, by Amending Agreement No. 4 dated April 30, 2014, by Amending Agreement No. 5 dated December 19, 2014, and by Amending Agreement No. 6 dated April 30, 2017 (collectively the "Agreement").

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before June 30, 2020.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance or part of an Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be p*rima facie* evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Agreement. All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment, demand, protest, notice of dishonour and notice

of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

(Revolving Credit Facility April 30, 2017)

DATE	PRINCIPAL ADVANCED	RATE	REPAYMENT DATE	INTEREST AMOUNT	AMOUNT OF PAYMENT		UNPAID BALANCE			NOTATION MADE BY
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	REFINANCED (AMOUNT & DATE)	

From: William Tan
To: Sarah Harris
Subject: RE: IESO loan and credit facility
Date: Thursday, May 24, 2018 2:09:26 PM
Attachments: Amending Agrt no.6 - Issuance of Note - $120M, IESO_OFA (Signed).pdf
Amending Agrt no.6 - Revolving Credit Facility - $160M, IESO_OFA(Signed).pdf

---

Hello Sarah,
Please find the attached signed Amending Agreements No. 6 for the $120M – Issuance of Note and the $160M-Revolving Credit Facility.
Thanks,
Will

From: Sarah Harris
Sent: Thursday, May 24, 2018 1:21 PM
To: William Tan
Subject: FW: IESO loan and credit facility
Hi Will,
Could you please look into this and let me know?
Thanks,
Sarah

From: Robert Bozinoski
Sent: Thursday, May 24, 2018 11:45 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: IESO loan and credit facility
Hi Sarah,
Attached are the IESO signed copies of the April 2017 amending agreements with OEFC. The OEFC auditor is asking for the OFA signed copy for their files. Would you be able to provide these?
I recall that Kelley mentioning that some agreements are signed in counterpart.
Thanks
Rob

AMENDING AGREEMENT NO. 6

This Amending Agreement is made as of the 30th day of April, 2017

between:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR
("IESO")

- and -

ONTARIO ELECTRICITY FINANCIAL CORPORATION
("OEFC")

WHEREAS IESO and OEFC have entered into an agreement Providing for the Issuance of a Note dated April 1, 1999 (the "Original Agreement");

AND WHEREAS pursuant to amending agreements dated March 23, 2000, April 23, 2009, May 1, 2011, May 1, 2013, and April 30, 2014 the parties amended the Original Agreement (as so amended, the "Agreement");

AND WHEREAS the parties wish to further amend the Agreement to increase the loan advanced to IESO from a principal amount of C$90 million to a principal amount of up to C$120 million and to extend the maturity date of the loan to June 30, 2020, all of which is to be evidenced through the the issuance of a Fifth Refinancing Note.

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and sufficiency of which are hereby acknowledged by each party), the parties agree as follows:

1. **Defined Terms**

Capitalized terms used in this Amending Agreement and not otherwise defined herein have the meanings specified in the Agreement.

2. **Amendments to Agreement**

(a) Definition of "Loan" in the Agreement is deleted.

(b) Article 1a (The Loan) of the Agreement is deleted in its entirety and replaced with the following:

Article 1a $30 Million Advance

Section 1a.1

Effective April 30, 2017, OEFC will make an advance to IESO in the amount of $30 million (the "$30 Million Advance"). IESO directs OEFC to apply, and OEFC agrees to apply, the $30 Million Advance, first to repay Advances Outstanding (as such term is defined in the Revolving Credit Facility Agreement), if any, under the Revolving Credit Facility Agreement, with any amount remaining out of the $30 Million Advance after repaying all Advances Outstanding to be used by IESO for the purpose of funding new IESO capital expenditures.

(c) The following sections are added to the Agreement following Section 2.15:

" Section 2.16 Fifth Refinancing Note

On April 30, 2017, IESO shall execute and deliver to OEFC a promissory note in the form attached as Schedule 1 (the "Fifth Refinancing Note") which shall be in an aggregate principal amount equal to $120 million, dated as of April 30, 2017 and maturing on June 30, 2020 and bearing interest at a per annum rate equal to the Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020, as determined by the Chief Executive Officer of OEFC or the Chief Operating Officer of OEFC, or by a person designated by either of them, plus fifty basis points (0.50%) (after as well as before default or judgment, with interest on the amounts in default at the same rate). Upon receipt of the Fifth Refinancing Note by OEFC, the Fourth Refinancing Note dated April 30, 2014 shall be of no further force or effect and shall be returned by OEFC to IESO marked "cancelled".

For greater clarity, the Fifth Refinancing Note shall evidence the indebtedness of IESO to OEFC in respect of the principal amount of $90 million under the Fourth Refinancing Note ("Part A") and the additional $30 Million Advance ("Part B"), for a total aggregate principal amount of $120 million.

Notwithstanding Section 1.5 herein, the interest rate on the Fifth Refinancing Note shall be set on Monday, May 1, 2017, with interest accruing on Part A commencing on Sunday, April 30, 2017, and interest accruing on Part B commencing on Monday, May 1, 2017.

Section 2.17 Interest on Fifth Refinancing Note

Notwithstanding Section 1.5 herein, interest on the Fifth Refinancing Note at the rate specified in Section 2.16 shall accrue daily and shall be payable in equal semi-annual instalments on June 30 and December 31(each an "Interest Payment Date"), provided however that the calculation of the amount of the first such interest payment for Part A shall be in respect only of the period from and including April 30, 2017 to but excluding June 30, 2017, and for Part B in respect only of the period from May 1, 2017 to but excluding June 30, 2017.

For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under the Fifth Refinancing Note for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period."

3. **Reference to and Effect on the Agreement.**

On and after this date, each reference in the Agreement to "this Agreement" and each reference to the Agreement in any and all other agreements, documents and instruments delivered by IESO and OEFC shall mean and be a reference to the Agreement as amended by this Amending Agreement. On and after this date, each reference in the Agreement to either "the Note" or "the New Note" and each reference to either "the Note" or "the New Note" in any and all other agreements, documents and instruments delivered by IESO and OEFC shall mean and be a reference to the Fifth Refinancing Note.

4. **Governing Law**

This Amending Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

5. **Counterparts**

This Amending Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.

6. **Enurement**

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

IN ALL OTHER RESPECTS, the Agreement is confirmed by the parties.

IN WITNESS WHEREOF the parties have executed and delivered this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

SCHEDULE 1
FORM OF FIFTH REFINANCING NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

NOTE

Aggregate Principal Amount: $120 million, consisting of: a Part A amount of $90 million ("Part A"), whereon interest accrues commencing on April 30, 2017, and a Part B amount of $30 million ("Part B"), whereon interest accrues commencing on May 1, 2017.

Date: April 30, 2017

Interest Rate: (Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020 + 50 basis points)

Due: June 30, 2020

FOR VALUE RECEIVED, the INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO") existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, PROMISES TO PAY to or to the order of ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC") at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of $120 million in lawful money of Canada, with interest on such amount at the rate, calculated in the manner and payable at the times specified in this Note.

The principal amount of this Note together with all interest accrued thereon shall become due and payable on June 30, 2020.

The principal amount of this Note remaining from time to time unpaid and outstanding shall bear interest from the date of this Note both before and after maturity and both before and after default at the rate per annum equal to the Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020, as determined by the Chief Executive Officer of OEFC or the Chief Operating Officer of OEFC, or by a person designated by either of them, plus fifty basis points (0.50%). Interest at such rate shall accrue daily and shall be payable in arrears in equal semi-annual instalments on June 30 and December 31 (each an "Interest Payment Date") commencing June 30, 2017, provided however that the calculation of the amount of the first such interest payment for Part A shall be in respect only of the period from and including April 30, 2017 to but excluding June 30, 2017, and for Part B in respect only of the period from and including May 1, 2017 to but excluding June 30, 2017.

For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Note for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of an agreement providing for the issuance of a note dated April 1, 1999 between the IESO and OEFC and amended by an amending agreement dated March 23, 2000, an amending agreement dated April 23, 2009, an amending agreement dated May 1, 2011, an amending agreement dated May 1, 2013, an amending agreement dated April 30, 2014, and an amending agreement dated April 30, 2017 (as so amended, the "Agreement"), which Agreement provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

IN ALL OTHER RESPECTS, the Agreement is confirmed by the parties.

IN WITNESS WHEREOF the parties have executed and delivered this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

AMENDING AGREEMENT NO. 6

This Amending Agreement is effective as of the 30 day of April, 2017.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011, Amending Agreement No. 3 dated April 30, 2013, Amending Agreement No. 4 dated April 30, 2014 and Amending Agreement No. 5 dated December 19, 2014 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $95 million.

AND WHEREAS IESO and OEFC wish to amend the Agreement to increase the revolving line of credit from a principal amount of CDN $95 million to a principal amount of up to CDN $160 million to provide funding for IESO Corporate Requirements (as defined herein);

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for an extension of the mandatory repayment date established in the Agreement to June 30, 2020;

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for the ability for Advances to be made on any business day up to a maximum of 12 times per year;

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. Section 1.1 Definitions of the Agreement is amended as follows:

   i) The definition of "Amalgamation" is deleted.

   ii) The definition of "Commitment" is deleted and replaced with:

   "Commitment" means, at any time, an amount equal to the principal amount of One Hundred and Sixty Million Dollars.

   iii) A definition of "IESO Corporate Requirements" is added as follows:

   "IESO Corporate Requirements" means any borrowing purposes authorized by O. Reg. 280/14 made under the *Electricity Act, 1998* (as such regulation may be amended or

replaced from time to time), other than for funding liquidity requirements relating to the settlement of the Ontario wholesale electricity markets.

iv) A definition of "Ontario's Fair Hydro Plan" is added as follows:

"Ontario's Fair Hydro Plan" means the plan announced March 2, 2017 by the Government of Ontario to affect the Ontario Energy Board's setting of electricity prices for certain Ontario consumers of electricity, which plan is referred to in the Ontario Energy Board's report dated April 20, 2017 and titled "Regulated Price Plan Price Report – May 1, 2017 to April 30, 2018", and including all relevant developments in or changes to such plan from time to time.

v) The definition of "New IESO" is deleted.

vi) The definition of "Note" is deleted and replaced with:

"Note" means the $160 Million Note issued pursuant to Section 2 of Amending Agreement No. 6 dated as of the 30th day of April, 2017.

vii) The definition of "OPA" is deleted.

viii) The definition of "Pre-Amalgamation IESO" is deleted.

2. IESO shall execute and deliver to OEFC a grid promissory note in the form attached as Schedule I hereto which shall be in an aggregate principal amount of up to One Hundred and Sixty Million Dollars (the "$160 Million Note") dated April 30, 2017 and on which shall be recorded the Advances Outstanding under the grid promissory note delivered pursuant to Amending Agreement No. 4. Upon receipt by OEFC of the $160 Million Note dated April 30, 2017, the $95 Million Note dated April 30, 2014 shall be of no further force and effect and shall be returned to the IESO marked "cancelled".

3. Section 2.3 of the Agreement is deleted and replaced by the following:

Section 2.3 Use of Proceeds

IESO shall use the proceeds of Advances for the funding of IESO Corporate Requirements.

4. Section 2.4 of the Agreement is deleted and replaced by the following:

Section 2.4 Mandatory Repayment.

Subject to Sections 3.5 and 5.2 of this Agreement, IESO shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, in full on or before June 30, 2020.

5. Section 3.1 of the Agreement is deleted and replaced by the following:

Section 3.1 Advances.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO under the Credit Facility on any Business Day in a month up to twelve (12) times per annum from and including May 1, 2017 to and including May 29, 2020

6. Paragraph 3.6(c) of the Agreement is deleted and replaced by the following:
   (c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO, provided however that any adverse change in IESO's financial condition related to or resulting from the discharge by IESO of its responsibilities under Ontario's Fair Hydro Plan shall be deemed not to be a material adverse change for the purposes of this Section; and

7. The Form of Borrowing Notice is deleted and replaced with the Form of Borrowing Notice attached hereto as Schedule 1.

8. This Amending Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO under the Credit Facility on any Business Day in a month up to twelve (12) times per annum from and including May 1, 2017 to and including May 29, 2020

6. Paragraph 3.6(c) of the Agreement is deleted and replaced by the following:
   (c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO, provided however that any adverse change in IESO's financial condition related to or resulting from the discharge by IESO of its responsibilities under Ontario's Fair Hydro Plan shall be deemed not to be a material adverse change for the purposes of this Section; and

7. The Form of Borrowing Notice is deleted and replaced with the Form of Borrowing Notice attached hereto as Schedule 1.

8. This Amending Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

SCHEDULE 1

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $160,000,000 Date: 30 April, 2017

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("**IESO**"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid **("Grid")** attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No. 1 dated July 21, 2010, by Amending Agreement No. 2 dated October 14, 2011, by Amending Agreement No. 3 dated April 30, 2013, by Amending Agreement No. 4 dated April 30, 2014, by Amending Agreement No. 5 dated December 19, 2014, and by Amending Agreement No. 6 dated April 30, 2017 (collectively the "Agreement").

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before June 30, 2020.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance or part of an Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be p*rima facie* evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Agreement. All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment, demand, protest, notice of dishonour and notice

of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

(Revolving Credit Facility April 30, 2017)

DATE	PRINCIPAL ADVANCED	RATE	REPAYMENT DATE	INTEREST AMOUNT	AMOUNT OF PAYMENT		UNPAID BALANCE			NOTATION MADE BY
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	REFINANCED (AMOUNT & DATE)	

From: William Tan
To: Sarah Harris
Subject: RE: IESO loan and credit facility
Date: Thursday, May 24, 2018 2:09:26 PM
Attachments: Amending Agrt no.6 - Issuance of Note - $120M, IESO_OFA (Signed).pdf
Amending Agrt no.6 - Revolving Credit Facility - $160M, IESO_OFA(Signed).pdf

---

Hello Sarah,
Please find the attached signed Amending Agreements No. 6 for the $120M – Issuance of Note and the $160M-Revolving Credit Facility.
Thanks,
Will

From: Sarah Harris
Sent: Thursday, May 24, 2018 1:21 PM
To: William Tan
Subject: FW: IESO loan and credit facility
Hi Will,
Could you please look into this and let me know?
Thanks,
Sarah

From: Robert Bozinoski
Sent: Thursday, May 24, 2018 11:45 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: IESO loan and credit facility
Hi Sarah,
Attached are the IESO signed copies of the April 2017 amending agreements with OEFC. The OEFC auditor is asking for the OFA signed copy for their files. Would you be able to provide these?
I recall that Kelley mentioning that some agreements are signed in counterpart.
Thanks
Rob

AMENDING AGREEMENT NO. 6

This Amending Agreement is made as of the 30th day of April, 2017

between:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR
("IESO")

- and -

ONTARIO ELECTRICITY FINANCIAL CORPORATION
("OEFC")

WHEREAS IESO and OEFC have entered into an agreement Providing for the Issuance of a Note dated April 1, 1999 (the "Original Agreement");

AND WHEREAS pursuant to amending agreements dated March 23, 2000, April 23, 2009, May 1, 2011, May 1, 2013, and April 30, 2014 the parties amended the Original Agreement (as so amended, the "Agreement");

AND WHEREAS the parties wish to further amend the Agreement to increase the loan advanced to IESO from a principal amount of C$90 million to a principal amount of up to C$120 million and to extend the maturity date of the loan to June 30, 2020, all of which is to be evidenced through the the issuance of a Fifth Refinancing Note.

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and sufficiency of which are hereby acknowledged by each party), the parties agree as follows:

1. **Defined Terms**

Capitalized terms used in this Amending Agreement and not otherwise defined herein have the meanings specified in the Agreement.

2. **Amendments to Agreement**

(a) Definition of "Loan" in the Agreement is deleted.

(b) Article 1a (The Loan) of the Agreement is deleted in its entirety and replaced with the following:

Article 1a $30 Million Advance

Section 1a.1

Effective April 30, 2017, OEFC will make an advance to IESO in the amount of $30 million (the "$30 Million Advance"). IESO directs OEFC to apply, and OEFC agrees to apply, the $30 Million Advance, first to repay Advances Outstanding (as such term is defined in the Revolving Credit Facility Agreement), if any, under the Revolving Credit Facility Agreement, with any amount remaining out of the $30 Million Advance after repaying all Advances Outstanding to be used by IESO for the purpose of funding new IESO capital expenditures.

(c) The following sections are added to the Agreement following Section 2.15:

" Section 2.16 Fifth Refinancing Note

On April 30, 2017, IESO shall execute and deliver to OEFC a promissory note in the form attached as Schedule 1 (the "Fifth Refinancing Note") which shall be in an aggregate principal amount equal to $120 million, dated as of April 30, 2017 and maturing on June 30, 2020 and bearing interest at a per annum rate equal to the Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020, as determined by the Chief Executive Officer of OEFC or the Chief Operating Officer of OEFC, or by a person designated by either of them, plus fifty basis points (0.50%) (after as well as before default or judgment, with interest on the amounts in default at the same rate). Upon receipt of the Fifth Refinancing Note by OEFC, the Fourth Refinancing Note dated April 30, 2014 shall be of no further force or effect and shall be returned by OEFC to IESO marked "cancelled".

For greater clarity, the Fifth Refinancing Note shall evidence the indebtedness of IESO to OEFC in respect of the principal amount of $90 million under the Fourth Refinancing Note ("Part A") and the additional $30 Million Advance ("Part B"), for a total aggregate principal amount of $120 million.

Notwithstanding Section 1.5 herein, the interest rate on the Fifth Refinancing Note shall be set on Monday, May 1, 2017, with interest accruing on Part A commencing on Sunday, April 30, 2017, and interest accruing on Part B commencing on Monday, May 1, 2017.

Section 2.17 Interest on Fifth Refinancing Note

Notwithstanding Section 1.5 herein, interest on the Fifth Refinancing Note at the rate specified in Section 2.16 shall accrue daily and shall be payable in equal semi-annual instalments on June 30 and December 31(each an "Interest Payment Date"), provided however that the calculation of the amount of the first such interest payment for Part A shall be in respect only of the period from and including April 30, 2017 to but excluding June 30, 2017, and for Part B in respect only of the period from May 1, 2017 to but excluding June 30, 2017.

For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under the Fifth Refinancing Note for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period."

3. **Reference to and Effect on the Agreement.**

On and after this date, each reference in the Agreement to "this Agreement" and each reference to the Agreement in any and all other agreements, documents and instruments delivered by IESO and OEFC shall mean and be a reference to the Agreement as amended by this Amending Agreement. On and after this date, each reference in the Agreement to either "the Note" or "the New Note" and each reference to either "the Note" or "the New Note" in any and all other agreements, documents and instruments delivered by IESO and OEFC shall mean and be a reference to the Fifth Refinancing Note.

4. **Governing Law**

This Amending Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

5. **Counterparts**

This Amending Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.

6. **Enurement**

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

IN ALL OTHER RESPECTS, the Agreement is confirmed by the parties.

IN WITNESS WHEREOF the parties have executed and delivered this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

SCHEDULE 1
FORM OF FIFTH REFINANCING NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

NOTE

Aggregate Principal Amount: $120 million, consisting of: a Part A amount of $90 million ("Part A"), whereon interest accrues commencing on April 30, 2017, and a Part B amount of $30 million ("Part B"), whereon interest accrues commencing on May 1, 2017.

Date: April 30, 2017

Interest Rate: (Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020 + 50 basis points)

Due: June 30, 2020

FOR VALUE RECEIVED, the INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO") existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, PROMISES TO PAY to or to the order of ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC") at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of $120 million in lawful money of Canada, with interest on such amount at the rate, calculated in the manner and payable at the times specified in this Note.

The principal amount of this Note together with all interest accrued thereon shall become due and payable on June 30, 2020.

The principal amount of this Note remaining from time to time unpaid and outstanding shall bear interest from the date of this Note both before and after maturity and both before and after default at the rate per annum equal to the Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020, as determined by the Chief Executive Officer of OEFC or the Chief Operating Officer of OEFC, or by a person designated by either of them, plus fifty basis points (0.50%). Interest at such rate shall accrue daily and shall be payable in arrears in equal semi-annual instalments on June 30 and December 31 (each an "Interest Payment Date") commencing June 30, 2017, provided however that the calculation of the amount of the first such interest payment for Part A shall be in respect only of the period from and including April 30, 2017 to but excluding June 30, 2017, and for Part B in respect only of the period from and including May 1, 2017 to but excluding June 30, 2017.

For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Note for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of an agreement providing for the issuance of a note dated April 1, 1999 between the IESO and OEFC and amended by an amending agreement dated March 23, 2000, an amending agreement dated April 23, 2009, an amending agreement dated May 1, 2011, an amending agreement dated May 1, 2013, an amending agreement dated April 30, 2014, and an amending agreement dated April 30, 2017 (as so amended, the "Agreement"), which Agreement provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

IN ALL OTHER RESPECTS, the Agreement is confirmed by the parties.

IN WITNESS WHEREOF the parties have executed and delivered this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

AMENDING AGREEMENT NO. 6

This Amending Agreement is effective as of the 30 day of April, 2017.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011, Amending Agreement No. 3 dated April 30, 2013, Amending Agreement No. 4 dated April 30, 2014 and Amending Agreement No. 5 dated December 19, 2014 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $95 million.

AND WHEREAS IESO and OEFC wish to amend the Agreement to increase the revolving line of credit from a principal amount of CDN $95 million to a principal amount of up to CDN $160 million to provide funding for IESO Corporate Requirements (as defined herein);

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for an extension of the mandatory repayment date established in the Agreement to June 30, 2020;

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for the ability for Advances to be made on any business day up to a maximum of 12 times per year;

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. Section 1.1 Definitions of the Agreement is amended as follows:

   i) The definition of "Amalgamation" is deleted.

   ii) The definition of "Commitment" is deleted and replaced with:

   "Commitment" means, at any time, an amount equal to the principal amount of One Hundred and Sixty Million Dollars.

   iii) A definition of "IESO Corporate Requirements" is added as follows:

   "IESO Corporate Requirements" means any borrowing purposes authorized by O. Reg. 280/14 made under the *Electricity Act, 1998* (as such regulation may be amended or

replaced from time to time), other than for funding liquidity requirements relating to the settlement of the Ontario wholesale electricity markets.

iv) A definition of "Ontario's Fair Hydro Plan" is added as follows:

"Ontario's Fair Hydro Plan" means the plan announced March 2, 2017 by the Government of Ontario to affect the Ontario Energy Board's setting of electricity prices for certain Ontario consumers of electricity, which plan is referred to in the Ontario Energy Board's report dated April 20, 2017 and titled "Regulated Price Plan Price Report – May 1, 2017 to April 30, 2018", and including all relevant developments in or changes to such plan from time to time.

v) The definition of "New IESO" is deleted.

vi) The definition of "Note" is deleted and replaced with:

"Note" means the $160 Million Note issued pursuant to Section 2 of Amending Agreement No. 6 dated as of the 30th day of April, 2017.

vii) The definition of "OPA" is deleted.

viii) The definition of "Pre-Amalgamation IESO" is deleted.

2. IESO shall execute and deliver to OEFC a grid promissory note in the form attached as Schedule I hereto which shall be in an aggregate principal amount of up to One Hundred and Sixty Million Dollars (the "$160 Million Note") dated April 30, 2017 and on which shall be recorded the Advances Outstanding under the grid promissory note delivered pursuant to Amending Agreement No. 4. Upon receipt by OEFC of the $160 Million Note dated April 30, 2017, the $95 Million Note dated April 30, 2014 shall be of no further force and effect and shall be returned to the IESO marked "cancelled".

3. Section 2.3 of the Agreement is deleted and replaced by the following:

Section 2.3 Use of Proceeds

IESO shall use the proceeds of Advances for the funding of IESO Corporate Requirements.

4. Section 2.4 of the Agreement is deleted and replaced by the following:

Section 2.4 Mandatory Repayment.

Subject to Sections 3.5 and 5.2 of this Agreement, IESO shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, in full on or before June 30, 2020.

5. Section 3.1 of the Agreement is deleted and replaced by the following:

Section 3.1 Advances.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO under the Credit Facility on any Business Day in a month up to twelve (12) times per annum from and including May 1, 2017 to and including May 29, 2020

6. Paragraph 3.6(c) of the Agreement is deleted and replaced by the following:
   (c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO, provided however that any adverse change in IESO's financial condition related to or resulting from the discharge by IESO of its responsibilities under Ontario's Fair Hydro Plan shall be deemed not to be a material adverse change for the purposes of this Section; and

7. The Form of Borrowing Notice is deleted and replaced with the Form of Borrowing Notice attached hereto as Schedule 1.

8. This Amending Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO under the Credit Facility on any Business Day in a month up to twelve (12) times per annum from and including May 1, 2017 to and including May 29, 2020

6. Paragraph 3.6(c) of the Agreement is deleted and replaced by the following:
   (c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO, provided however that any adverse change in IESO's financial condition related to or resulting from the discharge by IESO of its responsibilities under Ontario's Fair Hydro Plan shall be deemed not to be a material adverse change for the purposes of this Section; and

7. The Form of Borrowing Notice is deleted and replaced with the Form of Borrowing Notice attached hereto as Schedule 1.

8. This Amending Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

SCHEDULE 1

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $160,000,000 Date: 30 April, 2017

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("**IESO**"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid **("Grid")** attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No. 1 dated July 21, 2010, by Amending Agreement No. 2 dated October 14, 2011, by Amending Agreement No. 3 dated April 30, 2013, by Amending Agreement No. 4 dated April 30, 2014, by Amending Agreement No. 5 dated December 19, 2014, and by Amending Agreement No. 6 dated April 30, 2017 (collectively the "Agreement").

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before June 30, 2020.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance or part of an Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be p*rima facie* evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Agreement. All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment, demand, protest, notice of dishonour and notice

of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

(Revolving Credit Facility April 30, 2017)

DATE	PRINCIPAL ADVANCED	RATE	REPAYMENT DATE	INTEREST AMOUNT	AMOUNT OF PAYMENT		UNPAID BALANCE			NOTATION MADE BY
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	REFINANCED (AMOUNT & DATE)	

From:	William Tan
To:	Robert Bozinoski
Cc:	Sarah Harris
Subject:	RE: IESO loan and credit facility
Date:	Thursday, May 24, 2018 2:52:39 PM
Attachments:	Amending Agrt no.6 - Issuance of Note - $120M, IESO_OFA (Signed).pdf Amending Agrt no.6 - Revolving Credit Facility - $160M, IESO_OFA(Signed).pdf

Hello Robert,

Please find the attached signed Amending Agreements No. 6 for the $120M IESO OFA – Issuance of Note and the $160M IESO OFA -Revolving Credit Facility.

Thanks,

Will

From: Sarah Harris
Sent: Thursday, May 24, 2018 1:21 PM
To: William Tan
Subject: FW: IESO loan and credit facility

Hi Will,

Could you please look into this and let me know?

Thanks,

Sarah

From: Robert Bozinoski
Sent: Thursday, May 24, 2018 11:45 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: IESO loan and credit facility

Hi Sarah,

Attached are the IESO signed copies of the April 2017 amending agreements with OEFC. The OEFC auditor is asking for the OFA signed copy for their files. Would you be able to provide these?

I recall that Kelley mentioning that some agreements are signed in counterpart.

Thanks

Rob

AMENDING AGREEMENT NO. 6

This Amending Agreement is made as of the 30th day of April, 2017

between:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR
("IESO")

- and -

ONTARIO ELECTRICITY FINANCIAL CORPORATION
("OEFC")

WHEREAS IESO and OEFC have entered into an agreement Providing for the Issuance of a Note dated April 1, 1999 (the "Original Agreement");

AND WHEREAS pursuant to amending agreements dated March 23, 2000, April 23, 2009, May 1, 2011, May 1, 2013, and April 30, 2014 the parties amended the Original Agreement (as so amended, the "Agreement");

AND WHEREAS the parties wish to further amend the Agreement to increase the loan advanced to IESO from a principal amount of C$90 million to a principal amount of up to C$120 million and to extend the maturity date of the loan to June 30, 2020, all of which is to be evidenced through the the issuance of a Fifth Refinancing Note.

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and sufficiency of which are hereby acknowledged by each party), the parties agree as follows:

1. **Defined Terms**

Capitalized terms used in this Amending Agreement and not otherwise defined herein have the meanings specified in the Agreement.

2. **Amendments to Agreement**

(a) Definition of "Loan" in the Agreement is deleted.

(b) Article 1a (The Loan) of the Agreement is deleted in its entirety and replaced with the following:

Article 1a $30 Million Advance

Section 1a.1

Effective April 30, 2017, OEFC will make an advance to IESO in the amount of $30 million (the "$30 Million Advance"). IESO directs OEFC to apply, and OEFC agrees to apply, the $30 Million Advance, first to repay Advances Outstanding (as such term is defined in the Revolving Credit Facility Agreement), if any, under the Revolving Credit Facility Agreement, with any amount remaining out of the $30 Million Advance after repaying all Advances Outstanding to be used by IESO for the purpose of funding new IESO capital expenditures.

(c) The following sections are added to the Agreement following Section 2.15:

" Section 2.16 Fifth Refinancing Note

On April 30, 2017, IESO shall execute and deliver to OEFC a promissory note in the form attached as Schedule 1 (the "Fifth Refinancing Note") which shall be in an aggregate principal amount equal to $120 million, dated as of April 30, 2017 and maturing on June 30, 2020 and bearing interest at a per annum rate equal to the Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020, as determined by the Chief Executive Officer of OEFC or the Chief Operating Officer of OEFC, or by a person designated by either of them, plus fifty basis points (0.50%) (after as well as before default or judgment, with interest on the amounts in default at the same rate). Upon receipt of the Fifth Refinancing Note by OEFC, the Fourth Refinancing Note dated April 30, 2014 shall be of no further force or effect and shall be returned by OEFC to IESO marked "cancelled".

For greater clarity, the Fifth Refinancing Note shall evidence the indebtedness of IESO to OEFC in respect of the principal amount of $90 million under the Fourth Refinancing Note ("Part A") and the additional $30 Million Advance ("Part B"), for a total aggregate principal amount of $120 million.

Notwithstanding Section 1.5 herein, the interest rate on the Fifth Refinancing Note shall be set on Monday, May 1, 2017, with interest accruing on Part A commencing on Sunday, April 30, 2017, and interest accruing on Part B commencing on Monday, May 1, 2017.

Section 2.17 Interest on Fifth Refinancing Note

Notwithstanding Section 1.5 herein, interest on the Fifth Refinancing Note at the rate specified in Section 2.16 shall accrue daily and shall be payable in equal semi-annual instalments on June 30 and December 31(each an "Interest Payment Date"), provided however that the calculation of the amount of the first such interest payment for Part A shall be in respect only of the period from and including April 30, 2017 to but excluding June 30, 2017, and for Part B in respect only of the period from May 1, 2017 to but excluding June 30, 2017.

For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under the Fifth Refinancing Note for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period."

3. **Reference to and Effect on the Agreement.**

On and after this date, each reference in the Agreement to "this Agreement" and each reference to the Agreement in any and all other agreements, documents and instruments delivered by IESO and OEFC shall mean and be a reference to the Agreement as amended by this Amending Agreement. On and after this date, each reference in the Agreement to either "the Note" or "the New Note" and each reference to either "the Note" or "the New Note" in any and all other agreements, documents and instruments delivered by IESO and OEFC shall mean and be a reference to the Fifth Refinancing Note.

4. **Governing Law**

This Amending Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

5. **Counterparts**

This Amending Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.

6. **Enurement**

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

IN ALL OTHER RESPECTS, the Agreement is confirmed by the parties.

IN WITNESS WHEREOF the parties have executed and delivered this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

IN ALL OTHER RESPECTS, the Agreement is confirmed by the parties.

IN WITNESS WHEREOF the parties have executed and delivered this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

SCHEDULE 1
FORM OF FIFTH REFINANCING NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

NOTE

Aggregate Principal Amount: $120 million, consisting of: a Part A amount of $90 million ("Part A"), whereon interest accrues commencing on April 30, 2017, and a Part B amount of $30 million ("Part B"), whereon interest accrues commencing on May 1, 2017.

Date: April 30, 2017

Interest Rate: (Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020 + 50 basis points)

Due: June 30, 2020

FOR VALUE RECEIVED, the INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO") existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, PROMISES TO PAY to or to the order of ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC") at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of $120 million in lawful money of Canada, with interest on such amount at the rate, calculated in the manner and payable at the times specified in this Note.

The principal amount of this Note together with all interest accrued thereon shall become due and payable on June 30, 2020.

The principal amount of this Note remaining from time to time unpaid and outstanding shall bear interest from the date of this Note both before and after maturity and both before and after default at the rate per annum equal to the Province of Ontario's cost of borrowing for the period from April 30, 2017 to June 30, 2020, as determined by the Chief Executive Officer of OEFC or the Chief Operating Officer of OEFC, or by a person designated by either of them, plus fifty basis points (0.50%). Interest at such rate shall accrue daily and shall be payable in arrears in equal semi-annual instalments on June 30 and December 31 (each an "Interest Payment Date") commencing June 30, 2017, provided however that the calculation of the amount of the first such interest payment for Part A shall be in respect only of the period from and including April 30, 2017 to but excluding June 30, 2017, and for Part B in respect only of the period from and including May 1, 2017 to but excluding June 30, 2017.

For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Note for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of an agreement providing for the issuance of a note dated April 1, 1999 between the IESO and OEFC and amended by an amending agreement dated March 23, 2000, an amending agreement dated April 23, 2009, an amending agreement dated May 1, 2011, an amending agreement dated May 1, 2013, an amending agreement dated April 30, 2014, and an amending agreement dated April 30, 2017 (as so amended, the "Agreement"), which Agreement provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment and notice of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

By: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

AMENDING AGREEMENT NO. 6

This Amending Agreement is effective as of the 30 day of April, 2017.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011, Amending Agreement No. 3 dated April 30, 2013, Amending Agreement No. 4 dated April 30, 2014 and Amending Agreement No. 5 dated December 19, 2014 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $95 million.

AND WHEREAS IESO and OEFC wish to amend the Agreement to increase the revolving line of credit from a principal amount of CDN $95 million to a principal amount of up to CDN $160 million to provide funding for IESO Corporate Requirements (as defined herein);

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for an extension of the mandatory repayment date established in the Agreement to June 30, 2020;

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for the ability for Advances to be made on any business day up to a maximum of 12 times per year;

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. Section 1.1 Definitions of the Agreement is amended as follows:

   i) The definition of "Amalgamation" is deleted.

   ii) The definition of "Commitment" is deleted and replaced with:

   "Commitment" means, at any time, an amount equal to the principal amount of One Hundred and Sixty Million Dollars.

   iii) A definition of "IESO Corporate Requirements" is added as follows:

   "IESO Corporate Requirements" means any borrowing purposes authorized by O. Reg. 280/14 made under the *Electricity Act, 1998* (as such regulation may be amended or

replaced from time to time), other than for funding liquidity requirements relating to the settlement of the Ontario wholesale electricity markets.

iv) A definition of "Ontario's Fair Hydro Plan" is added as follows:

"Ontario's Fair Hydro Plan" means the plan announced March 2, 2017 by the Government of Ontario to affect the Ontario Energy Board's setting of electricity prices for certain Ontario consumers of electricity, which plan is referred to in the Ontario Energy Board's report dated April 20, 2017 and titled "Regulated Price Plan Price Report – May 1, 2017 to April 30, 2018", and including all relevant developments in or changes to such plan from time to time.

v) The definition of "New IESO" is deleted.

vi) The definition of "Note" is deleted and replaced with:

"Note" means the $160 Million Note issued pursuant to Section 2 of Amending Agreement No. 6 dated as of the 30th day of April, 2017.

vii) The definition of "OPA" is deleted.

viii) The definition of "Pre-Amalgamation IESO" is deleted.

2. IESO shall execute and deliver to OEFC a grid promissory note in the form attached as Schedule I hereto which shall be in an aggregate principal amount of up to One Hundred and Sixty Million Dollars (the "$160 Million Note") dated April 30, 2017 and on which shall be recorded the Advances Outstanding under the grid promissory note delivered pursuant to Amending Agreement No. 4. Upon receipt by OEFC of the $160 Million Note dated April 30, 2017, the $95 Million Note dated April 30, 2014 shall be of no further force and effect and shall be returned to the IESO marked "cancelled".

3. Section 2.3 of the Agreement is deleted and replaced by the following:

Section 2.3 Use of Proceeds

IESO shall use the proceeds of Advances for the funding of IESO Corporate Requirements.

4. Section 2.4 of the Agreement is deleted and replaced by the following:

Section 2.4 Mandatory Repayment.

Subject to Sections 3.5 and 5.2 of this Agreement, IESO shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, in full on or before June 30, 2020.

5. Section 3.1 of the Agreement is deleted and replaced by the following:

Section 3.1 Advances.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO under the Credit Facility on any Business Day in a month up to twelve (12) times per annum from and including May 1, 2017 to and including May 29, 2020

6. Paragraph 3.6(c) of the Agreement is deleted and replaced by the following:
   (c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO, provided however that any adverse change in IESO's financial condition related to or resulting from the discharge by IESO of its responsibilities under Ontario's Fair Hydro Plan shall be deemed not to be a material adverse change for the purposes of this Section; and

7. The Form of Borrowing Notice is deleted and replaced with the Form of Borrowing Notice attached hereto as Schedule 1.

8. This Amending Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

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ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

SCHEDULE 1

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $160,000,000 Date: 30 April, 2017

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("**IESO**"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid **("Grid")** attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No. 1 dated July 21, 2010, by Amending Agreement No. 2 dated October 14, 2011, by Amending Agreement No. 3 dated April 30, 2013, by Amending Agreement No. 4 dated April 30, 2014, by Amending Agreement No. 5 dated December 19, 2014, and by Amending Agreement No. 6 dated April 30, 2017 (collectively the "Agreement").

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before June 30, 2020.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance or part of an Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be p*rima facie* evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Agreement. All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment, demand, protest, notice of dishonour and notice

of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

(Revolving Credit Facility April 30, 2017)

DATE	PRINCIPAL ADVANCED	RATE	REPAYMENT DATE	INTEREST AMOUNT	AMOUNT OF PAYMENT		UNPAID BALANCE			NOTATION MADE BY
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	REFINANCED (AMOUNT & DATE)	

From:	Lisa Stein
To:	John Kim
Cc:	Sarah Harris
Subject:	RE: IESO request re permitted liens
Date:	Friday, November 10, 2017 5:49:59 PM

I will be in the office on Tuesday if you would like to discuss further.
Thanks,
Lisa

From: Lisa Stein
Sent: Friday, November 10, 2017 4:02 PM
To: John Kim
Cc: Sarah Harris ; William Tan ; Lisa Stein
Subject: IESO request re permitted liens
Importance: High

Hi John,
As per your request, please see the e-mail from Victor Buza below which explains their request for the amendment to the definition of "permitted liens".
Thank you,
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From: William Tan
Sent: Wednesday, July 26, 2017 3:51 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Sarah Neville <Sarah.Neville@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Kelly Listoe <Kelly.Listoe@ofina.on.ca>
Subject: FW: FHP Credit Facility Agreement

Hello Lisa,
I am concurrently reviewing the draft FHP Credit Facility from IESO. I won't be able to provide my comments until tomorrow as I will be discussing the comments within Documentation first before I provide it to you.
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Cc: Anthony Martinello
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Hi Will. Attached you will find IESO's mark-up of the FHP Credit Facility Agreement. Most of the changes are self-explanatory, but it may be helpful if I provide a few words of explanation about the more substantive changes:
1. We added paragraph (k) to the definition of "Permitted Liens" to address the possibility that the Clean Energy Adjustment funds collected by IESO might be considered to be subject to a lien, and we did not want to be inadvertently in default. (Please note that, assuming this addition to the definition of "Permitted Liens" is acceptable, the same or similar language should also be added to the definition of Permitted Liens in Amending Agreement #10 to the existing OFA line of credit that we

discussed yesterday.)

2. We amended Section 2.2 Use of Proceeds as shown in the draft because: (i) there is a possibility that the funding provided under the FHP Credit Agreement may accumulate and be outstanding for an extended period of time (i.e. in excess of 12 months); and (ii) the use of the terminology "cash flow timing differences" does not seem appropriate given its implication of a shorter-term funding requirement (something on the order of month-to-month), taking into account all of the obligations of IESO under the FHP.

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In addition to the above changes marked-up directly on the document, in general with respect to all revolving lines, it seems that the definition of "Advances" should probably also include Continued Advances where an Election Notice is used (though I didn't make any changes to reflect this). I say this because Advances can become Continued Advances through an initial Election Notice, and then those Continued Advances can be continued again as further Continued Advances, and so on. In other words, the practice and intent of IESO and OFA has been and continues to be that an original Advance can be Continued (rolled-over) many times but, unless I am missing something, the language and definitions do not quite capture that intent. It might be easier if I were to discuss what is essentially a drafting point with your Legal Counsel assigned to this – as I say, it's entirely possible that I am simply missing something here.

I didn't know who would be reviewing this from your Legal group, so did not copy anyone else at OFA – I will rely on you to forward it as required.

Regards,

Victor

Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079
1600-120 Adelaide Street West, Toronto, ON M5H 1T1
Web: www.ieso.ca[ieso.ca] | Twitter: IESO_Tweets[twitter.com] | LinkedIn: IESO[linkedin.com]

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From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: July 25, 2017 12:23 PM
To: Victor Buza
Cc: Anthony Martinello
Subject: FHP Credit Facility Agreement

Hello Victor,

I'm checking-in on the status of the FHP Credit Facility Agreement. I understand there was a couple matters you needed to clear up with management before sending us your comments.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA

Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca
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From:	Opal Kandelas
To:	Sarah Harris; Lisa Stein
Cc:	William Tan
Subject:	RE: IESO
Date:	Tuesday, November 21, 2017 10:14:46 AM

I share John's concerns about sharing the agreement. Perhaps the news that TD had granted the requested IESO amendments as we did for the OFA facilities was premature.
Opal.

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Hi Lisa…Keeping you in the loop.
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To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: IESO
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TD wants to gain comfort (themselves) that the credit facility is going to support the IESO's fair hydro transactions during the next 4 years.
I have verbally assured them of the above, but they wish to review themselves.
Let me know if I may share and TD will treat the document as confidential.
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From: Gavin He
To: Lisa Stein
Cc: Sarah Harris; William Tan; Ryan Blackbyrne; Jean-Francois Beaupre
Subject: RE: IESO-OEFC - FHP LoC_Nov 2017_v3.docx
Date: Thursday, November 09, 2017 11:48:35 AM

Hi Lisa,

Thanks for the providing the feedback. I can update the note based on the comments.

However, I do want to clarify 2 questions before that:

1. IESO's request was to change the definition of the permitted liens to minor the language in the OFA agreement, isn't this the case?
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Lisa N. Stein
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416-325-2320

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416-325-2320

****
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****

To:	Opal Kandelas; Lisa Stein
Cc:	William Tan
Subject:	RE: IESO
Date:	Wednesday, November 22, 2017 11:33:14 AM

Hi Lisa,
We don't

From: Opal Kandelas
Sent: Tuesday, November 21, 2017 10:15 AM
To: Sarah Harris ; Lisa Stein
Cc: William Tan
Subject: RE: IESO
I share John's concerns about sharing the agreement. Perhaps the news that TD had granted the requested IESO amendments as we did for the OFA facilities was premature.
Opal.

From: Sarah Harris
Sent: Tuesday, November 21, 2017 9:09 AM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: Opal Kandelas <Opal.Kandelas@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Subject: FW: IESO
Hi Lisa…Keeping you in the loop.
Sarah

From: William Tan
Sent: Tuesday, November 21, 2017 8:13 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: IESO
fyi

From: John Kim
Sent: Monday, November 20, 2017 5:17 PM
To: 'Anthony Martinello' <Anthony.Martinello@ieso.ca>
Cc: Victor Buza <Victor.Buza@ieso.ca>; Gavin He <Gavin.He@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Subject: RE: IESO
Hi Anthony,
I think the steps we would take to allow it, if at all, could be quite onerous and time-consuming. Are there any specific concern they have that we should be able to address without actually letting them see the agreement?
John

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Monday, November 20, 2017 5:05 PM
To: John Kim <John.Kim@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Cc: Victor Buza <Victor.Buza@ieso.ca>; Gavin He <Gavin.He@ofina.on.ca>
Subject: IESO
John, William,
TD Bank has asked to review the $2B Fair Hydro credit facility executed between IESO and OFA.

TD wants to gain comfort (themselves) that the credit facility is going to support the IESO's fair hydro transactions during the next 4 years.

I have verbally assured them of the above, but they wish to review themselves.

Let me know if I may share and TD will treat the document as confidential.

Regards.

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From: Sarah Harris
To: Risa Thau
Cc: Alfonso Soriano; Jensen Chong; Carlos Yep; James Devine
Subject: RE: IESO/OEFC $160M Credit Facility - Notice for Sep 4/18
Date: Wednesday, August 29, 2018 11:10:11 AM

Hello Risa,
In addition to sending the draft to Olga, we have reached out directly to IESO's counsel informing them of the requirement, so I think both sides are on board (unless IESO's counsel replies otherwise, which they should not, since it is directly in the agreement).
Thanks,
Sarah

From: Risa Thau
Sent: Wednesday, August 29, 2018 11:06 AM
To: Sarah Harris
Cc: Alfonso Soriano ; Jensen Chong ; Carlos Yep ; James Devine
Subject: FW: IESO/OEFC $160M Credit Facility - Notice for Sep 4/18
Hi Sarah,
Do you think you need to address IESO directly regarding the completion of the IESO Borrowing Notice as they are the ones who complete the form?
Thanks,
Risa Thau

From: Sarah Harris
Sent: Wednesday, August 29, 2018 10:15 AM
To: Alfonso Soriano <Alfonso.Soriano@ofina.on.ca>; Jensen Chong <Jensen.Chong@ofina.on.ca>; Risa Thau <Risa.Thau@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>
Subject: FW: IESO/OEFC $160M Credit Facility - Notice for Sep 4/18
Hello,
Please note that for any future notices under the above captioned credit facility, IESO's "Use of Funds" should state "IESO Corporate Requirements".
Thanks,
Sarah

From: Sarah Harris
Sent: Wednesday, August 29, 2018 10:10 AM
To: 'Olga Whiteley' <Olga.Whiteley@ieso.ca>
Cc: Nurudin Kaba <Nurudin.Kaba@ofina.on.ca>; LeRoy Ahyee <LeRoy.Ahyee@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Subject: RE: IESO/OEFC $160M Credit Facility - Notice for Sep 4/18
Hello Olga,
Please find attached a notice with draft language for the advance. Please note that the Use of Funds should also state "IESO Corporate Requirements", as this was updated in Amending Agreement #6.
Thanks,
Sarah

From: William Tan
Sent: Tuesday, August 28, 2018 2:51 PM
To: 'Olga Whiteley' <Olga.Whiteley@ieso.ca>
Cc: Nurudin Kaba <Nurudin.Kaba@ofina.on.ca>; LeRoy Ahyee <LeRoy.Ahyee@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>
Subject: RE: IESO/OEFC $160M Credit Facility - Notice for Sep 4/18

Hello Olga,

I am currently reviewing the agreement and will advise on suitable language to use on the Borrowing Notice.

Thanks,

Will

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]
Sent: Tuesday, August 28, 2018 9:46 AM
To: CASHP <CASHP@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>
Cc: Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: IESO/OEFC $160M Credit Facility - Notice for Sep 4/18

Please find attached notice for September 4 regarding IESO's $160M facility.

Regards.

Olga Whiteley | Treasury and Pension Operations

Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
Station A, Box 4474, Toronto, ON M5W 4E5
Web: www.ieso.ca [ieso.ca] | Email: olga.whiteley@ieso.ca

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From:	Sarah Harris
To:	"Victor Buza"
Cc:	"Olga Whiteley"; William Tan
Subject:	RE: IESO/OEFC $160M Credit Facility - Notice for Sep 4/18
Date:	Wednesday, August 29, 2018 10:19:30 AM
Attachments:	RE IESOOEFC $160M Credit Facility - Notice for Sep 418.msg

Hello Victor,

For your reference, I've attached the proposed draft borrowing notice sent to Olga in respect of the most recent advance.

Thanks,

Sarah

From: William Tan

Sent: Tuesday, August 28, 2018 7:10 PM

To: 'Victor Buza'

Cc: Sarah Neville ; Sarah Harris ; 'Olga Whiteley'

Subject: RE: IESO/OEFC $160M Credit Facility - Notice for Sep 4/18

Hello Victor,

RE: Use of Funds – IESO Corporate Requirements

I hope you are enjoying the warm weather. I am emailing you regarding the Form of Borrowing Notice under the OEFC/IESO $160M Revolving Credit Facility. Olga has provided a Borrowing Notice from Amending Agreement No. 5, requesting an **new** advance of $30M and **roll-over** of $30M. According to our records the most current version of the Borrowing Notice is from Amending Agreement No. 6. We noticed the Grid Promissory Note was incorrectly attached as Schedule 1. The key addition to the Borrowing Notice is under Use of Funds to include "IESO Corporate Requirements". I have attached a copy of the Borrowing Notice that was supposed to be included as Schedule 1, in AA No.6. Please review the notice and acknowledge that this will be the correct Borrowing Notice going forward.

For your reference I have included AA No. 6, Olga's request and Borrowing Notice.

Thanks,

Will

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]

Sent: Tuesday, August 28, 2018 9:46 AM

To: CASHP <CASHP@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>

Cc: Anthony Martinello <Anthony.Martinello@ieso.ca>

Subject: IESO/OEFC $160M Credit Facility - Notice for Sep 4/18

Please find attached notice for September 4 regarding IESO's $160M facility.

Regards.

Olga Whiteley | Treasury and Pension Operations

Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
Station A, Box 4474, Toronto, ON M5W 4E5
Web: www.ieso.ca [ieso.ca] | Email: olga.whiteley@ieso.ca

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recipient(s), please notify the sender immediately and delete this e-mail message.

From: Sarah Harris []
To: 'Olga Whiteley' [Olga.Whiteley@ieso.ca]
CC: Nurudin Kaba [Nurudin.Kaba@ofina.on.ca]; LeRoy Ahyee [LeRoy.Ahyee@ofina.on.ca]; Carlos Yep [Carlos.Yep@ofina.on.ca]; William Tan [William.Tan@ofina.on.ca]
Subject: RE: IESO/OEFC $160M Credit Facility - Notice for Sep 4/18
Date: Wednesday, August 29, 2018 10:09:48
Attachment 1: IESO FORM OF BORROWING NOTICE for Roll.docx

Hello Olga,

Please find attached a notice with draft language for the advance. Please note that the Use of Funds should also state "IESO Corporate Requirements", as this was updated in Amending Agreement #6.

Thanks,
Sarah

From: William Tan
Sent: Tuesday, August 28, 2018 2:51 PM
To: 'Olga Whiteley' <Olga.Whiteley@ieso.ca>
Cc: Nurudin Kaba <Nurudin.Kaba@ofina.on.ca>; LeRoy Ahyee <LeRoy.Ahyee@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>
Subject: RE: IESO/OEFC $160M Credit Facility - Notice for Sep 4/18

Hello Olga,

I am currently reviewing the agreement and will advise on suitable language to use on the Borrowing Notice.

Thanks,

Will

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]
Sent: Tuesday, August 28, 2018 9:46 AM
To: CASHP <CASHP@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>
Cc: Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: IESO/OEFC $160M Credit Facility - Notice for Sep 4/18

Please find attached notice for September 4 regarding IESO's $160M facility.

Regards.

Olga Whiteley | Treasury and Pension Operations
Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
Station A, Box 4474, Toronto, ON M5W 4E5
Web: www.ieso.ca [ieso.ca] | Email: olga.whiteley@ieso.ca

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FORM OF BORROWING NOTICE

Date:

Ontario Electricity Financial Corporation **("OEFC")**
c/o Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A1Y7

Attention: Cash Management
(Fax No. (416-204-7920)

Dear Sirs:

The undersigned, Independent Electricity System Operator ("IESO refers to the Revolving Credit Facility Agreement dated April 23, 2010 (as amended, supplemented or restated from time to time, the **"Agreement"**, the terms defined therein being used herein as therein defined) between IESO and OEFC, and gives you notice pursuant to Section 3.2 of the Agreement that IESO requests an Advance under the Agreement, and, in that connection, sets forth below the information relating to such Advance (the **"Proposed Advance"**) as required by Section 3.2 of the Agreement:

(a) The date of the proposed Advance, being a Business Day is September 4, 2018;
(b) The aggregate amount of the Proposed Advance is $60,000,000.00 which is comprised of:
    (i) $30,000,000 principal amount of an Advance due and payable on September 4, 2018 which will be rolled. IESO confirms that it will pay all interest accrued and outstanding in the amount of $57,008.22 in respect of this Advance on September 4, 2018; and
    (ii) a new Advance in the amount of $30,000,000.00.

Use of Funds

The undersigned herby certifies that the funds requested under this notice will be used for the following purposes:

IESO Corporate Requirements.

IESO hereby certifies that:

The representations and warranties of IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received previously as Advances under the Agreement have been expended or are being held solely for the purpose for which they were advanced; no part of said funds has been nor any part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Authorized Signature

Per: _____
Authorized Signature

*To be confirmed by telephone call to OEFC Cash Management (416) 325-8108

From:	Sarah Harris
To:	"Olga Whiteley"
Cc:	Nurudin Kaba; LeRoy Ahyee; Carlos Yep; William Tan
Subject:	RE: IESO/OEFC $160M Credit Facility - Notice for Sep 4/18
Date:	Wednesday, August 29, 2018 10:09:48 AM
Attachments:	IESO FORM OF BORROWING NOTICE for Roll.docx

Hello Olga,

Please find attached a notice with draft language for the advance. Please note that the Use of Funds should also state "IESO Corporate Requirements", as this was updated in Amending Agreement #6.

Thanks,

Sarah

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To: 'Olga Whiteley'
Cc: Nurudin Kaba ; LeRoy Ahyee ; Sarah Harris ; Carlos Yep
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Hello Olga,

I am currently reviewing the agreement and will advise on suitable language to use on the Borrowing Notice.

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Sent: Tuesday, August 28, 2018 9:46 AM
To: CASHP <CASHP@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>
Cc: Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: IESO/OEFC $160M Credit Facility - Notice for Sep 4/18

Please find attached notice for September 4 regarding IESO's $160M facility.

Regards.

Olga Whiteley | Treasury and Pension Operations

Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
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Date:

Ontario Electricity Financial Corporation **("OEFC")**
c/o Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A1Y7

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(Fax No. (416-204-7920)

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IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received previously as Advances under the Agreement have been expended or are being held solely for the purpose for which they were advanced; no part of said funds has been nor any part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Authorized Signature

Per: _____
Authorized Signature

*To be confirmed by telephone call to OEFC Cash Management (416) 325-8108

From: William Tan
To: "Victor Buza"
Cc: Sarah Neville; Sarah Harris; "Olga Whiteley"
Subject: RE: IESO/OEFC $160M Credit Facility - Notice for Sep 4/18
Date: Tuesday, August 28, 2018 7:10:35 PM
Attachments: Amending Agrt no.6 - Revolving Credit Facility - $160M, IESO_OFA(Signed).pdf
FW IESOOEFC $160M Credit Facility - Notice for Sep 418.msg
IESO FORM OF BORROWING NOTICE.pdf

Hello Victor,

RE: Use of Funds – IESO Corporate Requirements

I hope you are enjoying the warm weather. I am emailing you regarding the Form of Borrowing Notice under the OEFC/IESO $160M Revolving Credit Facility. Olga has provided a Borrowing Notice from Amending Agreement No. 5, requesting an **new** advance of $30M and **roll-over** of $30M. According to our records the most current version of the Borrowing Notice is from Amending Agreement No. 6. We noticed the Grid Promissory Note was incorrectly attached as Schedule 1. The key addition to the Borrowing Notice is under Use of Funds to include "IESO Corporate Requirements". I have attached a copy of the Borrowing Notice that was supposed to be included as Schedule 1, in AA No.6. Please review the notice and acknowledge that this will be the correct Borrowing Notice going forward.

For your reference I have included AA No. 6, Olga's request and Borrowing Notice.

Thanks,

Will

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]
Sent: Tuesday, August 28, 2018 9:46 AM
To: CASHP <CASHP@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>
Cc: Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: IESO/OEFC $160M Credit Facility - Notice for Sep 4/18

Please find attached notice for September 4 regarding IESO's $160M facility.

Regards.

Olga Whiteley | Treasury and Pension Operations
Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
Station A, Box 4474, Toronto, ON M5W 4E5
Web: www.ieso.ca [ieso.ca] | Email: olga.whiteley@ieso.ca

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AMENDING AGREEMENT NO. 6

This Amending Agreement is effective as of the 30 day of April, 2017.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011, Amending Agreement No. 3 dated April 30, 2013, Amending Agreement No. 4 dated April 30, 2014 and Amending Agreement No. 5 dated December 19, 2014 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $95 million.

AND WHEREAS IESO and OEFC wish to amend the Agreement to increase the revolving line of credit from a principal amount of CDN $95 million to a principal amount of up to CDN $160 million to provide funding for IESO Corporate Requirements (as defined herein);

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for an extension of the mandatory repayment date established in the Agreement to June 30, 2020;

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for the ability for Advances to be made on any business day up to a maximum of 12 times per year;

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. Section 1.1 Definitions of the Agreement is amended as follows:

   i) The definition of "Amalgamation" is deleted.

   ii) The definition of "Commitment" is deleted and replaced with:

   "Commitment" means, at any time, an amount equal to the principal amount of One Hundred and Sixty Million Dollars.

   iii) A definition of "IESO Corporate Requirements" is added as follows:

   "IESO Corporate Requirements" means any borrowing purposes authorized by O. Reg. 280/14 made under the *Electricity Act, 1998* (as such regulation may be amended or

replaced from time to time), other than for funding liquidity requirements relating to the settlement of the Ontario wholesale electricity markets.

iv) A definition of "Ontario's Fair Hydro Plan" is added as follows:

"Ontario's Fair Hydro Plan" means the plan announced March 2, 2017 by the Government of Ontario to affect the Ontario Energy Board's setting of electricity prices for certain Ontario consumers of electricity, which plan is referred to in the Ontario Energy Board's report dated April 20, 2017 and titled "Regulated Price Plan Price Report – May 1, 2017 to April 30, 2018", and including all relevant developments in or changes to such plan from time to time.

v) The definition of "New IESO" is deleted.

vi) The definition of "Note" is deleted and replaced with:

"Note" means the $160 Million Note issued pursuant to Section 2 of Amending Agreement No. 6 dated as of the 30th day of April, 2017.

vii) The definition of "OPA" is deleted.

viii) The definition of "Pre-Amalgamation IESO" is deleted.

2. IESO shall execute and deliver to OEFC a grid promissory note in the form attached as Schedule I hereto which shall be in an aggregate principal amount of up to One Hundred and Sixty Million Dollars (the "$160 Million Note") dated April 30, 2017 and on which shall be recorded the Advances Outstanding under the grid promissory note delivered pursuant to Amending Agreement No. 4. Upon receipt by OEFC of the $160 Million Note dated April 30, 2017, the $95 Million Note dated April 30, 2014 shall be of no further force and effect and shall be returned to the IESO marked "cancelled".

3. Section 2.3 of the Agreement is deleted and replaced by the following:

Section 2.3 Use of Proceeds

IESO shall use the proceeds of Advances for the funding of IESO Corporate Requirements.

4. Section 2.4 of the Agreement is deleted and replaced by the following:

Section 2.4 Mandatory Repayment.

Subject to Sections 3.5 and 5.2 of this Agreement, IESO shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, in full on or before June 30, 2020.

5. Section 3.1 of the Agreement is deleted and replaced by the following:

Section 3.1 Advances.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO under the Credit Facility on any Business Day in a month up to twelve (12) times per annum from and including May 1, 2017 to and including May 29, 2020

6. Paragraph 3.6(c) of the Agreement is deleted and replaced by the following:
   (c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO, provided however that any adverse change in IESO's financial condition related to or resulting from the discharge by IESO of its responsibilities under Ontario's Fair Hydro Plan shall be deemed not to be a material adverse change for the purposes of this Section; and

7. The Form of Borrowing Notice is deleted and replaced with the Form of Borrowing Notice attached hereto as Schedule 1.

8. This Amending Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO under the Credit Facility on any Business Day in a month up to twelve (12) times per annum from and including May 1, 2017 to and including May 29, 2020

6. Paragraph 3.6(c) of the Agreement is deleted and replaced by the following:
   (c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO, provided however that any adverse change in IESO's financial condition related to or resulting from the discharge by IESO of its responsibilities under Ontario's Fair Hydro Plan shall be deemed not to be a material adverse change for the purposes of this Section; and

7. The Form of Borrowing Notice is deleted and replaced with the Form of Borrowing Notice attached hereto as Schedule 1.

8. This Amending Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

SCHEDULE 1

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $160,000,000 Date: 30 April, 2017

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("**IESO**"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid **("Grid")** attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No. 1 dated July 21, 2010, by Amending Agreement No. 2 dated October 14, 2011, by Amending Agreement No. 3 dated April 30, 2013, by Amending Agreement No. 4 dated April 30, 2014, by Amending Agreement No. 5 dated December 19, 2014, and by Amending Agreement No. 6 dated April 30, 2017 (collectively the "Agreement").

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before June 30, 2020.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance or part of an Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be p*rima facie* evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Agreement. All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment, demand, protest, notice of dishonour and notice

of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

(Revolving Credit Facility April 30, 2017)

DATE	PRINCIPAL ADVANCED	RATE	REPAYMENT DATE	INTEREST AMOUNT	AMOUNT OF PAYMENT		UNPAID BALANCE			NOTATION MADE BY
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	REFINANCED (AMOUNT & DATE)	

From: William Tan []
To: William Tan [William.Tan@ofina.on.ca]
Subject: FW: IESO/OEFC $160M Credit Facility - Notice for Sep 4/18
Date: Tuesday, August 28, 2018 18:47:47
Attachment 1: Rollover Notice.pdf

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]
Sent: Tuesday, August 28, 2018 9:46 AM
To: CASHP <CASHP@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>
Cc: Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: IESO/OEFC $160M Credit Facility - Notice for Sep 4/18

Please find attached notice for September 4 regarding IESO's $160M facility.

Regards.

Olga Whiteley | Treasury and Pension Operations
Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
Station A, Box 4474, Toronto, ON M5W 4E5
Web: www.ieso.ca [ieso.ca] | Email: olga.whiteley@ieso.ca

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ieso
Connecting Today.
Powering Tomorrow.

Independent Electricity System Operator
Station A, Box 4474
Toronto, ON M5W 4E5
t 905.403.6900
www.ieso.ca

SCHEDULE 1 TO AMENDING AGREEMENT NO. 5

FORM OF BORROWING NOTICE

August 28, 2018

Ontario Electricity Financial Corporation **("OEFC")**
c/o Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A1Y7

Attention: Cash Management
Fax No. 416-204-7920

Dear Sirs:

The undersigned, Independent Electricity System Operator ("IESO") refers to the Revolving Credit Facility Agreement dated April 23, 2010 (as amended, supplemented or restated from time to time, the **"Agreement"**, the terms defined therein being used herein as therein defined) between IESO and OEFC, and gives you notice pursuant to Section 3.2 of the Agreement that IESO requests an Advance under the Agreement, and, in that connection, sets forth below the information relating to such Advance (the **"Proposed Advance"**) as required by Section 3.2 of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is **September 4**, **2018;**
(b) The aggregate amount of the Proposed New Advance is **CAD$30,000,0000.00 (thirty million dollars);**

IESO confirms that the CAD$30,000,000.00 (thirty million) advance due and payable on September 4, 2018 will be rolled, and that interest in the amount of CAD$57,008.22 will be paid.

Use of Funds

The undersigned herby certifies that the funds requested under this notice will be used for the following purposes:

(1) **For liquidity purposes.**

IESO hereby certifies that:

The representations and warranties of IESO contained in the Agreement are true and correct as at the date hereof.

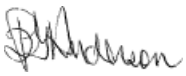
No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received previously as Advances under the Agreement have been expended or are being held solely for the purpose for which they were advanced; no part of said funds has been nor any part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR



Per: _____

Barbara Anderson
VP, Corporate Services & CFO

*To be confirmed by telephone call to OEFC Cash Management (416) 325-8108

SCHEDULE 1 TO AMENDING AGREEMENT NO. 6

FORM OF BORROWING NOTICE

Date:

Ontario Electricity Financial Corporation **("OEFC")**
c/o Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A1Y7

Attention: Cash Management
(Fax No. (416-204-7920)

Dear Sirs:

The undersigned, Independent Electricity System Operator ("IESO refers to the Revolving Credit Facility Agreement dated April 23, 2010 (as amended, supplemented or restated from time to time, the **"Agreement"**, the terms defined therein being used herein as therein defined) between IESO and OEFC, and gives you notice pursuant to Section 3.2 of the Agreement that IESO requests an Advance under the Agreement, and, in that connection, sets forth below the information relating to such Advance (the **"Proposed Advance"**) as required by Section 3.2 of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is •;
(b) The aggregate amount of the Proposed Advance is •;

[**IESO confirms that the $• Advance due and payable on • will be rolled.**]

Use of Funds

The undersigned herby certifies that the funds requested under this notice will be used for IESO Corporate Requirements.

IESO hereby certifies that:

The representations and warranties of IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received previously as Advances under the Agreement have been expended or are being held solely for the purpose for which they were advanced; no part of said funds has been nor any part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Authorized Signature

Per: _____
Authorized Signature

*To be confirmed by telephone call to OEFC Cash Management (416) 325-8108

From:	William Tan
To:	"Victor Buza"
Cc:	Sarah Neville; Sarah Harris; "Olga Whiteley"
Subject:	RE: IESO/OEFC $160M Credit Facility - Notice for Sep 4/18
Date:	Tuesday, August 28, 2018 7:10:35 PM
Attachments:	Amending Agrt no.6 - Revolving Credit Facility - $160M, IESO_OFA(Signed).pdf FW IESOOEFC $160M Credit Facility - Notice for Sep 418.msg IESO FORM OF BORROWING NOTICE.pdf

Hello Victor,

RE: Use of Funds – IESO Corporate Requirements

I hope you are enjoying the warm weather. I am emailing you regarding the Form of Borrowing Notice under the OEFC/IESO $160M Revolving Credit Facility. Olga has provided a Borrowing Notice from Amending Agreement No. 5, requesting an **new** advance of $30M and **roll-over** of $30M.

According to our records the most current version of the Borrowing Notice is from Amending Agreement No. 6. We noticed the Grid Promissory Note was incorrectly attached as Schedule 1. The key addition to the Borrowing Notice is under Use of Funds to include "IESO Corporate Requirements". I have attached a copy of the Borrowing Notice that was supposed to be included as Schedule 1, in AA No.6. Please review the notice and acknowledge that this will be the correct Borrowing Notice going forward.

For your reference I have included AA No. 6, Olga's request and Borrowing Notice.

Thanks,
Will

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]
Sent: Tuesday, August 28, 2018 9:46 AM
To: CASHP <CASHP@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>
Cc: Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: IESO/OEFC $160M Credit Facility - Notice for Sep 4/18

Please find attached notice for September 4 regarding IESO's $160M facility.

Regards.

Olga Whiteley | Treasury and Pension Operations
Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
Station A, Box 4474, Toronto, ON M5W 4E5
Web: www.ieso.ca [ieso.ca] | Email: olga.whiteley@ieso.ca

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AMENDING AGREEMENT NO. 6

This Amending Agreement is effective as of the 30 day of April, 2017.

BETWEEN: **INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("IESO")**

as Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**

as Lender

WHEREAS IESO and OEFC entered into a Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No.1 dated July 21, 2010, Amending Agreement No. 2 dated October 14, 2011, Amending Agreement No. 3 dated April 30, 2013, Amending Agreement No. 4 dated April 30, 2014 and Amending Agreement No. 5 dated December 19, 2014 (collectively the "Agreement") pursuant to which OEFC agreed to provide a revolving credit facility to IESO in the principal amount of up to CDN $95 million.

AND WHEREAS IESO and OEFC wish to amend the Agreement to increase the revolving line of credit from a principal amount of CDN $95 million to a principal amount of up to CDN $160 million to provide funding for IESO Corporate Requirements (as defined herein);

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for an extension of the mandatory repayment date established in the Agreement to June 30, 2020;

AND WHEREAS IESO and OEFC wish to amend the Agreement to provide for the ability for Advances to be made on any business day up to a maximum of 12 times per year;

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that the Agreement is amended as follows:

1. Section 1.1 Definitions of the Agreement is amended as follows:

   i) The definition of "Amalgamation" is deleted.

   ii) The definition of "Commitment" is deleted and replaced with:

   "Commitment" means, at any time, an amount equal to the principal amount of One Hundred and Sixty Million Dollars.

   iii) A definition of "IESO Corporate Requirements" is added as follows:

   "IESO Corporate Requirements" means any borrowing purposes authorized by O. Reg. 280/14 made under the *Electricity Act, 1998* (as such regulation may be amended or

replaced from time to time), other than for funding liquidity requirements relating to the settlement of the Ontario wholesale electricity markets.

iv) A definition of "Ontario's Fair Hydro Plan" is added as follows:

"Ontario's Fair Hydro Plan" means the plan announced March 2, 2017 by the Government of Ontario to affect the Ontario Energy Board's setting of electricity prices for certain Ontario consumers of electricity, which plan is referred to in the Ontario Energy Board's report dated April 20, 2017 and titled "Regulated Price Plan Price Report – May 1, 2017 to April 30, 2018", and including all relevant developments in or changes to such plan from time to time.

v) The definition of "New IESO" is deleted.

vi) The definition of "Note" is deleted and replaced with:

"Note" means the $160 Million Note issued pursuant to Section 2 of Amending Agreement No. 6 dated as of the 30th day of April, 2017.

vii) The definition of "OPA" is deleted.

viii) The definition of "Pre-Amalgamation IESO" is deleted.

2. IESO shall execute and deliver to OEFC a grid promissory note in the form attached as Schedule I hereto which shall be in an aggregate principal amount of up to One Hundred and Sixty Million Dollars (the "$160 Million Note") dated April 30, 2017 and on which shall be recorded the Advances Outstanding under the grid promissory note delivered pursuant to Amending Agreement No. 4. Upon receipt by OEFC of the $160 Million Note dated April 30, 2017, the $95 Million Note dated April 30, 2014 shall be of no further force and effect and shall be returned to the IESO marked "cancelled".

3. Section 2.3 of the Agreement is deleted and replaced by the following:

Section 2.3 Use of Proceeds

IESO shall use the proceeds of Advances for the funding of IESO Corporate Requirements.

4. Section 2.4 of the Agreement is deleted and replaced by the following:

Section 2.4 Mandatory Repayment.

Subject to Sections 3.5 and 5.2 of this Agreement, IESO shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, in full on or before June 30, 2020.

5. Section 3.1 of the Agreement is deleted and replaced by the following:

Section 3.1 Advances.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO under the Credit Facility on any Business Day in a month up to twelve (12) times per annum from and including May 1, 2017 to and including May 29, 2020

6. Paragraph 3.6(c) of the Agreement is deleted and replaced by the following:
   (c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO, provided however that any adverse change in IESO's financial condition related to or resulting from the discharge by IESO of its responsibilities under Ontario's Fair Hydro Plan shall be deemed not to be a material adverse change for the purposes of this Section; and

7. The Form of Borrowing Notice is deleted and replaced with the Form of Borrowing Notice attached hereto as Schedule 1.

8. This Amending Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to IESO under the Credit Facility on any Business Day in a month up to twelve (12) times per annum from and including May 1, 2017 to and including May 29, 2020

6. Paragraph 3.6(c) of the Agreement is deleted and replaced by the following:
   (c) that there shall, in the reasonable opinion of OEFC, have been no material adverse change in the financial condition of IESO, provided however that any adverse change in IESO's financial condition related to or resulting from the discharge by IESO of its responsibilities under Ontario's Fair Hydro Plan shall be deemed not to be a material adverse change for the purposes of this Section; and

7. The Form of Borrowing Notice is deleted and replaced with the Form of Borrowing Notice attached hereto as Schedule 1.

8. This Amending Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement.

IN ALL OTHER RESPECTS, the Agreement is confirmed by IESO and OEFC.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

by: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

ONTARIO ELECTRICITY FINANCIAL CORPORATION

by: _____
Name: Michael D. Manning
Title: Chief Operating Officer

SCHEDULE 1

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

GRID PROMISSORY NOTE

Principal Amount: Up to $160,000,000 Date: 30 April, 2017

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR ("**IESO**"), existing under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")** at its offices at Toronto, Ontario or at such other place as OEFC may designate, the principal amount of each and all Advances made by OEFC to IESO, all as recorded by OEFC on the grid **("Grid")** attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement dated April 23, 2010, as amended by Amending Agreement No. 1 dated July 21, 2010, by Amending Agreement No. 2 dated October 14, 2011, by Amending Agreement No. 3 dated April 30, 2013, by Amending Agreement No. 4 dated April 30, 2014, by Amending Agreement No. 5 dated December 19, 2014, and by Amending Agreement No. 6 dated April 30, 2017 (collectively the "Agreement").

All outstanding principal amounts under this Note together with all interest accrued thereon shall become due and payable and must be paid on or before June 30, 2020.

OEFC shall and is unconditionally and absolutely authorized and directed by IESO to record on the Grid (a) the date and amount of each Advance; (b) the applicable rate of interest for each Advance or part of an Advance; (c) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (d) the outstanding principal balance. Such notations, in the absence of manifest mathematical error, shall be p*rima facie* evidence of such advances and repayments; provided that the failure of OEFC to record the same shall not affect the obligations of IESO to pay such amounts to OEFC.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Agreement. All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of the Agreement, which provides for, among other things, the acceleration of the principal amount upon the occurrence of certain events.

This Note is not transferable or negotiable without the prior written consent of IESO.

IESO waives presentment for payment, demand, protest, notice of dishonour and notice

of non-payment.

This Note shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF IESO has executed this Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; and Treasurer

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

(Revolving Credit Facility April 30, 2017)

DATE	PRINCIPAL ADVANCED	RATE	REPAYMENT DATE	INTEREST AMOUNT	AMOUNT OF PAYMENT		UNPAID BALANCE			NOTATION MADE BY
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	REFINANCED (AMOUNT & DATE)	

From: William Tan []
To: William Tan [William.Tan@ofina.on.ca]
Subject: FW: IESO/OEFC $160M Credit Facility - Notice for Sep 4/18
Date: Tuesday, August 28, 2018 18:47:47
Attachment 1: Rollover Notice.pdf

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]
Sent: Tuesday, August 28, 2018 9:46 AM
To: CASHP <CASHP@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>
Cc: Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: IESO/OEFC $160M Credit Facility - Notice for Sep 4/18

Please find attached notice for September 4 regarding IESO's $160M facility.

Regards.

Olga Whiteley | Treasury and Pension Operations

Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913

Station A, Box 4474, Toronto, ON M5W 4E5

Web: www.ieso.ca [ieso.ca] | Email: olga.whiteley@ieso.ca

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Station A, Box 4474
Toronto, ON M5W 4E5
t 905.403.6900
www.ieso.ca

SCHEDULE 1 TO AMENDING AGREEMENT NO. 5

FORM OF BORROWING NOTICE

August 28, 2018

Ontario Electricity Financial Corporation **("OEFC")**
c/o Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A1Y7

Attention: Cash Management
Fax No. 416-204-7920

Dear Sirs:

The undersigned, Independent Electricity System Operator ("IESO") refers to the Revolving Credit Facility Agreement dated April 23, 2010 (as amended, supplemented or restated from time to time, the **"Agreement"**, the terms defined therein being used herein as therein defined) between IESO and OEFC, and gives you notice pursuant to Section 3.2 of the Agreement that IESO requests an Advance under the Agreement, and, in that connection, sets forth below the information relating to such Advance (the **"Proposed Advance"**) as required by Section 3.2 of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is **September 4**, **2018;**
(b) The aggregate amount of the Proposed New Advance is **CAD$30,000,0000.00 (thirty million dollars);**

IESO confirms that the CAD$30,000,000.00 (thirty million) advance due and payable on September 4, 2018 will be rolled, and that interest in the amount of CAD$57,008.22 will be paid.

Use of Funds

The undersigned herby certifies that the funds requested under this notice will be used for the following purposes:

(1) **For liquidity purposes.**

IESO hereby certifies that:

The representations and warranties of IESO contained in the Agreement are true and correct as at the date hereof.

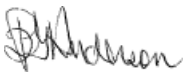
No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received previously as Advances under the Agreement have been expended or are being held solely for the purpose for which they were advanced; no part of said funds has been nor any part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR



Per: _____

Barbara Anderson
VP, Corporate Services & CFO

*To be confirmed by telephone call to OEFC Cash Management (416) 325-8108

SCHEDULE 1 TO AMENDING AGREEMENT NO. 6

FORM OF BORROWING NOTICE

Date:

Ontario Electricity Financial Corporation **("OEFC")**
c/o Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A1Y7

Attention: Cash Management
(Fax No. (416-204-7920)

Dear Sirs:

The undersigned, Independent Electricity System Operator ("IESO refers to the Revolving Credit Facility Agreement dated April 23, 2010 (as amended, supplemented or restated from time to time, the **"Agreement"**, the terms defined therein being used herein as therein defined) between IESO and OEFC, and gives you notice pursuant to Section 3.2 of the Agreement that IESO requests an Advance under the Agreement, and, in that connection, sets forth below the information relating to such Advance (the **"Proposed Advance"**) as required by Section 3.2 of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is •;
(b) The aggregate amount of the Proposed Advance is •;

[**IESO confirms that the $• Advance due and payable on • will be rolled.**]

Use of Funds

The undersigned herby certifies that the funds requested under this notice will be used for IESO Corporate Requirements.

IESO hereby certifies that:

The representations and warranties of IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received previously as Advances under the Agreement have been expended or are being held solely for the purpose for which they were advanced; no part of said funds has been nor any part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Authorized Signature

Per: _____
Authorized Signature

*To be confirmed by telephone call to OEFC Cash Management (416) 325-8108

From: William Tan
To: "Olga Whiteley"
Cc: Nurudin Kaba; LeRoy Ahyee; Sarah Harris; Carlos Yep
Subject: RE: IESO/OEFC $160M Credit Facility - Notice for Sep 4/18
Date: Tuesday, August 28, 2018 2:51:27 PM

Hello Olga,

I am currently reviewing the agreement and will advise on suitable language to use on the Borrowing Notice.

Thanks,

Will

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]

Sent: Tuesday, August 28, 2018 9:46 AM

To: CASHP <CASHP@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>

Cc: Anthony Martinello <Anthony.Martinello@ieso.ca>

Subject: IESO/OEFC $160M Credit Facility - Notice for Sep 4/18

Please find attached notice for September 4 regarding IESO's $160M facility.

Regards.

Olga Whiteley | Treasury and Pension Operations

Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
Station A, Box 4474, Toronto, ON M5W 4E5
Web: www.ieso.ca [ieso.ca] | Email: olga.whiteley@ieso.ca

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From:	Sarah Harris
To:	"Victor Buza"
Cc:	Sarah Neville; Olga Whiteley; William Tan
Subject:	RE: IESO/OEFC $160M Credit Facility - Notice for Sep 4/18
Date:	Wednesday, August 29, 2018 11:46:17 AM

Thank you, Victor. Sounds good.
We agree with "Borrowing Notice" vs. "Form of Borrowing Notice". That was an oversight.
Kind regards,
Sarah

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Wednesday, August 29, 2018 11:38 AM
To: William Tan
Cc: Sarah Neville ; Sarah Harris ; Olga Whiteley
Subject: RE: IESO/OEFC $160M Credit Facility - Notice for Sep 4/18

Hi Will – thanks for your email. Having looked at our records and correspondence, I agree with your analysis that the revised Form of Borrowing Notice should have been attached to Amendment No. 6 and was not.
Going forward, we will ensure the form of notice makes reference to "IESO Corporate Requirements" as indicated, and we agree to use the general format for showing the numbers as in the version provided by Sarah this morning (see attached). Also, a minor detail but we will head it "Borrowing Notice" when we send it over, rather than "Form of Borrowing Notice" (assuming you agree).
Let me know if there is anything else you require.
Best Regards,
Victor

Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079
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From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: August 28, 2018 7:10 PM
To: Victor Buza
Cc: Sarah Neville; Sarah Harris; Olga Whiteley
Subject: RE: IESO/OEFC $160M Credit Facility - Notice for Sep 4/18

CAUTION: This email originated from outside of the organization. Exercise caution when clicking on links or opening attachments even if you recognize the sender.

Hello Victor,

RE: Use of Funds – IESO Corporate Requirements

I hope you are enjoying the warm weather. I am emailing you regarding the Form of Borrowing Notice under the OEFC/IESO $160M Revolving Credit Facility. Olga has provided a Borrowing Notice from Amending Agreement No. 5, requesting an **new** advance of $30M and **roll-over** of $30M. According to our records the most current version of the Borrowing Notice is from Amending Agreement No. 6. We noticed the Grid Promissory Note was incorrectly attached as Schedule 1. The key addition to the Borrowing Notice is under Use of Funds to include "IESO Corporate

Requirements". I have attached a copy of the Borrowing Notice that was supposed to be included as Schedule 1, in AA No.6. Please review the notice and acknowledge that this will be the correct Borrowing Notice going forward.

For your reference I have included AA No. 6, Olga's request and Borrowing Notice.

Thanks,

Will

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]

Sent: Tuesday, August 28, 2018 9:46 AM

To: CASHP <CASHP@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>

Cc: Anthony Martinello <Anthony.Martinello@ieso.ca>

Subject: IESO/OEFC $160M Credit Facility - Notice for Sep 4/18

Please find attached notice for September 4 regarding IESO's $160M facility.

Regards.

Olga Whiteley | Treasury and Pension Operations

Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
Station A, Box 4474, Toronto, ON M5W 4E5
Web: www.ieso.ca [ieso.ca] [na01.safelinks.protection.outlook.com] | Email: olga.whiteley@ieso.ca

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From: Sarah Harris
To: William Tan
Subject: RE: IESO/OEFC $160M Credit Facility
Date: Thursday, October 18, 2018 9:44:47 AM

Thanks, Will.
Now this is good conceptually.
Now you need to consider what is the defined language in the agreement. I don't have the agreement at hand, but consider questions like is the maturing "loan" called a "Loan" or some other defined term? Is November 1st something like a "Repayment Date" for the original loan (same thing for December 3rd for the continued advance) How about the rollover…is there a reference that can be used such as an "Advance"? Also the interest they are repaying, is that all accrued interest payable and outstanding on the repayment date?
Try to restructure the language using the appropriate terms that are available, and again, look to the borrowing notice in FHP facility as model in structure the language using roman numerals to break out the component parts of the funding actions taking place on November 1st.
Thanks,
Sarah

From: William Tan
Sent: Thursday, October 18, 2018 9:26 AM
To: Sarah Harris
Subject: FW: IESO/OEFC $160M Credit Facility
Good morning Sarah,
Below is the language I propose to insert into the Borrowing Notice for Nov 1. Please review and comment.
A loan of $105,000,000 with interest of $181,031.51 is due on November 1, 2018.
IESO shall repay $20,000,000 and rollover $85,000,000 plus [TBA insert interest amount] on [TBD December 3, 2018].
Thanks,
Will

From: William Tan
Sent: Friday, October 12, 2018 5:54 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: IESO/OEFC $160M Credit Facility
Hello Sarah,
Olga brought to my attention that the Borrowing Notice generally assumes a new lump sum is added to the principal amount. But it does not take into account the possibility to repay a portion of the principal.
I discussed a hypothetical example of an outstanding $105 million is coming due on October 22 (I spoke with Carlos and he confirmed that the correct date is November 1st, 2018 for renewal/repayment). With the intention of paying down $20 million and continued advance (roll-over) of $85 million. No new money will be requested. (For simplicity purposes interest is not used in the example).
Based on the information above, I have attached a proposed example. Please take a look before I send Olga the example.

Thanks,
Will

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]
Sent: Friday, October 12, 2018 3:02 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Victor Buza <Victor.Buza@ieso.ca>; Hamlet Alexanian <hamlet.alexanian@ieso.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO/OEFC $160M Credit Facility

Will, as discussed, we need to have the option to repay. Kindly send Hamlet the form you determine we should use.
Many thanks.

From: William Tan <William.Tan@ofina.on.ca>
Sent: October 12, 2018 2:18 PM
To: Olga Whiteley <Olga.Whiteley@ieso.ca>
Cc: Victor Buza <Victor.Buza@ieso.ca>; Hamlet Alexanian <hamlet.alexanian@ieso.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO/OEFC $160M Credit Facility

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Hello Olga,
Happy Friday Olga.
Kindly clarify the following:
For IESO/OEFC $160M Credit Facility?
Do you wish to continue roll-over all or a portion of the principal amount forward to next month plus a new advance?
Repay the entire balance?
Thanks,
Will

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]
Sent: Friday, October 12, 2018 1:12 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Hamlet Alexanian <hamlet.alexanian@ieso.ca>; Victor Buza <Victor.Buza@ieso.ca>
Subject: IESO/OEFC $160M Credit Facility

Hi Will,
Hope you're keeping well. I wanted to check with you if we should use a different notice if we are repaying the loan, and if so, can you please forward to us? We may be using it the week of Oct 22.
Attached is the borrowing notice we have used so far.
Many thanks.

Olga Whiteley | Treasury and Pension Operations
Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
Station A, Box 4474, Toronto, ON M5W 4E5
Web: www.ieso.ca [ieso.ca] [na01.safelinks.protection.outlook.com] | Email: olga.whiteley@ieso.ca

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From: Victor Buza
Sent: August 29, 2018 11:38 AM
To: William Tan <William.Tan@ofina.on.ca>

Cc: Sarah Neville <Sarah.Neville@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Olga Whiteley <Olga.Whiteley@ieso.ca>
Subject: RE: IESO/OEFC $160M Credit Facility - Notice for Sep 4/18

Hi Will – thanks for your email. Having looked at our records and correspondence, I agree with your analysis that the revised Form of Borrowing Notice should have been attached to Amendment No. 6 and was not.

Going forward, we will ensure the form of notice makes reference to "IESO Corporate Requirements" as indicated, and we agree to use the general format for showing the numbers as in the version provided by Sarah this morning (see attached). Also, a minor detail but we will head it "Borrowing Notice" when we send it over, rather than "Form of Borrowing Notice" (assuming you agree).

Let me know if there is anything else you require.

Best Regards,

Victor

Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079
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From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: August 28, 2018 7:10 PM
To: Victor Buza
Cc: Sarah Neville; Sarah Harris; Olga Whiteley
Subject: RE: IESO/OEFC $160M Credit Facility - Notice for Sep 4/18

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Hello Victor,

RE: Use of Funds – IESO Corporate Requirements

I hope you are enjoying the warm weather. I am emailing you regarding the Form of Borrowing Notice under the OEFC/IESO $160M Revolving Credit Facility. Olga has provided a Borrowing Notice from Amending Agreement No. 5, requesting an **new** advance of $30M and **roll-over** of $30M. According to our records the most current version of the Borrowing Notice is from Amending Agreement No. 6. We noticed the Grid Promissory Note was incorrectly attached as Schedule 1. The key addition to the Borrowing Notice is under Use of Funds to include "IESO Corporate Requirements". I have attached a copy of the Borrowing Notice that was supposed to be included as Schedule 1, in AA No.6. Please review the notice and acknowledge that this will be the correct Borrowing Notice going forward.

For your reference I have included AA No. 6, Olga's request and Borrowing Notice.

Thanks,

Will

From: Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]
Sent: Tuesday, August 28, 2018 9:46 AM
To: CASHP <CASHP@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>
Cc: Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: IESO/OEFC $160M Credit Facility - Notice for Sep 4/18

Please find attached notice for September 4 regarding IESO's $160M facility.

Regards.

Olga Whiteley | Treasury and Pension Operations

Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
Station A, Box 4474, Toronto, ON M5W 4E5
Web: www.ieso.ca [ieso.ca] [na01.safelinks.protection.outlook.com] | Email: olga.whiteley@ieso.ca

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From: William Tan
To: Opal Kandelas; Sarah Harris
Subject: RE: IESO/OEFC Agreements - Authorized Signatories
Date: Friday, April 20, 2018 11:15:19 AM
Attachments: Confirm Authorized Representative and Primary Contacts OEFC.msg

---

Hello all,
After some digging around I was able to discover that Andrew Chan normally gets requests like this from Mike and is familiar with the process (Mike, does not have IESO online access). As a result I forwarded the request and copied Mike on the matter.
Thanks,
Will

From: Opal Kandelas
Sent: Wednesday, April 18, 2018 10:01 AM
To: William Tan ; Sarah Harris
Subject: RE: IESO/OEFC Agreements - Authorized Signatories
Hi Will,
Thanks for your review. Mike was sent the attached email yesterday. Could you please follow up with IESO to determine why they are asking for authorized reps and contacts? No need to copy me on any email stream, but please let me know the results of your findings.
Opal

From: William Tan
Sent: Tuesday, April 17, 2018 12:54 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>
Subject: IESO/OEFC Agreements - Authorized Signatories
Hello,
I have reviewed the agreements and amendments for $120M – IESO OEFC Agreement Providing for Issuance of a Note & $160M – IESO OEFC Revolving Credit Facility and unable to find anything that requires OEFC to provide authorized signatories to IESO. Please let me know if you require any additional information.
Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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From: William Tan []
To: Andrew Chan [Andrew.Chan@ofina.on.ca]
CC: Mike Manning [Mike.Manning@ofina.on.ca]
Subject: Confirm Authorized Representative and Primary Contacts OEFC
Date: Friday, April 20, 2018 11:06:21
Attachment 1: FW: New Task: Confirm Authorized Representatives and Primary Contacts: ONTARIO ELECTRICITY FINANCIAL CORPORATION - Request:80290

Hello Andrew,

As per our discussion you have administered similar requests like this in the past. I will leave this in your capable hands. I appreciate your help with this matter Andrew.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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From: Mike Manning []
To: Opal Kandelas [Opal.Kandelas@ofina.on.ca]
Subject: FW: New Task: Confirm Authorized Representatives and Primary Contacts: ONTARIO ELECTRICITY FINANCIAL CORPORATION - Request:80290
Date: Tuesday, April 17, 2018 09:34:51

Hi opal:
Can I pass this one to you?

Thanks, Mike

From: Online IESO [mailto:online@ieso.ca]
Sent: Tuesday, April 17, 2018 6:01 AM
Subject: New Task: Confirm Authorized Representatives and Primary Contacts: ONTARIO ELECTRICITY FINANCIAL CORPORATION - Request:80290

Confirm Authorized Representatives and Primary Contacts: ONTARIO ELECTRICITY FINANCIAL CORPORATION - Request:80290

This task was assigned to you and others on Apr 17, 2018 5:00 AM EST
The task priority is Normal

To view the task, please follow this link[online.ieso.ca]

This message has been sent by Appian

From: William Tan
To: Opal Kandelas; Sarah Harris
Subject: RE: IESO/OEFC Agreements - Authorized Signatories
Date: Wednesday, April 18, 2018 10:02:47 AM

Good morning Opal,
I will follow-up with IESO.
Thanks,
Will

From: Opal Kandelas
Sent: Wednesday, April 18, 2018 10:01 AM
To: William Tan ; Sarah Harris
Subject: RE: IESO/OEFC Agreements - Authorized Signatories

Hi Will,
Thanks for your review. Mike was sent the attached email yesterday. Could you please follow up with IESO to determine why they are asking for authorized reps and contacts? No need to copy me on any email stream, but please let me know the results of your findings.
Opal

From: William Tan
Sent: Tuesday, April 17, 2018 12:54 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>
Subject: IESO/OEFC Agreements - Authorized Signatories

Hello,
I have reviewed the agreements and amendments for $120M – IESO OEFC Agreement Providing for Issuance of a Note & $160M – IESO OEFC Revolving Credit Facility and unable to find anything that requires OEFC to provide authorized signatories to IESO. Please let me know if you require any additional information.
Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
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Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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From: Sarah Harris
To: William Tan
Subject: RE: IESO/OEFC Agreements - Authorized Signatories
Date: Friday, April 20, 2018 12:42:27 PM

Thanks, Will.
If you haven't already, could you please let Opal know the outcome.
Thanks,
Sarah

From: William Tan
Sent: Friday, April 20, 2018 11:21 AM
To: Sarah Harris
Subject: FW: IESO/OEFC Agreements - Authorized Signatories

FYI Sarah,
I reached out to Anthony Martinello. I couldn't get anything substantial. I contacted their main reception and put in touch with their account payable department without any progress. I sent an email to IT Service Helpdesk to verify it wasn't a phishing email. Finally I reached out to Andrew and it worked out.

From: Opal Kandelas
Sent: Wednesday, April 18, 2018 10:01 AM
To: William Tan <William.Tan@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO/OEFC Agreements - Authorized Signatories

Hi Will,
Thanks for your review. Mike was sent the attached email yesterday. Could you please follow up with IESO to determine why they are asking for authorized reps and contacts? No need to copy me on any email stream, but please let me know the results of your findings.
Opal

From: William Tan
Sent: Tuesday, April 17, 2018 12:54 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>
Subject: IESO/OEFC Agreements - Authorized Signatories

Hello,
I have reviewed the agreements and amendments for $120M – IESO OEFC Agreement Providing for Issuance of a Note & $160M – IESO OEFC Revolving Credit Facility and unable to find anything that requires OEFC to provide authorized signatories to IESO. Please let me know if you require any additional information.
Best regards,

Will Tan| *Documentation & Analysis Specialist*
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immediately by reply e-mail and permanently delete this message including any attachments, without reading it or making a copy. Thank you

From: Opal Kandelas
To: Sarah Harris
Subject: RE: IESO/OFA - FH line
Date: Thursday, September 20, 2018 9:49:30 AM

Thanks.

From: Sarah Harris
Sent: Wednesday, September 19, 2018 2:05 PM
To: Opal Kandelas <Opal.Kandelas@ofina.on.ca>
Subject: FW: IESO/OFA - FH line

FYI

From: Sarah Harris
Sent: Wednesday, September 19, 2018 2:04 PM
To: 'Anthony Martinello' <Anthony.Martinello@ieso.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>; John Kim <John.Kim@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Shajee Kathirgamanathan <Shajee.Kathirgamanathan@ofina.on.ca>
Subject: RE: IESO/OFA - FH line

Hello Anthony,

Thanks for reaching out. In order to initially discuss the details of increasing the $2B, I am going to connect you with John Kim in Corporate &Electricity Finance at the OFA. John has been copied in this e-mail and can be reached at (416) 212-6996.

Additionally, Gavin He and Shajee Kathirgamanathan (both copied) from the same area may also be connecting with you.

Thanks,
Sarah

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Wednesday, September 19, 2018 12:56 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>
Subject: RE: IESO/OFA - FH line

We need to begin discussions in Oct 2018 on making an amendment to increase the $2B cap.

The FH Trust did not purchase this month's variance and I have no further info on if or when a purchase will occur.

IESO will be at $1.175B drawn this month.

Should I set up time to talk?

From: Sarah Harris [mailto:Sarah.Harris@ofina.on.ca]
Sent: August 29, 2018 10:59 AM
To: Anthony Martinello
Cc: William Tan
Subject: RE: IESO/OFA - FH line

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Thank you, Anthony, for the head's up. I will communicate your message internally.

Thanks,
Sarah

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Wednesday, August 29, 2018 8:49 AM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: IESO/OFA - FH line

Will

Just a courtesy email …nothing to do yet.

The IESO:OFA Fair Hydro line of credit is at about $1 billion drawn out of the $2 billion max capacity. We are drawing on avg about $200-300million/month.

The Fair Hydro Trust has not purchased the IESO's reg asset for a few months….if this continues I will be coming back to OFA to seek to increase the line of credit.

Regards.

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From: Anthony Martinello
To: Sarah Harris
Cc: William Tan; Victor Buza
Subject: RE: IESO/OFA - FH line
Date: Wednesday, September 19, 2018 12:56:14 PM
Attachments: FH rollover notice with advance.pdf

We need to begin discussions in Oct 2018 on making an amendment to increase the $2B cap.
The FH Trust did not purchase this month's variance and I have no further info on if or when a purchase will occur.
IESO will be at $1.175B drawn this month.
Should I set up time to talk?

From: Sarah Harris [mailto:Sarah.Harris@ofina.on.ca]
Sent: August 29, 2018 10:59 AM
To: Anthony Martinello
Cc: William Tan
Subject: RE: IESO/OFA - FH line

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Thank you, Anthony, for the head's up. I will communicate your message internally.
Thanks,
Sarah

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Wednesday, August 29, 2018 8:49 AM
To: William Tan
Cc: Olga Whiteley ; Lisa Stein ; Victor Buza ; Sarah Harris
Subject: IESO/OFA - FH line

Will
Just a courtesy email …nothing to do yet.
The IESO:OFA Fair Hydro line of credit is at about $1 billion drawn out of the $2 billion max capacity.
We are drawing on avg about $200-300million/month.
The Fair Hydro Trust has not purchased the IESO's reg asset for a few months….if this continues I will be coming back to OFA to seek to increase the line of credit.
Regards.

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ieso
Connecting Today.
Powering Tomorrow.

Independent Electricity System Operator
Station A, Box 4474
Toronto, ON M5W 4E5
t 905.403.6900
www.ieso.ca

SCHEDULE 2
ELECTION NOTICE

September 19, 2018

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7
Delivered Via Email: CASHP@ofina.on.ca

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated November 21, 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is **September 21, 2018.**
(b) The aggregate amount of the proposed Continued Advance is **$999,892,928.53**, which is comprised of:
i. principal amount of Advance which is to be continued **$999,892,928.53**; and
ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date **$0.00**;
(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): **$0.00**;
(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is **October 19, 2018**. [Insert date not earlier than 5 days and not later than 95 days after the current Repayment Date for the Advance.]

IESO confirms it will also be paying interest in the amount of **$1,528,603.44**.

Such election shall be confirmed by IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: **$175,073,329.63**

The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: **$1,174,966,258.16**

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): **This transaction relates to the Fair Hydro Program**.

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

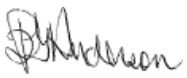
No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR



Per: _____

Barb Anderson
VP, Corporate Services & CFO

From:	Anthony Martinello
To:	Sarah Harris
Cc:	William Tan; Victor Buza
Subject:	RE: IESO/OFA - FH line
Date:	Wednesday, September 19, 2018 12:56:14 PM
Attachments:	FH rollover notice with advance.pdf

We need to begin discussions in Oct 2018 on making an amendment to increase the $2B cap.

The FH Trust did not purchase this month's variance and I have no further info on if or when a purchase will occur.

IESO will be at $1.175B drawn this month.

Should I set up time to talk?

From: Sarah Harris [mailto:Sarah.Harris@ofina.on.ca]
Sent: August 29, 2018 10:59 AM
To: Anthony Martinello
Cc: William Tan
Subject: RE: IESO/OFA - FH line

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Thank you, Anthony, for the head's up. I will communicate your message internally.

Thanks,
Sarah

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Wednesday, August 29, 2018 8:49 AM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: IESO/OFA - FH line

Will

Just a courtesy email …nothing to do yet.

The IESO:OFA Fair Hydro line of credit is at about $1 billion drawn out of the $2 billion max capacity. We are drawing on avg about $200-300million/month.

The Fair Hydro Trust has not purchased the IESO's reg asset for a few months….if this continues I will be coming back to OFA to seek to increase the line of credit.

Regards.

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ieso
Connecting Today.
Powering Tomorrow.

Independent Electricity System Operator
Station A, Box 4474
Toronto, ON M5W 4E5
t 905.403.6900
www.ieso.ca

SCHEDULE 2
ELECTION NOTICE

September 19, 2018

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7
Delivered Via Email: CASHP@ofina.on.ca

Attention: Cash Management

Dear Sirs:

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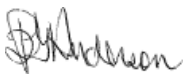
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Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR



Per: _____

Barb Anderson
VP, Corporate Services & CFO

From:	Lisa Stein
To:	William Tan
Cc:	Sarah Harris
Subject:	RE: IESO/OFA - FH line
Date:	Tuesday, September 04, 2018 10:03:41 AM

Thank you for the update. Please continue to keep OFA Legal in the loop and let me know when you require further assistance from us regarding this matter.

Lisa

From: William Tan
Sent: Tuesday, September 04, 2018 9:56 AM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: IESO/OFA - FH line

Hi Lisa,

The immediate matter pertaining to the roller/advance has been resolved.
The matter below to negotiate an increase to the $2B FHP is a separate matter. There is currently nothing to do. Anthony is monitoring the situation and will let us know in early October.

Thanks,

Will

From: Lisa Stein
Sent: Tuesday, September 04, 2018 9:38 AM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO/OFA - FH line

Hi Will,

I understand that Sarah N. worked on an IESO matter while I was away – has this matter been resolved or is this a new issue?

Thank you,

Lisa

From: William Tan
Sent: Thursday, August 30, 2018 9:32 AM
To: Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Mike Manning <Mike.Manning@ofina.on.ca>; John

Kim <John.Kim@ofina.on.ca>
Cc: Ken Kandeepan <Ken.Kandeepan@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
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Good morning,

Please see message below regarding additional information on the potential $2billion credit facility increase.

Thanks,

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From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Thursday, August 30, 2018 9:10 AM
To: William Tan <William.Tan@ofina.on.ca>
Subject: Re: IESO/OFA - FH line

If no FH purchase is made during Sept....then we should talk in early Oct to begin the agreement amendment process.....assuming this will take 4-6 weeks.
Regards
Sent from my iPhone

On Aug 30, 2018, at 9:03 AM, William Tan <William.Tan@ofina.on.ca> wrote:

> **CAUTION:** This email originated from outside of the organization. Exercise caution when clicking on links or opening attachments even if you recognize the sender.
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> Good morning Anthony,
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Will

Just a courtesy email …nothing to do yet.

The IESO:OFA Fair Hydro line of credit is at about $1 billion drawn out of the $2 billion max capacity. We are drawing on avg about $200-300million/month.

The Fair Hydro Trust has not purchased the IESO's reg asset for a few months….if this continues I will be coming back to OFA to seek to increase the line of credit.

Regards.

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Sarah

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]

Sent: Wednesday, August 29, 2018 8:49 AM

To: William Tan

Cc: Olga Whiteley ; Lisa Stein ; Victor Buza ; Sarah Harris

Subject: IESO/OFA - FH line

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From: Sarah Harris
To: "Anthony Martinello"
Cc: William Tan; Victor Buza; John Kim; Gavin He; Shajee Kathirgamanathan
Subject: RE: IESO/OFA - FH line
Date: Wednesday, September 19, 2018 2:04:20 PM

Hello Anthony,

Thanks for reaching out. In order to initially discuss the details of increasing the $2B, I am going to connect you with John Kim in Corporate &Electricity Finance at the OFA. John has been copied in this e-mail and can be reached at (416) 212-6996.

Additionally, Gavin He and Shajee Kathirgamanathan (both copied) from the same area may also be connecting with you.

Thanks,
Sarah

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Wednesday, September 19, 2018 12:56 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
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To: Anthony Martinello
Cc: William Tan
Subject: RE: IESO/OFA - FH line

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Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
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From:	Sarah Harris
To:	"Anthony Martinello"
Cc:	William Tan; Victor Buza; John Kim; Gavin He; Shajee Kathirgamanathan
Subject:	RE: IESO/OFA - FH line
Date:	Wednesday, September 19, 2018 2:04:20 PM

Hello Anthony,
Thanks for reaching out. In order to initially discuss the details of increasing the $2B, I am going to connect you with John Kim in Corporate &Electricity Finance at the OFA. John has been copied in this e-mail and can be reached at (416) 212-6996.
Additionally, Gavin He and Shajee Kathirgamanathan (both copied) from the same area may also be connecting with you.
Thanks,
Sarah

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
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Cc: William Tan ; Victor Buza
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Thank you, Anthony, for the head's up. I will communicate your message internally.

Thanks,

Sarah

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Wednesday, August 29, 2018 8:49 AM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: IESO/OFA - FH line

Will

Just a courtesy email …nothing to do yet.

The IESO:OFA Fair Hydro line of credit is at about $1 billion drawn out of the $2 billion max capacity.

We are drawing on avg about $200-300million/month.

The Fair Hydro Trust has not purchased the IESO's reg asset for a few months….if this continues I will be coming back to OFA to seek to increase the line of credit.

Regards.

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From: Opal Kandelas
To: Sarah Harris
Subject: RE: IESO/OFA - FH line
Date: Thursday, September 20, 2018 9:49:30 AM

Thanks.

From: Sarah Harris
Sent: Wednesday, September 19, 2018 2:05 PM
To: Opal Kandelas
Subject: FW: IESO/OFA - FH line

FYI

From: Sarah Harris
Sent: Wednesday, September 19, 2018 2:04 PM
To: 'Anthony Martinello' <Anthony.Martinello@ieso.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>; John Kim <John.Kim@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Shajee Kathirgamanathan <Shajee.Kathirgamanathan@ofina.on.ca>
Subject: RE: IESO/OFA - FH line

Hello Anthony,

Thanks for reaching out. In order to initially discuss the details of increasing the $2B, I am going to connect you with John Kim in Corporate &Electricity Finance at the OFA. John has been copied in this e-mail and can be reached at (416) 212-6996.

Additionally, Gavin He and Shajee Kathirgamanathan (both copied) from the same area may also be connecting with you.

Thanks,

Sarah

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Wednesday, September 19, 2018 12:56 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>
Subject: RE: IESO/OFA - FH line

We need to begin discussions in Oct 2018 on making an amendment to increase the $2B cap.

The FH Trust did not purchase this month's variance and I have no further info on if or when a purchase will occur.

IESO will be at $1.175B drawn this month.

Should I set up time to talk?

From: Sarah Harris [mailto:Sarah.Harris@ofina.on.ca]
Sent: August 29, 2018 10:59 AM
To: Anthony Martinello
Cc: William Tan
Subject: RE: IESO/OFA - FH line

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From:	Sujeev Jegatheeswaran
To:	Sarah Harris
Subject:	RE: IESO/OFA - Signing Authority Documents
Date:	Tuesday, June 19, 2018 1:06:24 PM

Thank you Sarah.
Sujeev

From: Sarah Harris
Sent: Tuesday, June 19, 2018 1:05 PM
To: Sujeev Jegatheeswaran
Cc: Carlos Yep ; William Tan ; James Devine
Subject: FW: IESO/OFA - Signing Authority Documents

Hello Sujeev,
Just to let you know, IESO provided us with a draft (unexecuted) certificate. It looks fine, and I've asked them to try to execute it today.
I spoke with Carlos about whether the payment would be held back tomorrow morning if we don't receive the executed cert by that time. Carlos is following up with John Kim, but I don't think we don't think we would be holding back the payment if it isn't received tonight.
I will confirm with you when we receive the executed certificate. I have to leave at 3 p.m, however, so if we don't receive the executed cert by then, please follow up with Carlos to confirm that the payment should be released.
Thanks,
Sarah

From: Sarah Harris
Sent: Tuesday, June 19, 2018 12:55 PM
To: 'Victor Buza' <Victor.Buza@ieso.ca>
Cc: Anthony Martinello <Anthony.Martinello@ieso.ca>; Olga Whiteley <Olga.Whiteley@ieso.ca>; William Tan <William.Tan@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: RE: IESO/OFA - Signing Authority Documents

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Cc: Anthony Martinello <Anthony.Martinello@ieso.ca>; Olga Whiteley <Olga.Whiteley@ieso.ca>; William Tan <William.Tan@ofina.on.ca>
Subject: RE: IESO/OFA - Signing Authority Documents

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updated form of Incumbency Certificate. Please confirm that this updated form is acceptable and we will proceed to have it executed.
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Please call me if you have any questions.
Regards,
Victor

Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079
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From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: June 18, 2018 5:22 PM
To: Olga Whiteley; Anthony Martinello
Cc: Sarah Harris
Subject: RE: IESO - Signing Authority Documents

Hello Olga,
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Thanks,
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Sent: June 18, 2018 3:45 PM
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Cc: Sarah Harris; Carlos Yep; James Devine; Ricky Lai
Subject: RE: IESO - Signing Authority Documents

Hello Anthony and Olga,
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Thanks,
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6. A signature under seal of the corporation.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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From:	Sarah Harris
To:	"Victor Buza"
Cc:	Anthony Martinello; Olga Whiteley; William Tan; Lisa Stein
Subject:	RE: IESO/OFA - Signing Authority Documents
Date:	Tuesday, June 19, 2018 12:55:28 PM

Victor,

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Overall, the certificate looks fine. The only comment we have is that we don't think the last paragraph at the bottom of the page (certification by Barb Anderson for Michael Lyle) is necessary; if that is your standard, however, that's fine.

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Please call me if you have any questions.

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Victor Buza | Senior Counsel
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From: Victor Buza
To: Sarah Harris
Cc: Anthony Martinello; Olga Whiteley; William Tan
Subject: RE: IESO/OFA - Signing Authority Documents
Date: Tuesday, June 19, 2018 12:28:22 PM
Attachments: Certified IESO Brd Resol"n June 14_17 re Credit Facilities - Nov 6 2017 per J Rattray.pdf
Incumbency Certificate - revised - re OFA FHP and 2005 Facilities - June 19 2018.doc

---

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" Resolution of the Board of Directors
Independent Electricity System Operator

June 14, 2017

In Respect of the establishment of a new credit facility and revision of existing credit facilities in relation to the Fair Hydro Plan

---

WHEREAS, as further described in the memorandum to the Audit Committee entitled "Fair Hydro Plan Credit Facility" dated June 13, 2017 (the "**Memorandum**"), the Corporation has determined that in order to support the IESO's role in the Fair Hydro Plan it requires greater credit liquidity;

AND WHEREAS the Corporation proposes to enter into a new credit facility with the Ontario Financing Authority or Ontario Electricity Financial Corporation to support the Corporation's role in the Fair Hydro Plan in an amount yet to be determined of between $1,800 million and $2,500 million (the "**New Facility**");

AND WHEREAS, due to the structure of the Fair Hydro Plan, once the New Facility is established, the Corporation's existing credit facility with the Ontario Financing Authority in the amount of $975 million (the "**OFA Facility**") will include unnecessary and duplicative credit liquidity such that the OFA Facility may be reduced to an amount yet to be determined between $400 million and $500 million;

AND WHEREAS ...[Recital redacted]...

NOW THEREFORE BE IT RESOLVED THAT:

1. The Board of Directors hereby authorizes and approves the establishment of the New Facility and the amendment of the OFA Facility ...**[Redacted]**... on such terms and conditions as are generally outlined in the Memorandum (collectively, all facilities being the "**Credit Facilities**").

2. The Chief Financial Officer or her delegate is hereby authorized for and on behalf of the Corporation to:

(a) finalize, execute and deliver

(i) all relevant agreements, instruments and other documents required for the establishment or amendment, as applicable, of the Credit Facilities, and

(ii) all ancillary documents, deeds and instruments determined to be necessary or desirable in connection therewith (the execution of any such document, deed or instrument being conclusive evidence of such determination),

and to perform the Corporation's obligations thereunder, and to obtain the benefits thereof;

(b) draw upon or continue to draw upon, as applicable, the Credit Facilities from time to time in accordance with their terms; and

(c) do any and all such further acts as may be determined to be necessary or desirable to give effect to the foregoing transactions including, for further certainty, amending any other agreements as may be required as a consequence of such transactions. "

I certify that the above is a true, redacted copy of a resolution approved by the Board of Directors of the Independent Electricity System Operator on June 14, 2017.

John Rattray

General Counsel, Secretary and Chief Reliability Compliance Officer
Independent Electricity System Operator
November 6, 2017

INCUMBENCY CERTIFICATE

To: Ontario Financing Authority ("**OFA**")

I, the undersigned, Secretary to the Independent Electricity System Operator (the "**IESO**"), in my capacity as an officer of the IESO, and not in my personal capacity, do hereby certify that:

1. Barb Anderson has been duly appointed as, and as of the date hereof holds the offices of, Chief Financial Officer and Vice-President, Corporate Services (Interim) of the IESO and, for further certainty, has been vested with all of the duties and powers otherwise prescribed to such offices in a permanent capacity.

2. Pursuant to a resolution of the board of directors of IESO dated June 14, 2017, the Chief Financial Officer has the authority from time to time to draw upon (i) the Credit Agreement between OFA and IESO (as successor by amalgamation to Ontario Power Authority) made as of January 1, 2005, as amended, and (ii) the Revolving Credit Facility Agreement between IESO and the Ontario Financing Authority made as of the 6th day of November, 2017 in relation to the Fair Hydro Plan.

3. The following is the genuine signature of the following individual:

Barb Anderson _____

DATED this ____ day of _____, 2018.

_____
Michael Lyle
Vice-President, Legal Resources and Corporate Governance, General Counsel, Secretary, and Chief Reliability Compliance Officer

I, the undersigned, do hereby certify for and on behalf of the IESO in my capacity as an officer of the IESO, and not in my personal capacity, that: (i) Michael Lyle has been duly appointed to the offices of Vice-President, Legal Resources and Corporate Governance, General Counsel, Secretary, and Chief Reliability Compliance Officer and (ii) Michael Lyle holds, as at the date hereof, such offices.

DATED this ____ day of _____, 2018.

_____
Barb Anderson
Chief Financial Officer and Vice-President, Corporate Services (Interim)

From:	Victor Buza
To:	Sarah Harris
Cc:	Anthony Martinello; Olga Whiteley; William Tan
Subject:	RE: IESO/OFA - Signing Authority Documents
Date:	Tuesday, June 19, 2018 12:28:22 PM
Attachments:	Certified IESO Brd Resol"n June 14_17 re Credit Facilities - Nov 6 2017 per J Rattray.pdf Incumbency Certificate - revised - re OFA FHP and 2005 Facilities - June 19 2018.doc

Hi Sarah. Following our call earlier and per item #1 of Will's email below, attached please find the updated form of Incumbency Certificate. Please confirm that this updated form is acceptable and we will proceed to have it executed.

In addition, for your convenience, I also attach the original certified Board Resolution authorizing, among other things, the "Chief Financial Officer or her delegate" with respect to making draws under the Fair Hydro Plan Credit Agreement and for the Existing Credit Facility.

Please call me if you have any questions.

Regards,
Victor

Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079

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From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: June 18, 2018 5:22 PM
To: Olga Whiteley; Anthony Martinello
Cc: Sarah Harris
Subject: RE: IESO - Signing Authority Documents

Hello Olga,

My legal department replied back to me and unfortunately a redacted board resolution and certificate of incumbency is required.

Thanks,

Will

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: June 18, 2018 3:45 PM
To: Anthony Martinello; Olga Whiteley
Cc: Sarah Harris; Carlos Yep; James Devine; Ricky Lai

Subject: RE: IESO - Signing Authority Documents

Hello Anthony and Olga,

I am following-up to get an indication of the solution you wish to pursue. Also, when will you be providing the documents. As a heads-up I will be out-of-the-office on Tuesday. For signatory related documents please coordinate with Sarah Harris.

Thanks,

Will

From: William Tan
Sent: Monday, June 18, 2018 11:38 AM
To: 'Anthony Martinello' <Anthony.Martinello@ieso.ca>; Olga Whiteley <Olga.Whiteley@ieso.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>; Ricky Lai <Ricky.Lai@ofina.on.ca>
Subject: IESO - Signing Authority Documents

Hello Anthony,

As per conversation regarding the required signing authority documents for Barb Anderson VP, & CFO on the election notices for June 20. Please provide completed documents for one of the following options below before June 20.

While option 6 is a suitable solution, it should be viewed as a temporary solution. Therefore, I recommend option 1, as a comprehensive long-term solution.

Options provided in May, 2018:

1. Certified resolution of the board of directors for IESO authorizing both the Fair Hydro Plan Credit Agreement and for the Existing Credit Facility authorizing the signatory and Updated Incumbency Certificate.
2. ~~A delegation of authority from the (former) IESO CFO to the IESO CEO (or other authorized signatories).~~
3. A general signing authority resolution of the IESO Board of Directors.
4. By-law or other document in place providing authorization to the IESO ~~CEO~~ CFO.
5. A certificate from the IESO Corporate Secretary stating that the IESO ~~CEO~~ CFO has signing authority.
6. A signature under seal of the corporation.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority

1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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" Resolution of the Board of Directors
Independent Electricity System Operator

June 14, 2017

In Respect of the establishment of a new credit facility and revision of existing credit facilities in relation to the Fair Hydro Plan

---

WHEREAS, as further described in the memorandum to the Audit Committee entitled "Fair Hydro Plan Credit Facility" dated June 13, 2017 (the "**Memorandum**"), the Corporation has determined that in order to support the IESO's role in the Fair Hydro Plan it requires greater credit liquidity;

AND WHEREAS the Corporation proposes to enter into a new credit facility with the Ontario Financing Authority or Ontario Electricity Financial Corporation to support the Corporation's role in the Fair Hydro Plan in an amount yet to be determined of between $1,800 million and $2,500 million (the "**New Facility**");

AND WHEREAS, due to the structure of the Fair Hydro Plan, once the New Facility is established, the Corporation's existing credit facility with the Ontario Financing Authority in the amount of $975 million (the "**OFA Facility**") will include unnecessary and duplicative credit liquidity such that the OFA Facility may be reduced to an amount yet to be determined between $400 million and $500 million;

AND WHEREAS ...[Recital redacted]...

NOW THEREFORE BE IT RESOLVED THAT:

1. The Board of Directors hereby authorizes and approves the establishment of the New Facility and the amendment of the OFA Facility ...**[Redacted]**... on such terms and conditions as are generally outlined in the Memorandum (collectively, all facilities being the "**Credit Facilities**").

2. The Chief Financial Officer or her delegate is hereby authorized for and on behalf of the Corporation to:

(a) finalize, execute and deliver

(i) all relevant agreements, instruments and other documents required for the establishment or amendment, as applicable, of the Credit Facilities, and

(ii) all ancillary documents, deeds and instruments determined to be necessary or desirable in connection therewith (the execution of any such document, deed or instrument being conclusive evidence of such determination),

and to perform the Corporation's obligations thereunder, and to obtain the benefits thereof;

(b) draw upon or continue to draw upon, as applicable, the Credit Facilities from time to time in accordance with their terms; and

(c) do any and all such further acts as may be determined to be necessary or desirable to give effect to the foregoing transactions including, for further certainty, amending any other agreements as may be required as a consequence of such transactions. "

I certify that the above is a true, redacted copy of a resolution approved by the Board of Directors of the Independent Electricity System Operator on June 14, 2017.

John Rattray

General Counsel, Secretary and Chief Reliability Compliance Officer
Independent Electricity System Operator
November 6, 2017

INCUMBENCY CERTIFICATE

To: Ontario Financing Authority ("**OFA**")

I, the undersigned, Secretary to the Independent Electricity System Operator (the "**IESO**"), in my capacity as an officer of the IESO, and not in my personal capacity, do hereby certify that:

1. Barb Anderson has been duly appointed as, and as of the date hereof holds the offices of, Chief Financial Officer and Vice-President, Corporate Services (Interim) of the IESO and, for further certainty, has been vested with all of the duties and powers otherwise prescribed to such offices in a permanent capacity.

2. Pursuant to a resolution of the board of directors of IESO dated June 14, 2017, the Chief Financial Officer has the authority from time to time to draw upon (i) the Credit Agreement between OFA and IESO (as successor by amalgamation to Ontario Power Authority) made as of January 1, 2005, as amended, and (ii) the Revolving Credit Facility Agreement between IESO and the Ontario Financing Authority made as of the 6th day of November, 2017 in relation to the Fair Hydro Plan.

3. The following is the genuine signature of the following individual:

Barb Anderson _____

DATED this ____ day of _____, 2018.

_____
Michael Lyle
Vice-President, Legal Resources and Corporate Governance, General Counsel, Secretary, and Chief Reliability Compliance Officer

I, the undersigned, do hereby certify for and on behalf of the IESO in my capacity as an officer of the IESO, and not in my personal capacity, that: (i) Michael Lyle has been duly appointed to the offices of Vice-President, Legal Resources and Corporate Governance, General Counsel, Secretary, and Chief Reliability Compliance Officer and (ii) Michael Lyle holds, as at the date hereof, such offices.

DATED this ____ day of _____, 2018.

_____
Barb Anderson
Chief Financial Officer and Vice-President, Corporate Services (Interim)

From: Sujeev Jegatheeswaran
To: Sarah Harris
Subject: RE: IESO/OFA - Signing Authority Documents
Date: Tuesday, June 19, 2018 1:06:24 PM

Thank you Sarah.

Sujeev

From: Sarah Harris
Sent: Tuesday, June 19, 2018 1:05 PM
To: Sujeev Jegatheeswaran <Sujeev.Jegatheeswaran@ofina.on.ca>
Cc: Carlos Yep <Carlos.Yep@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>
Subject: FW: IESO/OFA - Signing Authority Documents

Hello Sujeev,

Just to let you know, IESO provided us with a draft (unexecuted) certificate. It looks fine, and I've asked them to try to execute it today.

I spoke with Carlos about whether the payment would be held back tomorrow morning if we don't receive the executed cert by that time. Carlos is following up with John Kim, but I don't think we don't think we would be holding back the payment if it isn't received tonight.

I will confirm with you when we receive the executed certificate. I have to leave at 3 p.m, however, so if we don't receive the executed cert by then, please follow up with Carlos to confirm that the payment should be released.

Thanks,
Sarah

From: Sarah Harris
Sent: Tuesday, June 19, 2018 12:55 PM
To: 'Victor Buza' <Victor.Buza@ieso.ca>
Cc: Anthony Martinello <Anthony.Martinello@ieso.ca>; Olga Whiteley <Olga.Whiteley@ieso.ca>; William Tan <William.Tan@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: RE: IESO/OFA - Signing Authority Documents

Victor,

Thank you very much for the draft.

Overall, the certificate looks fine. The only comment we have is that we don't think the last

paragraph at the bottom of the page (certification by Barb Anderson for Michael Lyle) is necessary; if that is your standard, however, that's fine.

If it possible to have the draft executed by end of day, that will be helpful ensuring the payment is released ASAP.

Thanks,
Sarah

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Tuesday, June 19, 2018 12:28 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: Anthony Martinello <Anthony.Martinello@ieso.ca>; Olga Whiteley <Olga.Whiteley@ieso.ca>; William Tan <William.Tan@ofina.on.ca>
Subject: RE: IESO/OFA - Signing Authority Documents

Hi Sarah. Following our call earlier and per item #1 of Will's email below, attached please find the updated form of Incumbency Certificate. Please confirm that this updated form is acceptable and we will proceed to have it executed.

In addition, for your convenience, I also attach the original certified Board Resolution authorizing, among other things, the "Chief Financial Officer or her delegate" with respect to making draws under the Fair Hydro Plan Credit Agreement and for the Existing Credit Facility.

Please call me if you have any questions.

Regards,
Victor

Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079

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To: Olga Whiteley; Anthony Martinello
Cc: Sarah Harris
Subject: RE: IESO - Signing Authority Documents

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Thanks,

Will

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Sent: June 18, 2018 3:45 PM
To: Anthony Martinello; Olga Whiteley
Cc: Sarah Harris; Carlos Yep; James Devine; Ricky Lai
Subject: RE: IESO - Signing Authority Documents

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Thanks,

Will

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Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>; Ricky Lai <Ricky.Lai@ofina.on.ca>
Subject: IESO - Signing Authority Documents

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3. A general signing authority resolution of the IESO Board of Directors.
4. By-law or other document in place providing authorization to the IESO ~~CEO~~ CFO.
5. A certificate from the IESO Corporate Secretary stating that the IESO ~~CEO~~ CFO has signing authority.
6. A signature under seal of the corporation.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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From:	Sarah Harris
To:	William Tan
Subject:	RE: Interest breakout for the FHP from IESO
Date:	Thursday, September 06, 2018 1:56:13 PM

Thank you, Will.
Sarah

From: William Tan
Sent: Thursday, September 06, 2018 1:55 PM
To: Sarah Harris
Subject: FW: Interest breakout for the FHP from IESO

Hi Sarah,
I spoke to John. He is taking the lead on this.
Thanks,
Will

From: John Psinas
Sent: Thursday, September 06, 2018 1:36 PM
To: Bharat Patel (MOF) <Bharat.Patel3@ontario.ca>; William Tan <William.Tan@ofina.on.ca>
Cc: Ken Kandeepan <Ken.Kandeepan@ofina.on.ca>; Mark Donaldson (MOF) <Mark.Donaldson@ontario.ca>; Woods, Heather (TBS) <Heather.Woods@ontario.ca>; George Sakura <George.Sakura@ofina.on.ca>; Shemin Meralli <Shemin.Meralli@ofina.on.ca>
Subject: RE: Interest breakout for the FHP from IESO

Bharat,
If it's based on the line of credit, we'll get it to you shortly.
Thanks.
John

From: Patel, Bharat (TBS) [mailto:Bharat.Patel3@ontario.ca]
Sent: Thursday, September 06, 2018 1:17 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: John Psinas <John.Psinas@ofina.on.ca>; Ken Kandeepan <Ken.Kandeepan@ofina.on.ca>; Mark Donaldson (MOF) <Mark.Donaldson@ontario.ca>; Woods, Heather (TBS) <Heather.Woods@ontario.ca>
Subject: FW: Interest breakout for the FHP from IESO

Can we get the interest breakout o FHP, requested below?
John/Ken,
I am just copying to keep you in loop, as the request came from OAG.
Thanks,
Bharat

From: David Barrett [mailto:david.barrett@ieso.ca]
Sent: September-06-18 11:55 AM
To: Patel, Bharat (TBS)
Cc: Donaldson, Mark (TBS); Woods, Heather (TBS)
Subject: RE: Interest breakout for the FHP from IESO

We get our information from the OFA. So you get it from the source, can you approach William Tan (William.Tan@ofina.on.ca) at OFA for this?
Thanks,

David

From: Patel, Bharat (TBS) [mailto:Bharat.Patel3@ontario.ca]
Sent: September 06, 2018 10:23 AM
To: David Barrett
Cc: Donaldson, Mark (TBS); Woods, Heather (TBS)
Subject: RE: Interest breakout for the FHP from IESO

CAUTION: This email originated from outside of the organization. Exercise caution when clicking on links or opening attachments even if you recognize the sender.

Yes up to March 31, 2018.

From: David Barrett [mailto:david.barrett@ieso.ca]
Sent: September-06-18 10:15 AM
To: Patel, Bharat (TBS)
Cc: Donaldson, Mark (TBS); Woods, Heather (TBS)
Subject: RE: Interest breakout for the FHP from IESO

Hi Bharat, clarifying, what period are you looking for (up to March 2018)? There is the OFA line of credit which is only for the FH debt, starting Nov 2017.

Let me know if this is what you need.

Thanks

David

From: Patel, Bharat (TBS) [mailto:Bharat.Patel3@ontario.ca]
Sent: September 06, 2018 8:40 AM
To: David Barrett
Cc: Donaldson, Mark (TBS); Woods, Heather (TBS)
Subject: Interest breakout for the FHP from IESO

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David,

As part of the Province's Public Accounts audit, Office of the Auditor General (OAG) asked IESO on interest breakout for the Fair Hydro Trust. Can you please follow up with appropriate staffs in IESO and get the requested information by end of Today? We are in the final stage of Public Accounts and neeed this information to close all OAG's open comments on IESO for the Province's public accounts.

Thanks,

Bharat

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From:	Sarah Harris
To:	Andrea Dalgarno
Cc:	William Tan
Subject:	RE: Interest breakout for the FHP from IESO
Date:	Thursday, September 06, 2018 1:42:40 PM

Noted, Andrea.
Thank you,
Sarah

From: Andrea Dalgarno
Sent: Thursday, September 06, 2018 1:41 PM
To: Sarah Harris
Cc: William Tan
Subject: RE: Interest breakout for the FHP from IESO

Hi Sarah,
I sure will.
I do have to leave today to meet Ian to buy books (I am holder of the doneros required lol) but free until then (3:15) if he needs me.
Andrea

From: Sarah Harris
Sent: Thursday, September 06, 2018 1:37 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>
Subject: RE: Interest breakout for the FHP from IESO

HI Will,
This is high priority. John and Ken have been copied. Please go to them directly to John and Ken to discuss and to ask them to take the lead on this.
Andrea, if Will needs assistance with the IO prepayment, would you kindly assist him.
Thanks,
Sarah

From: William Tan
Sent: Thursday, September 06, 2018 1:30 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: Interest breakout for the FHP from IESO

Hi Sarah,
I received this Bharat Patel Senior Accounting Policy Analyst from MOF. I am concurrently reviewing this email.
Thanks,
Will

From: Patel, Bharat (TBS) [mailto:Bharat.Patel3@ontario.ca]
Sent: Thursday, September 06, 2018 1:17 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: John Psinas <John.Psinas@ofina.on.ca>; Ken Kandeepan <Ken.Kandeepan@ofina.on.ca>; Mark Donaldson (MOF) <Mark.Donaldson@ontario.ca>; Woods, Heather (TBS) <Heather.Woods@ontario.ca>

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Bharat

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Subject: FW: Interest breakout for the FHP from IESO

Can we get the interest breakout o FHP, requested below?

John/Ken,

I am just copying to keep you in loop, as the request came from OAG.

Thanks,
Bharat

From: David Barrett [mailto:david.barrett@ieso.ca]
Sent: September-06-18 11:55 AM
To: Patel, Bharat (TBS)
Cc: Donaldson, Mark (TBS); Woods, Heather (TBS)
Subject: RE: Interest breakout for the FHP from IESO

We get our information from the OFA. So you get it from the source, can you approach William Tan (William.Tan@ofina.on.ca) at OFA for this?

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Sent: September 06, 2018 10:23 AM
To: David Barrett
Cc: Donaldson, Mark (TBS); Woods, Heather (TBS)
Subject: RE: Interest breakout for the FHP from IESO

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Yes up to March 31, 2018.

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Subject: RE: Interest breakout for the FHP from IESO

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Cc: Donaldson, Mark (TBS); Woods, Heather (TBS)
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From: Andrea Dalgarno
To: Sarah Harris
Cc: William Tan
Subject: RE: Interest breakout for the FHP from IESO
Date: Thursday, September 06, 2018 1:41:17 PM

Hi Sarah,

I sure will.

I do have to leave today to meet Ian to buy books (I am holder of the doneros required lol) but free until then (3:15) if he needs me.

Andrea

From: Sarah Harris
Sent: Thursday, September 06, 2018 1:37 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>
Subject: RE: Interest breakout for the FHP from IESO

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From: Sarah Harris
To: William Tan
Cc: Andrea Dalgarno
Subject: RE: Interest breakout for the FHP from IESO
Date: Thursday, September 06, 2018 1:36:40 PM

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From:	Sarah Harris
To:	William Tan
Subject:	RE: Interest breakout for the FHP from IESO
Date:	Thursday, September 06, 2018 1:56:13 PM

Thank you, Will.
Sarah

From: William Tan
Sent: Thursday, September 06, 2018 1:55 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: Interest breakout for the FHP from IESO

Hi Sarah,

I spoke to John. He is taking the lead on this.

Thanks,

Will

From: John Psinas
Sent: Thursday, September 06, 2018 1:36 PM
To: Bharat Patel (MOF) <Bharat.Patel3@ontario.ca>; William Tan <William.Tan@ofina.on.ca>
Cc: Ken Kandeepan <Ken.Kandeepan@ofina.on.ca>; Mark Donaldson (MOF) <Mark.Donaldson@ontario.ca>; Woods, Heather (TBS) <Heather.Woods@ontario.ca>; George Sakura <George.Sakura@ofina.on.ca>; Shemin Meralli <Shemin.Meralli@ofina.on.ca>
Subject: RE: Interest breakout for the FHP from IESO

Bharat,

If it's based on the line of credit, we'll get it to you shortly.

Thanks.

John

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From: William Tan
To: Caroline Swerdlyk
Cc: Sarah Harris
Subject: RE: Loan roll over
Date: Monday, March 12, 2018 1:53:02 PM
Attachments: OFHP IESO waiver.docx

Hello Caroline,
The changes look good and I have accepted the changes. For your records I have attached a clean copy of the waiver.
Thanks,
Will

From: Caroline Swerdlyk
Sent: Monday, March 12, 2018 11:52 AM
To: William Tan
Cc: Sarah Harris
Subject: RE: Loan roll over
Hi Will,
Please see the attached draft changes to address your comment. Does this work?
I also removed the reference to the IESO making a certification, since the relevant requirement is not part of the certification in the Form of Election Notice.
Please let me know if you would like to discuss.
Caroline

From: William Tan
Sent: Monday, March 12, 2018 10:35 AM
To: Caroline Swerdlyk <Caroline.Swerdlyk@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: Loan roll over
Hi Caroline,
I will notify IESO that the waiver letter will be provided after OFA receives the Election Notice.
Thanks for adding the reference to March 22.
One comment, my preference would be to align this with the "New Repayment Date of March 22, 2018…" as above. However, I'm not particularly fussed about this if you feel this is fine the way it is.
What are you thoughts?
Thanks,
Will

From: Caroline Swerdlyk
Sent: Monday, March 12, 2018 7:57 AM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Loan roll over
Hi Will,
I have added a reference to the March 22 New Repayment Date in the first paragraph. As discussed last week, the waiver letter has been drafted assuming that it will be provided to the IESO after the OFA receives the Election Notice. After you receive the Election Notice, the date of the Election Notice will need to be inserted into the letter.

Please let me know if you would like to discuss. I am working from home today and can be reached on my cell: 416-270-0362.
Thanks,
Caroline

From: William Tan
Sent: Friday, March 09, 2018 4:33 PM
To: Caroline Swerdlyk <Caroline.Swerdlyk@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Loan roll over

Hi Caroline,
I made a couple more small changes. Have a great weekend.
Will

From: Caroline Swerdlyk
Sent: Friday, March 09, 2018 4:29 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Loan roll over

Hi Will,
I can revise the letter to address your comment (highlighted yellow below) on Monday. Hopefully this timing works.
Thanks,
Caroline

From: William Tan
Sent: Friday, March 09, 2018 4:06 PM
To: Caroline Swerdlyk <Caroline.Swerdlyk@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Loan roll over

Hi Caroline,
Once IESO sends the notices I will change the date on the draft waiver.
According to James Devine, the method to price a 5 day minimum period is the same to price for a 1 or 2 day period. He also expects the price to be similar in both situations.
You will need to change this date in the draft waiver letter that Lisa sent you yesterday. I don't think any other changes will be needed to the draft letter as a result of this change.
Once IESO sends the notices I will change the date on the draft waiver.
I also wanted to follow-up with you on the issues that Lisa raised:

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Thanks,
Will

From: Caroline Swerdlyk
Sent: Friday, March 09, 2018 2:07 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Loan roll over

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From: William Tan
Sent: Friday, March 09, 2018 1:44 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>; Caroline Swerdlyk <Caroline.Swerdlyk@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
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Fyi

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Cc: William Tan <William.Tan@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>
Subject: Loan roll over

Looks like we will be able to do the two day loan roll -over

Ontario Financing Authority
1 Dundas Street West
Suite 1400
Toronto ON M7A 1Y7
Phone: 416-325-8000

Office ontarien de financement
1 rue Dundas ouest
Bureau 1400
Toronto ON M7A 1Y7

March (·), 2018

Kimberly Marshall
Independent Electricity System Operator
120 Adelaide Street, Suite 1600
Toronto, M5H 1T1

Re: **$_____ Election Notice dated March (·), 2018**

Dear Kimberly,

The Ontario Financing Authority ("OFA") is in receipt of the Election Notice provided by the Independent Electricity System Operator ("IESO") to the OFA dated March (·), 2018 for a new Proposed Advance of $_____ and a proposed Continued Advance of $_____ specifying a New Repayment Date of March 22, 2018 (the "March 2018 Election Notice") under the Revolving Credit Facility Agreement between the IESO and OFA dated November 6, 2017, (the "Credit Agreement"), the terms defined therein being used herein as therein defined.

For the sole purpose of the March 2018 Election Notice, the OFA hereby agrees to waive the requirement set out in section 3.3(1) of the Credit Agreement that a Continued Advance must be for a further period of at least 5 days, beginning on the then current Repayment Date.

For greater clarity, the OFA acknowledges that the New Repayment Date for the proposed Continued Advance under the March 2018 Election Notice is March 22, 2018, which is two days after the Current Repayment Date. Pursuant to section 3.3(3) of the Credit Agreement, the Repayment Date of the requested Proposed Advance under the March 2018 Election Notice shall be the New Repayment Date.

Accordingly, the OFA hereby agrees to waive the requirement for the IESO to specify on the March 2018 Election Notice a New Repayment Date that is not earlier than 5 days after the current Repayment Date for the Advance, as required in section 3.3(2) and Schedule 2 of the Credit Agreement.

Subject to the foregoing, section 3.3 of the Credit Agreement applies in its entirety to all future Proposed Advances and Continued Advances.

Best Regards,

ONTARIO FINANCING AUTHORITY

By:_____
Name: Michael D. Manning
Title: Executive Director & Chief Investment Officer,
Capital Markets Division

From: William Tan
To: Caroline Swerdlyk
Cc: Sarah Harris
Subject: RE: Loan roll over
Date: Friday, March 09, 2018 4:05:37 PM
Attachments: (draft) OFHP_IESO waiver_.OFA (WT)docx.docx

Hi Caroline,

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Sent: Friday, March 09, 2018 2:07 PM
To: William Tan
Cc: Sarah Harris
Subject: RE: Loan roll over

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To: Lisa Stein <Lisa.Stein@ofina.on.ca>; Caroline Swerdlyk <Caroline.Swerdlyk@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: Loan roll over

Fyi
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Subject: Loan roll over

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Phone: 416-325-8000

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Bureau 1400
Toronto ON M7A 1Y7

March ~~7~~XX 2018

Kimberly Marshall
Independent Electricity System Operator
120 Adelaide Street, Suite 1600
Toronto, M5H 1T1

Re: **$530,000,000 Borrowing and Election Notice dated March 21, 2018**

Dear Kimberly,

The Ontario Financing Authority ("OFA") is in receipt of the Borrowing Notice and Election Notice provided by the Independent Electricity System Operator ("IESO") to the OFA dated March 21, 2018 for a new Proposed Advance of $208,000,000 and a proposed Continued Advance of $332,400,560.14 (the "March 2018 Borrowing and Election Notice") under the Revolving Credit Facility Agreement between the IESO and OFA dated November 6, 2017, as amended (the "Credit Agreement"), the terms defined therein being used herein as therein defined.

For the sole purpose of the March 2018 Borrowing and Election Notice, the OFA hereby agrees to waive the requirement set out in section 3.3(1) of the Credit Agreement that a Continued Advance must be for a further period of at least 5 days, beginning on the then current Repayment Date.

For greater clarity, for the purpose of the March 2018 Borrowing and Election Notice only, there shall be no minimum number of days required from the date of the Proposed Continued Advance to the New Repayment Date. Pursuant to section 3.3(3) of the Credit Agreement, the Repayment Date of the requested Proposed Advance under the March 2018 Borrowing and Election Notice shall be the New Repayment Date.
~~IESO consents to a Repayment Date of 1 day from the date of the proposed Advance and proposed Continued Advance under the Borrowing Notice and Election Notice, for the full principal amount of the proposed Advance and proposed Continued Advance.~~

Accordingly, OFA hereby agrees to waive the requirement for the IESO to certify on the March 2018 Borrowing and Election Notice that the New Repayment Date is not earlier than 5 days after the current Repayment Date for the Advance, as required in section 3.3(2) and Schedule 2 of the Credit Agreement.

Commented [LS1]: Please confirm date; letter provides below that the OFA is in receipt of the notice

Commented [WT2R1]: I'll find out the date they plan on sending us the notices.

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Commented [LS3]: Please note and confirm

Commented [WT4R3]: I'll confirm and forward the notices once I receive them.

Commented [LS5]: NTD: There is no requirement to waive section 3.2(!) as the applicable section for a further Advance to be made on the Current Repayment Date is section 3(3), which refers to the New Repayment Date (which shall now have no minimum).

Commented [WT6R5]: I think it would be more suitable to tighten the language to reflect March 22, rather than "no minimum number of days…"?

Commented [LS7]: No consent required as requirement for a minimum 5 days is waived.

Commented [WT8R7]: I don't understand this comment. Let's discuss.

Commented [LS9]: Under Schedule 2 of the Credit Facility Agreement, the New Repayment Date is the same for the Proposed Advance and Proposed Continued Advance.

Commented [LS10]: See above comment

Commented [WT11R10]: Agreed.

Subject to the foregoing, section 3.3 of the Credit Agreement applies in its entirety to all future Proposed Advances and Continued Advances.

Best Regards,

ONTARIO ~~ELECTRICITY FINANCIAL CORPORATION~~FINANCING AUTHORITY

By:_____
Name: Michael D. Manning
Title: Executive Director & Chief Investment Officer,
Capital Markets Division

From: Caroline Swerdlyk
To: William Tan
Cc: Sarah Harris
Subject: RE: Loan roll over
Date: Friday, March 09, 2018 2:06:33 PM

Hi Will,
You will need to change this date in the draft waiver letter that Lisa sent you yesterday. I don't think any other changes will be needed to the draft letter as a result of this change.
I also wanted to follow-up with you on the issues that Lisa raised:

- Do the interest provisions in the Credit Agreement continue to apply to this Proposed Advance and Continued Advance (will the interest calculation be the same for this Proposed and/or Continued Advance as set out in the Credit Agreement)? Do we need to specify further details in the waiver?
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Please let me know if you would like to discuss.
Thanks,
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Cc: Sarah Harris
Subject: FW: Loan roll over
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Cc: William Tan <William.Tan@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>
Subject: Loan roll over
Looks like we will be able to do the two day loan roll -over

From: Caroline Swerdlyk
To: William Tan
Cc: Sarah Harris
Subject: RE: Loan roll over
Date: Monday, March 12, 2018 11:51:46 AM
Attachments: OFHP IESO waiver (OFA legal).docx

Hi Will,
Please see the attached draft changes to address your comment. Does this work?
I also removed the reference to the IESO making a certification, since the relevant requirement is not part of the certification in the Form of Election Notice.
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Sent: Monday, March 12, 2018 10:35 AM
To: Caroline Swerdlyk
Cc: Sarah Harris
Subject: FW: Loan roll over
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Thanks for adding the reference to March 22.
One comment, my preference would be to align this with the "New Repayment Date of March 22, 2018…" as above. However, I'm not particularly fussed about this if you feel this is fine the way it is. What are you thoughts?
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From: Caroline Swerdlyk
Sent: Monday, March 12, 2018 7:57 AM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Loan roll over
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March (·), 2018

Kimberly Marshall
Independent Electricity System Operator
120 Adelaide Street, Suite 1600
Toronto, M5H 1T1

Re: **$_____ Election Notice dated March (·), 2018**

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March (·), 2018

Kimberly Marshall
Independent Electricity System Operator
120 Adelaide Street, Suite 1600
Toronto, M5H 1T1

Re: **$_____ Election Notice dated March (·), 2018**

Dear Kimberly,

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Best Regards,

ONTARIO FINANCING AUTHORITY

By:_____
Name: Michael D. Manning
Title: Executive Director & Chief Investment Officer,
Capital Markets Division

From:	Caroline Swerdlyk
To:	William Tan
Cc:	Sarah Harris
Subject:	RE: Loan roll over
Date:	Monday, March 12, 2018 7:56:50 AM
Attachments:	(draft) OFHP_IESO waiver (OFA legal - March 12 draft).docx

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March ~~7~~XX 2018

Kimberly Marshall
Independent Electricity System Operator
120 Adelaide Street, Suite 1600
Toronto, M5H 1T1

Re: **$530,000,000 Borrowing and Election Notice dated March XX~~21~~, 2018**

Dear Kimberly,

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For the sole purpose of the March 2018 ~~Borrowing and~~ Election Notice, the OFA hereby agrees to waive the requirement set out in section 3.3(1) of the Credit Agreement that a Continued Advance must be for a further period of at least 5 days, beginning on the then current Repayment Date.

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Name: Michael D. Manning
Title: Executive Director & Chief Investment Officer,
Capital Markets Division

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Re: **$530,000,000 Borrowing and Election Notice dated March 21, 2018**

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The Ontario Financing Authority ("OFA") is in receipt of the ~~Borrowing Notice and~~ Election Notice provided by the Independent Electricity System Operator ("IESO") to the OFA dated March 21, 2018 for a new Proposed Advance of $208,000,000 and a proposed Continued Advance of $332,400,560.14 (the "March 2018 ~~Borrowing and~~ Election Notice") under the Revolving Credit Facility Agreement between the IESO and OFA dated November 6, 2017, ~~as amended~~ (the "Credit Agreement"), the terms defined therein being used herein as therein defined.

For the sole purpose of the March 2018 ~~Borrowing and~~ Election Notice, the OFA hereby agrees to waive the requirement set out in section 3.3(1) of the Credit Agreement that a Continued Advance must be for a further period of at least 5 days, beginning on the then current Repayment Date.

For greater clarity, for the purpose of the March 2018 ~~Borrowing and~~ Election Notice only, there shall be no minimum number of days required from the date of the Proposed Continued Advance to the New Repayment Date. Pursuant to section 3.3(3) of the Credit Agreement, the Repayment Date of the requested Proposed Advance under the March 2018 ~~Borrowing and~~ Election Notice shall be the New Repayment Date.
~~IESO consents to a Repayment Date of 1 day from the date of the proposed Advance and proposed Continued Advance under the Borrowing Notice and Election Notice, for the full principal amount of the proposed Advance and proposed Continued Advance.~~

Accordingly, OFA hereby agrees to waive the requirement for the IESO to certify on the March 2018 ~~Borrowing and~~ Election Notice that the New Repayment Date is not earlier than 5 days after the current Repayment Date for the Advance, as required in section 3.3(2) and Schedule 2 of the Credit Agreement.

Commented [LS1]: Please confirm date; letter provides below that the OFA is in receipt of the notice

Commented [WT2R1]: I'll find out the date they plan on sending us the notices.

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Commented [LS3]: Please note and confirm

Commented [WT4R3]: I'll confirm and forward the notices once I receive them.

Commented [WT5]: According to their February notice it is likely to be an Election Notice for the continued advance and new advance.

Commented [LS6]: NTD: There is no requirement to waive section 3.2(!) as the applicable section for a further Advance to be made on the Current Repayment Date is section 3(3), which refers to the New Repayment Date (which shall now have no minimum).

Commented [WT7R6]: I think it would be more suitable to tighten the language to reflect March 22, rather than "no minimum number of days…"?

Commented [LS8]: No consent required as requirement for a minimum 5 days is waived.

Commented [WT9R8]: I don't understand this comment. Let's discuss.

Commented [LS10]: Under Schedule 2 of the Credit Facility Agreement, the New Repayment Date is the same for the Proposed Advance and Proposed Continued Advance.

Commented [LS11]: See above comment

Commented [WT12R11]: Agreed.

Subject to the foregoing, section 3.3 of the Credit Agreement applies in its entirety to all future Proposed Advances and Continued Advances.

Best Regards,

ONTARIO ~~ELECTRICITY FINANCIAL CORPORATION~~FINANCING AUTHORITY

By:_____
Name: Michael D. Manning
Title: Executive Director & Chief Investment Officer,
Capital Markets Division

From: Caroline Swerdlyk
To: William Tan
Cc: Sarah Harris
Subject: RE: Loan roll over
Date: Friday, March 09, 2018 4:28:45 PM

Hi Will,
I can revise the letter to address your comment (highlighted yellow below) on Monday. Hopefully this timing works.
Thanks,
Caroline

From: William Tan
Sent: Friday, March 09, 2018 4:06 PM
To: Caroline Swerdlyk
Cc: Sarah Harris
Subject: RE: Loan roll over
Hi Caroline,
Once IESO sends the notices I will change the date on the draft waiver.
According to James Devine, the method to price a 5 day minimum period is the same to price for a 1 or 2 day period. He also expects the price to be similar in both situations.
You will need to change this date in the draft waiver letter that Lisa sent you yesterday. I don't think any other changes will be needed to the draft letter as a result of this change.
Once IESO sends the notices I will change the date on the draft waiver.
I also wanted to follow-up with you on the issues that Lisa raised:

- Do the interest provisions in the Credit Agreement continue to apply to this Proposed Advance and Continued Advance (will the interest calculation be the same for this Proposed and/or Continued Advance as set out in the Credit Agreement)? Do we need to specify further details in the waiver?
  According to James Devine, the method to price a 5 day minimum period is the same to price for a 1 or 2 day period. He also expects the price to be similar in both situations.
- Do we need to consider imposing a specific minimum borrowing period (of one or two days)?
  Would it be possible to tighten the language in the waiver to reflect the March 22 repayment, rather than "no minimum days…? This doesn't seem consistent with election notice.

Thanks,
Will

From: Caroline Swerdlyk
Sent: Friday, March 09, 2018 2:07 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Loan roll over
Hi Will,
You will need to change this date in the draft waiver letter that Lisa sent you yesterday. I don't think any other changes will be needed to the draft letter as a result of this change.
I also wanted to follow-up with you on the issues that Lisa raised:

- Do the interest provisions in the Credit Agreement continue to apply to this Proposed Advance

and Continued Advance (will the interest calculation be the same for this Proposed and/or Continued Advance as set out in the Credit Agreement)? Do we need to specify further details in the waiver?

- Do we need to consider imposing a specific minimum borrowing period (of one or two days)?

Please let me know if you would like to discuss.

Thanks,

Caroline

From: William Tan
Sent: Friday, March 09, 2018 1:44 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>; Caroline Swerdlyk <Caroline.Swerdlyk@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: Loan roll over

Fyi

I spoke to Olga (IESO). She informed me that $332M, matures on March 20,(not March 21, previously reported). IESO would need to borrow $530M for 2 days (not 1 day, previously reported) for a maturity of March 22.

Attached is Cash Management confirmation that they have no concerns regarding the two day roll-over.

Settlements has no concerns either.

James Devin has informed IESO that OFA is fine with the roll-over.

Thanks,

Will

From: James Devine
Sent: Friday, March 09, 2018 1:35 PM
To: 'Olga.Whiteley@ieso.ca' <Olga.Whiteley@ieso.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>
Subject: Loan roll over

Looks like we will be able to do the two day loan roll -over

From: William Tan
To: Caroline Swerdlyk
Cc: Sarah Harris
Subject: RE: Loan roll over
Date: Friday, March 09, 2018 4:05:37 PM
Attachments: (draft) OFHP_IESO waiver_.OFA (WT)docx.docx

Hi Caroline,

Once IESO sends the notices I will change the date on the draft waiver.

According to James Devine, the method to price a 5 day minimum period is the same to price for a 1 or 2 day period. He also expects the price to be similar in both situations.

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Once IESO sends the notices I will change the date on the draft waiver.

I also wanted to follow-up with you on the issues that Lisa raised:

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Thanks,

Will

From: Caroline Swerdlyk
Sent: Friday, March 09, 2018 2:07 PM
To: William Tan
Cc: Sarah Harris
Subject: RE: Loan roll over

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- Do we need to consider imposing a specific minimum borrowing period (of one or two days)?

Please let me know if you would like to discuss.

Thanks,

Caroline

From: William Tan
Sent: Friday, March 09, 2018 1:44 PM

To: Lisa Stein <Lisa.Stein@ofina.on.ca>; Caroline Swerdlyk <Caroline.Swerdlyk@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: Loan roll over

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Thanks,
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From: James Devine
Sent: Friday, March 09, 2018 1:35 PM
To: 'Olga.Whiteley@ieso.ca' <Olga.Whiteley@ieso.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>
Subject: Loan roll over

Looks like we will be able to do the two day loan roll -over

Ontario Financing Authority
1 Dundas Street West
Suite 1400
Toronto ON M7A 1Y7
Phone: 416-325-8000

Office ontarien de financement
1 rue Dundas ouest
Bureau 1400
Toronto ON M7A 1Y7

March ~~7~~XX 2018

Kimberly Marshall
Independent Electricity System Operator
120 Adelaide Street, Suite 1600
Toronto, M5H 1T1

Re: **$530,000,000 Borrowing and Election Notice dated March 21, 2018**

Dear Kimberly,

The Ontario Financing Authority ("OFA") is in receipt of the Borrowing Notice and Election Notice provided by the Independent Electricity System Operator ("IESO") to the OFA dated March 21, 2018 for a new Proposed Advance of $208,000,000 and a proposed Continued Advance of $332,400,560.14 (the "March 2018 Borrowing and Election Notice") under the Revolving Credit Facility Agreement between the IESO and OFA dated November 6, 2017, as amended (the "Credit Agreement"), the terms defined therein being used herein as therein defined.

For the sole purpose of the March 2018 Borrowing and Election Notice, the OFA hereby agrees to waive the requirement set out in section 3.3(1) of the Credit Agreement that a Continued Advance must be for a further period of at least 5 days, beginning on the then current Repayment Date.

For greater clarity, for the purpose of the March 2018 Borrowing and Election Notice only, there shall be no minimum number of days required from the date of the Proposed Continued Advance to the New Repayment Date. Pursuant to section 3.3(3) of the Credit Agreement, the Repayment Date of the requested Proposed Advance under the March 2018 Borrowing and Election Notice shall be the New Repayment Date.
~~IESO consents to a Repayment Date of 1 day from the date of the proposed Advance and proposed Continued Advance under the Borrowing Notice and Election Notice, for the full principal amount of the proposed Advance and proposed Continued Advance.~~

Accordingly, OFA hereby agrees to waive the requirement for the IESO to certify on the March 2018 Borrowing and Election Notice that the New Repayment Date is not earlier than 5 days after the current Repayment Date for the Advance, as required in section 3.3(2) and Schedule 2 of the Credit Agreement.

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Commented [WT2R1]: I'll find out the date they plan on sending us the notices.

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Commented [WT6R5]: I think it would be more suitable to tighten the language to reflect March 22, rather than "no minimum number of days…"?

Commented [LS7]: No consent required as requirement for a minimum 5 days is waived.

Commented [WT8R7]: I don't understand this comment. Let's discuss.

Commented [LS9]: Under Schedule 2 of the Credit Facility Agreement, the New Repayment Date is the same for the Proposed Advance and Proposed Continued Advance.

Commented [LS10]: See above comment

Commented [WT11R10]: Agreed.

Subject to the foregoing, section 3.3 of the Credit Agreement applies in its entirety to all future Proposed Advances and Continued Advances.

Best Regards,

ONTARIO ~~ELECTRICITY FINANCIAL CORPORATION~~FINANCING AUTHORITY

By:_____
Name: Michael D. Manning
Title: Executive Director & Chief Investment Officer,
Capital Markets Division

From: William Tan
To: Caroline Swerdlyk
Cc: Sarah Harris
Subject: RE: Loan roll over
Date: Monday, March 12, 2018 1:53:02 PM
Attachments: OFHP IESO waiver.docx

Hello Caroline,
The changes look good and I have accepted the changes. For your records I have attached a clean copy of the waiver.
Thanks,
Will

From: Caroline Swerdlyk
Sent: Monday, March 12, 2018 11:52 AM
To: William Tan
Cc: Sarah Harris
Subject: RE: Loan roll over
Hi Will,
Please see the attached draft changes to address your comment. Does this work?
I also removed the reference to the IESO making a certification, since the relevant requirement is not part of the certification in the Form of Election Notice.
Please let me know if you would like to discuss.
Caroline

From: William Tan
Sent: Monday, March 12, 2018 10:35 AM
To: Caroline Swerdlyk <Caroline.Swerdlyk@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: Loan roll over
Hi Caroline,
I will notify IESO that the waiver letter will be provided after OFA receives the Election Notice.
Thanks for adding the reference to March 22.
One comment, my preference would be to align this with the "New Repayment Date of March 22, 2018…" as above. However, I'm not particularly fussed about this if you feel this is fine the way it is.
What are you thoughts?
Thanks,
Will

From: Caroline Swerdlyk
Sent: Monday, March 12, 2018 7:57 AM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Loan roll over
Hi Will,
I have added a reference to the March 22 New Repayment Date in the first paragraph. As discussed last week, the waiver letter has been drafted assuming that it will be provided to the IESO after the OFA receives the Election Notice. After you receive the Election Notice, the date of the Election Notice will need to be inserted into the letter.

Please let me know if you would like to discuss. I am working from home today and can be reached on my cell: 416-270-0362.
Thanks,
Caroline

From: William Tan
Sent: Friday, March 09, 2018 4:33 PM
To: Caroline Swerdlyk <Caroline.Swerdlyk@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Loan roll over

Hi Caroline,
I made a couple more small changes. Have a great weekend.
Will

From: Caroline Swerdlyk
Sent: Friday, March 09, 2018 4:29 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Loan roll over

Hi Will,
I can revise the letter to address your comment (highlighted yellow below) on Monday. Hopefully this timing works.
Thanks,
Caroline

From: William Tan
Sent: Friday, March 09, 2018 4:06 PM
To: Caroline Swerdlyk <Caroline.Swerdlyk@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Loan roll over

Hi Caroline,
Once IESO sends the notices I will change the date on the draft waiver.
According to James Devine, the method to price a 5 day minimum period is the same to price for a 1 or 2 day period. He also expects the price to be similar in both situations.
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  Would it be possible to tighten the language in the waiver to reflect the March 22 repayment, rather than "no minimum days…? This doesn't seem consistent with election

notice.

Thanks,
Will

From: Caroline Swerdlyk
Sent: Friday, March 09, 2018 2:07 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Loan roll over

Hi Will,

You will need to change this date in the draft waiver letter that Lisa sent you yesterday. I don't think any other changes will be needed to the draft letter as a result of this change.

I also wanted to follow-up with you on the issues that Lisa raised:

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- Do we need to consider imposing a specific minimum borrowing period (of one or two days)?

Please let me know if you would like to discuss.

Thanks,
Caroline

From: William Tan
Sent: Friday, March 09, 2018 1:44 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>; Caroline Swerdlyk <Caroline.Swerdlyk@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: Loan roll over

Fyi

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Attached is Cash Management confirmation that they have no concerns regarding the two day roll-over.

Settlements has no concerns either.

James Devin has informed IESO that OFA is fine with the roll-over.

Thanks,
Will

From: James Devine
Sent: Friday, March 09, 2018 1:35 PM
To: 'Olga.Whiteley@ieso.ca' <Olga.Whiteley@ieso.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>
Subject: Loan roll over

Looks like we will be able to do the two day loan roll -over

Ontario Financing Authority
1 Dundas Street West
Suite 1400
Toronto ON M7A 1Y7
Phone: 416-325-8000

Office ontarien de financement
1 rue Dundas ouest
Bureau 1400
Toronto ON M7A 1Y7

March (·), 2018

Kimberly Marshall
Independent Electricity System Operator
120 Adelaide Street, Suite 1600
Toronto, M5H 1T1

Re: **$_____ Election Notice dated March (·), 2018**

Dear Kimberly,

The Ontario Financing Authority ("OFA") is in receipt of the Election Notice provided by the Independent Electricity System Operator ("IESO") to the OFA dated March (·), 2018 for a new Proposed Advance of $_____ and a proposed Continued Advance of $_____ specifying a New Repayment Date of March 22, 2018 (the "March 2018 Election Notice") under the Revolving Credit Facility Agreement between the IESO and OFA dated November 6, 2017, (the "Credit Agreement"), the terms defined therein being used herein as therein defined.

For the sole purpose of the March 2018 Election Notice, the OFA hereby agrees to waive the requirement set out in section 3.3(1) of the Credit Agreement that a Continued Advance must be for a further period of at least 5 days, beginning on the then current Repayment Date.

For greater clarity, the OFA acknowledges that the New Repayment Date for the proposed Continued Advance under the March 2018 Election Notice is March 22, 2018, which is two days after the Current Repayment Date. Pursuant to section 3.3(3) of the Credit Agreement, the Repayment Date of the requested Proposed Advance under the March 2018 Election Notice shall be the New Repayment Date.

Accordingly, the OFA hereby agrees to waive the requirement for the IESO to specify on the March 2018 Election Notice a New Repayment Date that is not earlier than 5 days after the current Repayment Date for the Advance, as required in section 3.3(2) and Schedule 2 of the Credit Agreement.

Subject to the foregoing, section 3.3 of the Credit Agreement applies in its entirety to all future Proposed Advances and Continued Advances.

Best Regards,

ONTARIO FINANCING AUTHORITY

By:_____
Name: Michael D. Manning
Title: Executive Director & Chief Investment Officer,
Capital Markets Division

To:	Kelly Listoe; Opal Kandelas
Subject:	RE: NDA Agreement
Date:	Thursday, October 18, 2018 2:49:08 PM

Hi Kelly,

Once Opal advises on the engagement a

From: Kelly Listoe
Sent: Monday, April 03, 2017 3:07 PM
To: Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: NDA Agreement

Sorry – there was a small change to the doc that doesn't look like it was saved into the one I just sent. This draft has it, so you can delete the last one!

Kelly

From: Kelly Listoe
Sent: Monday, April 03, 2017 3:03 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>
Subject: RE: NDA Agreement

Hi Opal and Sarah

Attached is a draft of the NDA. I discussed the 3 bullet points with Carlos and found the following:

- The advice is regarding the financing structure and alternatives for the spv given the legislation that eventually is drafted. On page 2 of the OPG White Paper, it indicates that all of the percentages shown are "indicative and will be highly dependent on the legislation"… this gives rise to the need for an advisor once the legislation is known.
- Carlos says the OFA will sign the NDA. Sarah - Do you want to send it to the appropriate lawyer in OFA legal?
- The banks/ dealers have the appropriate Chinese Walls in place to deal with conflicts of interest.

I agree with Sarah that the NDA itself should suffice in this instance.

Regards,

Kelly

From: Sarah Harris
Sent: Monday, April 03, 2017 2:49 PM

To: Opal Kandelas <Opal.Kandelas@ofina.on.ca>
Cc: Kelly Listoe <Kelly.Listoe@ofina.on.ca>
Subject: FW: NDA Agreement

Hi Opal,

Kelly is looking into the first 3 bullet points as the relate to the NDA.

The attached advisory agreement seems to be overkill for the what I understand to be a very narrow scope of advice being given. It seems to me that as long as we state the type of advice being provided in the NDA, with *possibly* a conflict of interest rep in the NDA, I think that would cover what is needed.

Sarah

From: Whitfield, Tobias P. (MOF) [mailto:Tobias.Whitfield@ontario.ca]
Sent: Monday, April 03, 2017 11:58 AM
To: Kelly Listoe <Kelly.Listoe@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: Malle Hanslep (MOF) <Malle.Hanslep@ontario.ca>
Subject: NDA Agreement

Please find attached a draft of a Non-Disclosure Agreement respecting obtaining advice from a financial adviser with respect to the Ontario Fair Hydro Plan.

Please note that this draft is preliminary, and we have a number of questions and concerns that are set out in the draft. We would like to point out that there is no agreement setting out the scope or nature of the services and the basis on which those services would be provided including the standard that is required from the adviser as well as conflict of interest requirements and other issues, and that the NDA does not replace such an agreement.

We have also attached a scan of an agreement that the OFA negotiated in 2004 to hire an adviser for a project relating to electricity finance as an example of such an agreement and the types of provisions that could be considered for inclusion in such an agreement.

Best
Toby

Tobias Whitfield
Counsel, Legal Services Branch
Ministry of Finance
777 Bay Street, 11th Floor
Toronto, ON, M5G 2C8
tobias.whitfield@ontario.ca
Phone: 416-325-1456

From:	Lisa Stein
To:	Ryan Blackbyrne
Cc:	Sarah Harris
Subject:	RE: OEFC advance to OPG - January 22, 2018
Date:	Thursday, January 11, 2018 11:42:57 AM
Attachments:	image001.png image002.png image003.png image004.png

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Sure, please send me a meeting planner. Maybe this afternoon around 2?

From: Ryan Blackbyrne
Sent: Thursday, January 11, 2018 11:42 AM
To: Lisa Stein
Cc: Sarah Harris
Subject: RE: OEFC advance to OPG - January 22, 2018

Hi Lisa,

Do you have any availability today to meet Sarah and I to discuss this issue? We can come down to your office or jump on a call it if it is easier.
Thank You,
Ryan

From: Lisa Stein
Sent: Thursday, January 11, 2018 10:13 AM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: OEFC advance to OPG - January 22, 2018

Hi Ryan,
I believe we changed the clause intentionally. Regardless, we need to work with the language as drafted for now. If you have an estimate of all proposed advances, we can determine whether OEFC consent is necessary for this particular advance (i.e. if less than 50% of total proposed advances for 2018 it is not necessary). An amendment to the agreement may not be necessary either, given that OEFC can waive the 50% requirement as needed. I note that the Directive is silent on this point.
Once you have more information we can discuss further.
Thanks,
Lisa

From: Ryan Blackbyrne
Sent: Wednesday, January 10, 2018 4:45 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: OEFC advance to OPG - January 22, 2018

Hi Lisa,
Thank you very much for looking into this and confirming. To answer your questions sequentially:

- As per the grid note attached, total advances currently outstanding under the agreement are $800M
- Yes, the current $200M advance request is the first proposed advance for 2018
- Yes, I believe we can get an estimate of all proposed advances for 2018, I'm just not sure if the term of each proposed advance will be available. I will have to speak with Linda about this tomorrow.

In your view did the meaning of this clause change over time intentionally or accidentally through the language chosen? It was our interpretation that prior to Amending Agreement No. 3, the requirement that no more than 50% of the principal amount could be repaid up to 30 years out applied to EACH advance. Based on the fact OPG is now requesting a letter of consent for the $200M advance to be repaid over 30 years, they seem to still have this interpretation. Depending on what was actually intended through this clause, an amending agreement may need to be drafted to clarify this repayment requirement. Prior to the advance date of January 22, 2018 we may need to draft a letter for OPG that confirms that they can repay the $200M advance over 30 years and also states our intention to amend the Credit Facility Agreement and clarify the repayment requirements. I will speak with Linda about this tomorrow and get back to you.
Thank You,
Ryan

From: Lisa Stein
Sent: Wednesday, January 10, 2018 4:07 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: OEFC advance to OPG - January 22, 2018

Hi Ryan,
You are correct that, based on the agreement, as amended by amending agreement no. 3, the requirement that no more than 50% of the principal amount could be repaid up to 30 years out applies to the *aggregate* amount of *all* proposed advances in 2018.
In order to determine the best approach to OPG's request, we require some additional information:

- What are the advances outstanding under the agreement as at the end of 2017?
- Is the proposed advance of $200M the first proposed advance for 2018?
- Has OPG provided an estimate of all proposed advances for 2018? If not, can we obtain such an estimate?

I understand that, as a business decision, and further to the e-mail from Linda, below, the OFA is comfortable with allowing OPG to borrow the $200 million for 30 years.
Thank you,
Lisa
Lisa N. Stein

Legal Counsel
Ontario Financing Authority
416-325-2320
****
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****

From: Ryan Blackbyrne
Sent: Tuesday, January 09, 2018 4:04 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: OEFC advance to OPG - January 22, 2018

Hi Lisa,

Thanks for the jumping on that call. As discussed, we received the attached $200M advance request from OPG. The proposed advance date is January 22, 2018 and the request is for a 30 year term (due January 22, 2048).

Based on the wording of the latest Amending Agreement No. 3 (attached) there is some confusion as to whether the repayment of this $200M advance needs to be staggered or if the full principal amount can be repaid in 30 years. From the wording of Amending Agreement No. 3, dated September 6, 2017: *"The Repayment Date of each Proposed Advance to be made in 2018 shall be such that the Repayment Date is a) no more than 30 years after the date of the Proposed Advance for no more than 50% of the total amount of such Proposed Advances for 2018, and b) no more than 10 years after the date of the Proposed Advance for the remaining amount of the Proposed Advances for 2018. This requirement may only be modified with the written consent of OEFC."*

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From Original Agreement dated June 17, 2016:
Section 3.1

ARTICLE 3

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Provision # 5

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Thank You,
Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M5G 1Z3
416-325-8143
ryan.blackbyrne@ofina.on.ca
-----Original Message-----
From: Linda Smith
Sent: Monday, January 08, 2018 3:05 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Subject: RE: OEFC borrowing notice - January 22, 2018
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From: YAO Anthea -FUNDMGMT [mailto:anthea.yao@opg.com]
Sent: Thursday, January 04, 2018 2:04 PM
To: 'Kelly.Listoe@ofina.on.ca' <Kelly.Listoe@ofina.on.ca>
Cc: TETI Vicki -FIN & C CTRL <vicki.teti@opg.com>; RYFA Ken -TREASURY <ken.ryfa@opg.com>; Linda Smith <Linda.Smith@ofina.on.ca>; CASHP <CASHP@ofina.on.ca>; CASHO <CASHO@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>; Serena Ly <Serena.Ly@ofina.on.ca>; GO Matthew -TREASURY <matthew.go@opg.com>
Subject: OEFC borrowing notice - January 22, 2018
Kelly,
Attached is a scanned copy of the Borrowing Notice and Promissory Note for $200 million General Corporate Requirements under the Credit Facility Agreement. The advance has a value date of January 22, 2018 and is for a 30-year term.
I will courier the originals to your attention.
Thanks,
Anthea
Anthea Yao | Ontario Power Generation
700 University Avenue, Suite H18 C2, Toronto, Ontario, M5G 1X6 | T416.592.5542 | F 416.592.4189 | E anthea.yao@opg.com

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From:	Ryan Blackbyrne
To:	Lisa Stein
Cc:	Sarah Harris
Subject:	RE: OEFC advance to OPG - January 22, 2018
Date:	Thursday, January 11, 2018 11:42:13 AM
Attachments:	image001.png image002.png image003.png image004.png

Hi Lisa,

Do you have any availability today to meet Sarah and I to discuss this issue? We can come down to your office or jump on a call it if it is easier.
Thank You,
Ryan

From: Lisa Stein
Sent: Thursday, January 11, 2018 10:13 AM
To: Ryan Blackbyrne
Cc: Sarah Harris
Subject: RE: OEFC advance to OPG - January 22, 2018

Hi Ryan,
I believe we changed the clause intentionally. Regardless, we need to work with the language as drafted for now. If you have an estimate of all proposed advances, we can determine whether OEFC consent is necessary for this particular advance (i.e. if less than 50% of total proposed advances for 2018 it is not necessary). An amendment to the agreement may not be necessary either, given that OEFC can waive the 50% requirement as needed. I note that the Directive is silent on this point.
Once you have more information we can discuss further.
Thanks,
Lisa

From: Ryan Blackbyrne
Sent: Wednesday, January 10, 2018 4:45 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: OEFC advance to OPG - January 22, 2018

Hi Lisa,
Thank you very much for looking into this and confirming. To answer your questions sequentially:

- As per the grid note attached, total advances currently outstanding under the agreement are $800M
- Yes, the current $200M advance request is the first proposed advance for 2018
- Yes, I believe we can get an estimate of all proposed advances for 2018, I'm just not sure if the term of each proposed advance will be available. I will have to speak with Linda about this tomorrow.

In your view did the meaning of this clause change over time intentionally or accidentally through the language chosen? It was our interpretation that prior to Amending Agreement No. 3, the requirement that no more than 50% of the principal amount could be repaid up to 30 years out applied to EACH advance. Based on the fact OPG is now requesting a letter of consent for the $200M advance to be repaid over 30 years, they seem to still have this interpretation. Depending on what was actually intended through this clause, an amending agreement may need to be drafted to clarify this repayment requirement. Prior to the advance date of January 22, 2018 we may need to draft a letter for OPG that confirms that they can repay the $200M advance over 30 years and also states our intention to amend the Credit Facility Agreement and clarify the repayment requirements. I will speak with Linda about this tomorrow and get back to you.
Thank You,
Ryan

From: Lisa Stein
Sent: Wednesday, January 10, 2018 4:07 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: OEFC advance to OPG - January 22, 2018

Hi Ryan,
You are correct that, based on the agreement, as amended by amending agreement no. 3, the requirement that no more than 50% of the principal amount could be repaid up to 30 years out applies to the *aggregate* amount of *all* proposed advances in 2018.
In order to determine the best approach to OPG's request, we require some additional information:

- What are the advances outstanding under the agreement as at the end of 2017?
- Is the proposed advance of $200M the first proposed advance for 2018?
- Has OPG provided an estimate of all proposed advances for 2018? If not, can we obtain such an estimate?

I understand that, as a business decision, and further to the e-mail from Linda, below, the OFA is comfortable with allowing OPG to borrow the $200 million for 30 years.
Thank you,
Lisa

Lisa N. Stein
Legal Counsel
Ontario Financing Authority
416-325-2320
****
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From: Ryan Blackbyrne

Sent: Tuesday, January 09, 2018 4:04 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
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We are looking for direction from OFA Legal in how to interpret this clause in Amending Agreement No. 3 and whether the consent letter OPG is requesting is necessary.

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Thank You,

Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M5G 1Z3
416-325-8143
ryan.blackbyrne@ofina.on.ca

-----Original Message-----
From: Linda Smith
Sent: Monday, January 08, 2018 3:05 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Subject: RE: OEFC borrowing notice - January 22, 2018

Ok thanks. OPG would like to borrow the $200 million for 30 years. The current agreement restricts 30 year borrowing to 50% of each loan. Mike is fine with waiving this. Can we do it by a letter?

-----Original Message-----
From: YAO Anthea -FUNDMGMT [mailto:anthea.yao@opg.com]
Sent: Thursday, January 04, 2018 2:04 PM
To: 'Kelly.Listoe@ofina.on.ca' <Kelly.Listoe@ofina.on.ca>
Cc: TETI Vicki -FIN & C CTRL <vicki.teti@opg.com>; RYFA Ken -TREASURY <ken.ryfa@opg.com>; Linda Smith <Linda.Smith@ofina.on.ca>; CASHP <CASHP@ofina.on.ca>; CASHO <CASHO@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>; Serena Ly <Serena.Ly@ofina.on.ca>; GO Matthew -TREASURY <matthew.go@opg.com>
Subject: OEFC borrowing notice - January 22, 2018

Kelly,

Attached is a scanned copy of the Borrowing Notice and Promissory Note for $200 million General Corporate Requirements under the Credit Facility Agreement. The advance has a value date of January 22, 2018 and is for a 30-year term.

I will courier the originals to your attention.

Thanks,

Anthea

Anthea Yao | Ontario Power Generation
700 University Avenue, Suite H18 C2, Toronto, Ontario, M5G 1X6 | T416.592.5542 | F 416.592.4189 | E anthea.yao@opg.com

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From: Lisa Stein
To: Ryan Blackbyrne
Cc: Sarah Harris
Subject: RE: OEFC advance to OPG - January 22, 2018
Date: Thursday, January 11, 2018 10:13:06 AM
Attachments: image001.png
image002.png
image003.png
image004.png

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Lisa N. Stein
Legal Counsel
Ontario Financing Authority
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Thank You,
Ryan Blackbyrne

Documentation & Analysis Specialist
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M5G 1Z3
416-325-8143
ryan.blackbyrne@ofina.on.ca
-----Original Message-----
From: Linda Smith
Sent: Monday, January 08, 2018 3:05 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Subject: RE: OEFC borrowing notice - January 22, 2018
Ok thanks. OPG would like to borrow the $200 million for 30 years. The current agreement restricts 30 year borrowing to 50% of each loan. Mike is fine with waiving this. Can we do it by a letter?
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From: YAO Anthea -FUNDMGMT [mailto:anthea.yao@opg.com]
Sent: Thursday, January 04, 2018 2:04 PM
To: 'Kelly.Listoe@ofina.on.ca' <Kelly.Listoe@ofina.on.ca>
Cc: TETI Vicki -FIN & C CTRL <vicki.teti@opg.com>; RYFA Ken -TREASURY <ken.ryfa@opg.com>; Linda Smith <Linda.Smith@ofina.on.ca>; CASHP <CASHP@ofina.on.ca>; CASHO <CASHO@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>; Serena Ly <Serena.Ly@ofina.on.ca>; GO Matthew -TREASURY <matthew.go@opg.com>
Subject: OEFC borrowing notice - January 22, 2018
Kelly,
Attached is a scanned copy of the Borrowing Notice and Promissory Note for $200 million General Corporate Requirements under the Credit Facility Agreement. The advance has a value date of January 22, 2018 and is for a 30-year term.
I will courier the originals to your attention.
Thanks,
Anthea
Anthea Yao | Ontario Power Generation
700 University Avenue, Suite H18 C2, Toronto, Ontario, M5G 1X6 | T416.592.5542 | F 416.592.4189 | E anthea.yao@opg.com
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ARTICLE 3

ADVANCES AND INTEREST

Section 3.1 Advances.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to OPG under the Credit Facility from time to time on any Business Day prior to January 1, 2018. OPG shall not request Advances more than four (4) times per calendar year without first obtaining the prior written consent of OEFC. OPG may request at the same time Advances for the Darlington Requirements and for the Other General Corporate Requirements. It is anticipated that OPG will request these Advances approximately quarterly throughout a calendar year.

The Repayment Dates of the Proposed Advances for any date shall be such that the Repayment Dates are a) no more than 30 years after the date of the Proposed Advances for no more than 50% of the total amount of such Proposed Advances, and b) no more than 10 years after the date of the Proposed Advances for the remaining amount of the Proposed Advances.

No Advances shall be made under this Agreement after December 31, 2017.

The Repayment Dates of the Proposed Advances for any date shall be such that the Repayment Dates are a) no more than 30 years after the date of the Proposed Advances for no more than 50% of the total amount of such Proposed Advances, and b) no more than 10 years after the date of the Proposed Advances for the remaining amount of the Proposed Advances.

The Repayment Date of each Proposed Advance made during 2017 shall be no more than thirty (30) years after the date of the Proposed Advance."

The Repayment Date of each Proposed Advance to be made in 2018 shall be such that the Repayment Date is a) no more than 30 years after the date of the Proposed Advance for no more than 50% of the total amount of such Proposed Advances for 2018, and b) no more than 10 years after the date of the Proposed Advance for the remaining amount of the Proposed Advances for 2018. This requirement may only be modified with the written consent of OEFC.

From: Ryan Blackbyrne
To: Lisa Stein
Cc: Sarah Harris
Subject: RE: OEFC advance to OPG - January 22, 2018
Date: Wednesday, January 10, 2018 4:44:32 PM
Attachments: GridNote (30 Year Note).xlsx
image001.png
image002.png
image003.png
image004.png

Hi Lisa,
Thank you very much for looking into this and confirming. To answer your questions sequentially:

- As per the grid note attached, total advances currently outstanding under the agreement are $800M
- Yes, the current $200M advance request is the first proposed advance for 2018
- Yes, I believe we can get an estimate of all proposed advances for 2018, I'm just not sure if the term of each proposed advance will be available. I will have to speak with Linda about this tomorrow.

In your view did the meaning of this clause change over time intentionally or accidentally through the language chosen? It was our interpretation that prior to Amending Agreement No. 3, the requirement that no more than 50% of the principal amount could be repaid up to 30 years out applied to EACH advance. Based on the fact OPG is now requesting a letter of consent for the $200M advance to be repaid over 30 years, they seem to still have this interpretation. Depending on what was actually intended through this clause, an amending agreement may need to be drafted to clarify this repayment requirement. Prior to the advance date of January 22, 2018 we may need to draft a letter for OPG that confirms that they can repay the $200M advance over 30 years and also states our intention to amend the Credit Facility Agreement and clarify the repayment requirements. I will speak with Linda about this tomorrow and get back to you.
Thank You,
Ryan

From: Lisa Stein
Sent: Wednesday, January 10, 2018 4:07 PM
To: Ryan Blackbyrne
Cc: Sarah Harris
Subject: RE: OEFC advance to OPG - January 22, 2018
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In order to determine the best approach to OPG's request, we require some additional information:

- What are the advances outstanding under the agreement as at the end of 2017?
- Is the proposed advance of $200M the first proposed advance for 2018?
- Has OPG provided an estimate of all proposed advances for 2018? If not, can we obtain such an estimate?

I understand that, as a business decision, and further to the e-mail from Linda, below, the OFA is comfortable with allowing OPG to borrow the $200 million for 30 years.
Thank you,
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Lisa N. Stein
Legal Counsel
Ontario Financing Authority
416-325-2320
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"The Repayment Date of each Proposed Advance to be made in 2018 shall be such that the Repayment Date is a) no more than 30 years after the date of the Proposed Advance for no more than 50% of the total amount of such Proposed Advances for 2018, and b) no more than 10 years after the date of the Proposed Advance for the remaining amount of the Proposed Advances for 2018. This requirement may only be modified with the written consent of OEFC."
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In reading the language of this clause we note that it has changed from the Original Agreement dated June 17, 2016 through Amending Agreements No.1-3. I have pasted the language from each agreement below for convenience. In our view it looks like the original intention of the clause was to split up principal repayment for EACH advance, so no more than 50% could be repaid up to 30 years out. However, from the most recent language in Amending Agreement No. 3 it is our interpretation that this clause is referring to the AGGREGATE amount of the advances in 2018 rather than for each specific advance.
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Provision # 5

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Thank You,
Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
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Cc: TETI Vicki -FIN & C CTRL <vicki.teti@opg.com>; RYFA Ken -TREASURY <ken.ryfa@opg.com>; Linda Smith <Linda.Smith@ofina.on.ca>; CASHP <CASHP@ofina.on.ca>; CASHO <CASHO@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>; Serena Ly <Serena.Ly@ofina.on.ca>; GO Matthew -TREASURY <matthew.go@opg.com>

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Anthea

Anthea Yao | Ontario Power Generation

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OPG-OEFC Credit Facility Agreement

dated June 17, 2016

GRID NOTE

DATE	PRINCIPAL ADVANCED ($)	RATE	DATE OF EACH PREPAYMENT	AMOUNT OF EACH PREPAYMENT	OUTSTANDING PRINCIPAL AMOUNT ($)
February 22, 2017	200,000,000	4.122%			200,000,000
June 22, 2017	100,000,000	3.648%			300,000,000
August 22, 2017	100,000,000	3.858%			400,000,000
September 22, 2017	400,000,000	4.066%			800,000,000



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From: Lisa Stein
To: Ryan Blackbyrne
Cc: Sarah Harris
Subject: RE: OEFC advance to OPG - January 22, 2018
Date: Wednesday, January 10, 2018 4:06:47 PM
Attachments: image001.png
image002.png
image004.png
image005.png

Hi Ryan,
You are correct that, based on the agreement, as amended by amending agreement no. 3, the requirement that no more than 50% of the principal amount could be repaid up to 30 years out applies to the *aggregate* amount of *all* proposed advances in 2018.
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Lisa N. Stein
Legal Counsel
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Sent: Tuesday, January 09, 2018 4:04 PM
To: Lisa Stein
Cc: Sarah Harris
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Anthea Yao | Ontario Power Generation
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From:	Ryan Blackbyrne
To:	Lisa Stein
Cc:	Sarah Harris
Subject:	RE: OEFC advance to OPG - January 22, 2018
Date:	Friday, January 12, 2018 11:30:00 AM
Attachments:	image001.png image002.png image003.png image004.png Proposed $400M OPG Advance due January 22 2048[revised].docx

Hi Lisa,
As per our discussion yesterday, I took an initial stab at a letter of consent for Mike to sign. Please let us know your comments.
Thank You,
Ryan

From: Lisa Stein
Sent: Thursday, January 11, 2018 10:13 AM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: OEFC advance to OPG - January 22, 2018
Hi Ryan,
I believe we changed the clause intentionally. Regardless, we need to work with the language as drafted for now. If you have an estimate of all proposed advances, we can determine whether OEFC consent is necessary for this particular advance (i.e. if less than 50% of total proposed advances for 2018 it is not necessary). An amendment to the agreement may not be necessary either, given that OEFC can waive the 50% requirement as needed. I note that the Directive is silent on this point.
Once you have more information we can discuss further.
Thanks,
Lisa

From: Ryan Blackbyrne
Sent: Wednesday, January 10, 2018 4:45 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: OEFC advance to OPG - January 22, 2018
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Subject: RE: OEFC advance to OPG - January 22, 2018
Hi Ryan,
You are correct that, based on the agreement, as amended by amending agreement no. 3, the requirement that no more than 50% of the principal amount could be repaid up to 30 years out applies to the *aggregate* amount of *all* proposed advances in 2018.
In order to determine the best approach to OPG's request, we require some additional information:

- What are the advances outstanding under the agreement as at the end of 2017?
- Is the proposed advance of $200M the first proposed advance for 2018?
- Has OPG provided an estimate of all proposed advances for 2018? If not, can we obtain such an estimate?

I understand that, as a business decision, and further to the e-mail from Linda, below, the OFA is comfortable with allowing OPG to borrow the $200 million for 30 years.
Thank you,
Lisa

Lisa N. Stein
Legal Counsel
Ontario Financing Authority
416-325-2320
****
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****

From: Ryan Blackbyrne

Sent: Tuesday, January 09, 2018 4:04 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: OEFC advance to OPG - January 22, 2018

Hi Lisa,

Thanks for the jumping on that call. As discussed, we received the attached $200M advance request from OPG. The proposed advance date is January 22, 2018 and the request is for a 30 year term (due January 22, 2048).

Based on the wording of the latest Amending Agreement No. 3 (attached) there is some confusion as to whether the repayment of this $200M advance needs to be staggered or if the full principal amount can be repaid in 30 years. From the wording of Amending Agreement No. 3, dated September 6, 2017: *"The Repayment Date of each Proposed Advance to be made in 2018 shall be such that the Repayment Date is a) no more than 30 years after the date of the Proposed Advance for no more than 50% of the total amount of such Proposed Advances for 2018, and b) no more than 10 years after the date of the Proposed Advance for the remaining amount of the Proposed Advances for 2018. This requirement may only be modified with the written consent of OEFC."*

Because the current advance request of $200M is for 30 years, OPG is under the impression that they need written consent from OEFC in order to repay the full principal amount of $200M in 30 years. Without this written consent, they believe the above clause stipulates that a portion of the $200M principal must be repaid within 10 years, and no more than 50% of the principal can be repaid up to 30 years out. They have asked OEFC to provide a letter of consent acknowledging that for this specific Advance, the full principal amount can be repaid in 30 years.

In reading the language of this clause we note that it has changed from the Original Agreement dated June 17, 2016 through Amending Agreements No.1-3. I have pasted the language from each agreement below for convenience. In our view it looks like the original intention of the clause was to split up principal repayment for EACH advance, so no more than 50% could be repaid up to 30 years out. However, from the most recent language in Amending Agreement No. 3 it is our interpretation that this clause is referring to the AGGREGATE amount of the advances in 2018 rather than for each specific advance.

We are looking for direction from OFA Legal in how to interpret this clause in Amending Agreement No. 3 and whether the consent letter OPG is requesting is necessary.

From Original Agreement dated June 17, 2016:
Section 3.1

ARTICLE 3
ADVANCES AND INTEREST

Section 3.1 Advances.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to OPG under the Credit Facility from time to time on any Business Day prior to January 1, 2018. OPG shall not request Advances more than four (4) times per calendar year without first obtaining the prior written consent of OEFC. OPG may request at the same time Advances for the Darlington Requirements and for the Other General Corporate Requirements. It is anticipated that OPG will request these Advances approximately quarterly throughout a calendar year.

The Repayment Dates of the Proposed Advances for any date shall be such that the Repayment Dates are a) no more than 30 years after the date of the Proposed Advances for no more than 50% of the total amount of such Proposed Advances, and b) no more than 10 years after the date of the Proposed Advances for the remaining amount of the Proposed Advances.

No Advances shall be made under this Agreement after December 31, 2017.

From Amending Agreement No. 1, dated September 7, 2016:
Provision # 5

The Repayment Dates of the Proposed Advances for any date shall be such that the Repayment Dates are a) no more than 30 years after the date of the Proposed Advances for no more than 50% of the total amount of such Proposed Advances, and b) no more than 10 years after the date of the Proposed Advances for the remaining amount of the Proposed Advances.

From Amending Agreement No. 2, dated February 2, 2017:
Provision # 5

The Repayment Date of each Proposed Advance made during 2017 shall be no more than thirty (30) years after the date of the Proposed Advance."

From Amending Agreement No. 3, dated September 6, 2017:
Provision # 5

The Repayment Date of each Proposed Advance to be made in 2018 shall be such that the Repayment Date is a) no more than 30 years after the date of the Proposed Advance for no more than 50% of the total amount of such Proposed Advances for 2018, and b) no more than 10 years after the date of the Proposed Advance for the remaining amount of the Proposed Advances for 2018. This requirement may only be modified with the written consent of OEFC.

Thank You,

Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M5G 1Z3
416-325-8143
ryan.blackbyrne@ofina.on.ca

-----Original Message-----
From: Linda Smith
Sent: Monday, January 08, 2018 3:05 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Subject: RE: OEFC borrowing notice - January 22, 2018

Ok thanks. OPG would like to borrow the $200 million for 30 years. The current agreement restricts 30 year borrowing to 50% of each loan. Mike is fine with waiving this. Can we do it by a letter?

-----Original Message-----
From: YAO Anthea -FUNDMGMT [mailto:anthea.yao@opg.com]
Sent: Thursday, January 04, 2018 2:04 PM
To: 'Kelly.Listoe@ofina.on.ca' <Kelly.Listoe@ofina.on.ca>
Cc: TETI Vicki -FIN & C CTRL <vicki.teti@opg.com>; RYFA Ken -TREASURY <ken.ryfa@opg.com>; Linda Smith <Linda.Smith@ofina.on.ca>; CASHP <CASHP@ofina.on.ca>; CASHO <CASHO@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>; Serena Ly <Serena.Ly@ofina.on.ca>; GO Matthew -TREASURY <matthew.go@opg.com>
Subject: OEFC borrowing notice - January 22, 2018

Kelly,

Attached is a scanned copy of the Borrowing Notice and Promissory Note for $200 million General Corporate Requirements under the Credit Facility Agreement. The advance has a value date of January 22, 2018 and is for a 30-year term.

I will courier the originals to your attention.

Thanks,

Anthea

Anthea Yao | Ontario Power Generation
700 University Avenue, Suite H18 C2, Toronto, Ontario, M5G 1X6 | T416.592.5542 | F 416.592.4189 | E anthea.yao@opg.com

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ARTICLE 3

ADVANCES AND INTEREST

Section 3.1 Advances.

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to OPG under the Credit Facility from time to time on any Business Day prior to January 1, 2018. OPG shall not request Advances more than four (4) times per calendar year without first obtaining the prior written consent of OEFC. OPG may request at the same time Advances for the Darlington Requirements and for the Other General Corporate Requirements. It is anticipated that OPG will request these Advances approximately quarterly throughout a calendar year.

The Repayment Dates of the Proposed Advances for any date shall be such that the Repayment Dates are a) no more than 30 years after the date of the Proposed Advances for no more than 50% of the total amount of such Proposed Advances, and b) no more than 10 years after the date of the Proposed Advances for the remaining amount of the Proposed Advances.

No Advances shall be made under this Agreement after December 31, 2017.

The Repayment Dates of the Proposed Advances for any date shall be such that the Repayment Dates are a) no more than 30 years after the date of the Proposed Advances for no more than 50% of the total amount of such Proposed Advances, and b) no more than 10 years after the date of the Proposed Advances for the remaining amount of the Proposed Advances.

The Repayment Date of each Proposed Advance made during 2017 shall be no more than thirty (30) years after the date of the Proposed Advance."

The Repayment Date of each Proposed Advance to be made in 2018 shall be such that the Repayment Date is a) no more than 30 years after the date of the Proposed Advance for no more than 50% of the total amount of such Proposed Advances for 2018, and b) no more than 10 years after the date of the Proposed Advance for the remaining amount of the Proposed Advances for 2018. This requirement may only be modified with the written consent of OEFC.

Ontario Electricity Financial Corporation
1 Dundas Street West
Suite 1400
Toronto ON M7A 1Y7
(416) 325-8000

Société financière de l'industrie de l'électricité de l'Ontario
1 rue Dundas ouest
Bureau 1400
Toronto ON M7A 1Y7

January XX, 2018

Ken Hartwick
Ontario Power Generation Inc.
700 University Avenue, H18
Toronto, M5G 1X6

Re: **$200,000,000 Proposed Advance under the General Corporate Requirements Credit Facility Agreement between Ontario Power Generation Inc. ("OPG") and Ontario Electricity Financial Corporation ("OEFC"), dated June 16, 2016, as amended.**

Dear Ken,

Notwithstanding Section 3.1 of the General Corporate Requirements Credit Facility Agreement, dated June 16, 2016, as amended, the OEFC consents to a repayment date of January 22, 2048 for the full principal amount of the Proposed Advance of $200,000,000 scheduled to be paid out to OPG on January 22, 2018. Furthermore, we accept the "Borrowing Notice" provided by OPG dated January 8, 2018, without the following certification required under Section 3.2 and Schedule 1 of the Agreement, as amended:

"The Repayment Date of any of the Proposed Advance(s) for 2018 is (a) no more than 30 years after the date of such Proposed Advance for no more than 50% of the total of all Proposed Advances for 2018 and (b) no more than 10 years after the date of the Proposed Advance for the remaining amount of the Proposed Advances for 2018."

Subject to Section 3.1 of the Agreement, as amended, the OEFC reserves the right to restrict Proposed Advances with a Repayment date of 30 years for the remainder of 2018 on a case by case basis.

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael D. Manning
Title: Chief Operating Officer

From: Ryan Blackbyrne
To: "YAO Anthea -FUNDMGMT"
Cc: Kevin Shvarts; Jean-Francois Beaupre; Sarah Harris
Subject: RE: OEFC borrowing notice - January 22, 2018
Date: Friday, January 05, 2018 9:09:27 AM

Hi Anthea,

I can handle this. Please resend the attachments. You can courier the originals to my attention at the same address you used for Kelly (in my email signature).

Thank You,

Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M5G 1Z3
416-325-8143
ryan.blackbyrne@ofina.on.ca

-----Original Message-----
From: Kevin Shvarts
Sent: Thursday, January 04, 2018 4:38 PM
To: 'YAO Anthea -FUNDMGMT' <anthea.yao@opg.com>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Subject: RE: OEFC borrowing notice - January 22, 2018

Hi Anthea,

No, Kelly is no longer with the OFA. His manager, Sarah, is currently out of the office, but I am copying her and Jean-Francois who can help direct this to the appropriate person.

Kevin

-----Original Message-----
From: YAO Anthea -FUNDMGMT [mailto:anthea.yao@opg.com]
Sent: Thursday, January 04, 2018 4:33 PM
To: Kevin Shvarts <Kevin.Shvarts@ofina.on.ca>
Subject: FW: OEFC borrowing notice - January 22, 2018

Hi Kevin,

My email below to Kelly was bounced back. Would you know if Kelly is still with the OFA?

Thanks,
Anthea

From: YAO Anthea -FUNDMGMT
Sent: Thursday, January 04, 2018 2:04 PM
To: 'Kelly.Listoe@ofina.on.ca' <Kelly.Listoe@ofina.on.ca<mailto:Kelly.Listoe@ofina.on.ca>>
Cc: TETI Vicki -FIN & C CTRL <vicki.teti@opg.com<mailto:vicki.teti@opg.com>>; RYFA Ken -TREASURY <ken.ryfa@opg.com<mailto:ken.ryfa@opg.com>>; 'Linda Smith'

<linda.smith@ofina.on.ca<mailto:linda.smith@ofina.on.ca>>; 'CASHP@ofina.on.ca'
<CASHP@ofina.on.ca<mailto:CASHP@ofina.on.ca>>; casho@ofina.on.ca<mailto:casho@ofina.on.ca>
<casho@ofina.on.ca<mailto:casho@ofina.on.ca>>; Carlos Yep
<carlos.yep@ofina.on.ca<mailto:carlos.yep@ofina.on.ca>>; James Devine
<james.devine@ofina.on.ca<mailto:james.devine@ofina.on.ca>>; 'Serena.ly@ofina.on.ca'
<Serena.ly@ofina.on.ca<mailto:Serena.ly@ofina.on.ca>>; GO Matthew -TREASURY
<matthew.go@opg.com<mailto:matthew.go@opg.com>>
Subject: OEFC borrowing notice - January 22, 2018

Kelly,

Attached is a scanned copy of the Borrowing Notice and Promissory Note for $200 million General Corporate Requirements under the Credit Facility Agreement. The advance has a value date of January 22, 2018 and is for a 30-year term.

I will courier the originals to your attention.

Thanks,
Anthea

Anthea Yao | Ontario Power Generation
700 University Avenue, Suite H18 C2, Toronto, Ontario, M5G 1X6 | T416.592.5542 | F 416.592.4189 | E anthea.yao@opg.com<mailto:anthea.yao@opg.com>

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From: Kevin Shvarts
To: "YAO Anthea -FUNDMGMT"
Cc: Sarah Harris; Jean-Francois Beaupre
Subject: RE: OEFC borrowing notice - January 22, 2018
Date: Thursday, January 04, 2018 4:38:09 PM

Hi Anthea,

No, Kelly is no longer with the OFA. His manager, Sarah, is currently out of the office, but I am copying her and Jean-Francois who can help direct this to the appropriate person.

Kevin

-----Original Message-----
From: YAO Anthea -FUNDMGMT [mailto:anthea.yao@opg.com]
Sent: Thursday, January 04, 2018 4:33 PM
To: Kevin Shvarts <Kevin.Shvarts@ofina.on.ca>
Subject: FW: OEFC borrowing notice - January 22, 2018

Hi Kevin,

My email below to Kelly was bounced back. Would you know if Kelly is still with the OFA?

Thanks,
Anthea

From: YAO Anthea -FUNDMGMT
Sent: Thursday, January 04, 2018 2:04 PM
To: 'Kelly.Listoe@ofina.on.ca' <Kelly.Listoe@ofina.on.ca<mailto:Kelly.Listoe@ofina.on.ca>>
Cc: TETI Vicki -FIN & C CTRL <vicki.teti@opg.com<mailto:vicki.teti@opg.com>>; RYFA Ken -TREASURY <ken.ryfa@opg.com<mailto:ken.ryfa@opg.com>>; 'Linda Smith' <linda.smith@ofina.on.ca<mailto:linda.smith@ofina.on.ca>>; 'CASHP@ofina.on.ca' <CASHP@ofina.on.ca<mailto:CASHP@ofina.on.ca>>; casho@ofina.on.ca<mailto:casho@ofina.on.ca> <casho@ofina.on.ca<mailto:casho@ofina.on.ca>>; Carlos Yep <carlos.yep@ofina.on.ca<mailto:carlos.yep@ofina.on.ca>>; James Devine <james.devine@ofina.on.ca<mailto:james.devine@ofina.on.ca>>; 'Serena.ly@ofina.on.ca' <Serena.ly@ofina.on.ca<mailto:Serena.ly@ofina.on.ca>>; GO Matthew -TREASURY <matthew.go@opg.com<mailto:matthew.go@opg.com>>
Subject: OEFC borrowing notice - January 22, 2018

Kelly,

Attached is a scanned copy of the Borrowing Notice and Promissory Note for $200 million General Corporate Requirements under the Credit Facility Agreement. The advance has a value date of January 22, 2018 and is for a 30-year term.

I will courier the originals to your attention.

Thanks,
Anthea

Anthea Yao | Ontario Power Generation
700 University Avenue, Suite H18 C2, Toronto, Ontario, M5G 1X6 | T416.592.5542 | F 416.592.4189 | E

anthea.yao@opg.com<mailto:anthea.yao@opg.com>

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From: Linda Smith
To: Sarah Harris
Cc: Ryan Blackbyrne; Jean-Francois Beaupre
Subject: RE: OEFC borrowing notice - January 22, 2018
Date: Monday, January 08, 2018 3:04:49 PM

Ok thanks. OPG would like to borrow the $200 million for 30 years. The current agreement restricts 30 year borrowing to 50% of each loan. Mike is fine with waiving this. Can we do it by a letter?

-----Original Message-----
From: Sarah Harris
Sent: Monday, January 08, 2018 2:57 PM
To: Linda Smith <Linda.Smith@ofina.on.ca>
Cc: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Subject: FW: OEFC borrowing notice - January 22, 2018

Hi Linda,

Ryan Blackbyrne is handling this; he was in contact with Anthea on Friday.

Thanks,
Sarah

-----Original Message-----
From: Linda Smith
Sent: Monday, January 08, 2018 1:36 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: OEFC borrowing notice - January 22, 2018

Who should this go to?

-----Original Message-----
From: YAO Anthea -FUNDMGMT [mailto:anthea.yao@opg.com]
Sent: Thursday, January 04, 2018 2:04 PM
To: 'Kelly.Listoe@ofina.on.ca' <Kelly.Listoe@ofina.on.ca>
Cc: TETI Vicki -FIN & C CTRL <vicki.teti@opg.com>; RYFA Ken -TREASURY <ken.ryfa@opg.com>; Linda Smith <Linda.Smith@ofina.on.ca>; CASHP <CASHP@ofina.on.ca>; CASHO <CASHO@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>; Serena Ly <Serena.Ly@ofina.on.ca>; GO Matthew -TREASURY <matthew.go@opg.com>
Subject: OEFC borrowing notice - January 22, 2018

Kelly,

Attached is a scanned copy of the Borrowing Notice and Promissory Note for $200 million General Corporate Requirements under the Credit Facility Agreement. The advance has a value date of January 22, 2018 and is for a 30-year term.

I will courier the originals to your attention.

Thanks,
Anthea

Anthea Yao | Ontario Power Generation
700 University Avenue, Suite H18 C2, Toronto, Ontario, M5G 1X6 | T416.592.5542 | F 416.592.4189 | E anthea.yao@opg.com<mailto:anthea.yao@opg.com>

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From:	Sarah Harris
To:	"YAO Anthea -FUNDMGMT"
Cc:	Ryan Blackbyrne
Subject:	RE: OEFC borrowing notice - March 22, 2018
Date:	Wednesday, March 07, 2018 8:59:35 AM

Hello Anthea,

Yes, please send the original to my attention instead.

Thanks very much,

Sarah Harris
Manager, Operations
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M7A 1Y7
416-325-8193
sarah.harris@ofina.on.ca

From: YAO Anthea -FUNDMGMT [mailto:anthea.yao@opg.com]
Sent: Tuesday, March 06, 2018 2:01 PM
To: Sarah Harris
Subject: FW: OEFC borrowing notice - March 22, 2018

Hi Sarah,

Could you please assist in Ryan's absence? Should I send the original to your attention instead?

Thanks,

Anthea

Anthea Yao | **Ontario Power Generation**
700 University Avenue, Suite H18 C2, Toronto, Ontario, M5G 1X6 | T416.592.5542 | F 416.592.4189 | E anthea.yao@opg.com

---

From: YAO Anthea -FUNDMGMT
Sent: Tuesday, March 06, 2018 1:58 PM
To: 'Ryan Blackbyrne' <Ryan.Blackbyrne@ofina.on.ca>
Cc: RYFA Ken -TREASURY <ken.ryfa@opg.com>; 'Linda Smith' <linda.smith@ofina.on.ca>; 'CASHP@ofina.on.ca' <CASHP@ofina.on.ca>; casho@ofina.on.ca <casho@ofina.on.ca>; Carlos Yep <carlos.yep@ofina.on.ca>; James Devine <james.devine@ofina.on.ca>; 'Serena.ly@ofina.on.ca' <Serena.ly@ofina.on.ca>; GO Matthew -TREASURY <matthew.go@opg.com>; MAK Ricky -TREASURY <ricky.mak@opg.com>; LeRoy Ahyee <LeRoy.Ahyee@ofina.on.ca>
Subject: OEFC borrowing notice - March 22, 2018

Ryan,

Attached is a scanned copy of the Borrowing Notice and Promissory Note for $400 million General Corporate Requirements under the Credit Facility Agreement. The advance has a value date of March 22, 2018 and is for a 30-year term.

I will courier the originals to your attention.

Please wire the advance to the following account:

Beneficiary Name:

Ontario Power Generation Inc.

700 University Ave.
Toronto, ON, M5G 1X6
Beneficiary Account - 476960302716
Swift - NOSCCATT
Bank Number - 002
Transit Number - 47696
Bank information:
The Bank of Nova Scotia
44 King Street West
Toronto, Ontario
Thanks,
Anthea

Anthea Yao | **Ontario Power Generation**
700 University Avenue, Suite H18 C2, Toronto, Ontario, M5G 1X6 | T416.592.5542 | F 416.592.4189 | E anthea.yao@opg.com

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To:	Opal Kandelas; Dimitri Markoulakis (MOF)
Cc:	Andrea Dalgarno; Mara Bakic; Anna Strathy; Garth Parish; Malle Hanslep (MOF)
Subject:	RE: OFA Loan to St. Michael"s Hospital
Date:	Wednesday, March 28, 2018 9:18:00 AM

Hi Dimitri,

I unders

From: Garth Parish
Sent: Tuesday, March 27, 2018 4:20 PM
To: Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Malle Hanslep (MOF) <Malle.Hanslep@ontario.ca>
Cc: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>; Dimitri Markoulakis (MOF) <Dimitri.Markoulakis@ontario.ca>; Mara Bakic <Mara.Bakic@ofina.on.ca>; Anna Strathy <Anna.Strathy@ofina.on.ca>
Subject: RE: OFA Loan to St. Michael's Hospital

While I am preparing a briefing note summarizing the expected loan terms and related issues, as context, please find attached two overview documents:

- A draft letter from Minister Hoskins to Minister Sousa (never sent) requesting the loan to St. Michael's Hospital
- A presentation prepared by Mercer for SMH with project key milestones.

Thanks,
Garth

From: Opal Kandelas
Sent: March-27-18 3:34 PM
To: Garth Parish <Garth.Parish@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Malle Hanslep (MOF) <Malle.Hanslep@ontario.ca>
Cc: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>; Dimitri Markoulakis (MOF) <Dimitri.Markoulakis@ontario.ca>; Mara Bakic <Mara.Bakic@ofina.on.ca>; Anna Strathy <Anna.Strathy@ofina.on.ca>
Subject: RE: BN - Lending Directive for Loan to OCRC.docx

Hi Garth,

Would you please share a briefing note, draft Minister's directive and any other pertinent materials with us. The date for submitting a package for the April 16 LRC has long passed, but we can work towards getting this item to the DMO. An LRC Note will need to be prepared by CEFD as soon as

possible. I've cc'd Anna so that she is aware.

Please send Anna a brief description of the issue so as to inform her discussions with DMO.

Thanks,
Opal

From: Garth Parish
Sent: Tuesday, March 27, 2018 2:29 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>; Malle Hanslep (MOF) <Malle.Hanslep@ontario.ca>
Cc: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Dimitri Markoulakis (MOF) <Dimitri.Markoulakis@ontario.ca>; Mara Bakic <Mara.Bakic@ofina.on.ca>
Subject: RE: BN - Lending Directive for Loan to OCRC.docx

Hi Sarah,

As Malle says, the best approach and the approach we, including Gadi, are recommending is that the "commitment" (in whatever form) be provided by MOH.

However, it appears as though the loan will be required eventually and will only work under a 35 year amortization (again Gadi has agreed to this amortization in principle), so we will need to amend the OIC. Given that our Plan B, which may be needed, is to provide some joint assurance MOF/MOH to HOOPP by April 30, I would like to work with Capital Markets to try to get the OIC in place so that we can use Plan B if necessary.

If you agree, just let me know what you need from me.

Thanks,
Garth

From: Sarah Harris
Sent: March-27-18 1:11 PM
To: Malle Hanslep (MOF) <Malle.Hanslep@ontario.ca>
Cc: Garth Parish <Garth.Parish@ofina.on.ca>; Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Dimitri Markoulakis (MOF) <Dimitri.Markoulakis@ontario.ca>
Subject: RE: BN - Lending Directive for Loan to OCRC.docx

Malle,

Thank you very much for your quick response.

Garth – I'm not familiar with the various inputs Malle has mentioned below with the loan, and the

timing for getting these. Is it possible to obtain all the required approvals, etc. prior to April 30th? As Malle indicates, a binding commitment doesn't seem possible without these elements. On the other hand, if it is possible, we could try to make the case for including an amending OIC for the April 16th LRC.

Thanks,
Sarah

From: Hanslep, Malle (MOF) [mailto:Malle.Hanslep@ontario.ca]
Sent: Tuesday, March 27, 2018 12:49 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: Garth Parish <Garth.Parish@ofina.on.ca>; Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Dimitri Markoulakis (MOF) <Dimitri.Markoulakis@ontario.ca>
Subject: RE: BN - Lending Directive for Loan to OCRC.docx

Hi,

Dimitri has been working on this as well so copying him here. According to the current OIC's, OFA must repay the funds borrowed from the Province by 2040 (I haven't check them all now but assume that you have) so the OFA couldn't make a longer term loan to a third party such as the hospital without an amending OIC as you describe.

I think that the only thing that could be done is to see whether there is any possibility of walking this OIC in at this point if it is that critical. However, at the same time, I know that there have been numerous elements regarding this potential loan including possibly having MOHLTC provide an indemnity to the OFA regarding the repayment by the hospital. Not sure that we could in anyway provide a binding commitment that the money will be available in 2019 since there would be many other elements such as a Minister's directive, the negotiation of the loan agreement and due diligence that would make it conditional. However, it seems that the amendment to the OIC is a necessary precondition.

Also just thinking general about this project, is it anticipated that any other approvals or signing of agreements, etc. would be proposed during the writ period?

Thanks,

Malle

From: Sarah Harris [mailto:Sarah.Harris@ofina.on.ca]
Sent: March 27, 2018 12:21 PM
To: Hanslep, Malle (MOF)
Cc: Parish, Garth (OFA); Dalgarno, Andrea (OFA); Kandelas, Opal (OFA)
Subject: FW: BN - Lending Directive for Loan to OCRC.docx

Hello Malle,

I am writing to you to inquire about the timing for an approval for an OIC in relation to a loan that

the OFA may be making to St. Michael's, as detailed below.

In short, the OFA has the available room under its existing lending OICs (i.e. the OICs where the OFA borrows from Her Majesty, and then in turn makes loans to public bodies), but the expiry dates of the existing OICs are shorter than the proposed maturity. The OICs expire in 2041 and the loan would mature in late 2054. In order for the St. Micheal's loan to occur, there has to be a binding assurance to HOOPP by April 30th that funds will be available to be advance in the summer of 2019. In order for us to provide this, we would need to get approval for an amending OIC to extend the expiry dates of the existing OICs to 2055.

Given that the last LRC scheduled is for April 16th, and the deadlines for providing materials has passed (March 20th), it doesn't seem possible to get approval for an amending OIC prior to April 30th. Do you know of any options that might make this possible?

Thanks,
Sarah

From: Andrea Dalgarno
Sent: Tuesday, March 27, 2018 11:46 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: BN - Lending Directive for Loan to OCRC.docx

FYI

From: Garth Parish
Sent: Tuesday, March 27, 2018 11:43 AM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>
Cc: Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Daki Proudfoot <Daki.Proudfoot@ofina.on.ca>; Mara Bakic <Mara.Bakic@ofina.on.ca>; Bonnie Lemcke <Bonnie.Lemcke@ofina.on.ca>; Bonnie Zhang <Bonnie.Zhang@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: RE: BN - Lending Directive for Loan to OCRC.docx

Hi Andrea,

We are in discussions with St. Michael's Hospital to provide them with a $100M loan that would be amortized over 35 years. This is with regard to pension assets that they are transferring to HOOPP that need to be topped up by $100M.

A wrinkle is that they need to provide a binding assurance to HOOPP by April 30 that they have the funds although the effective date of the loan and the transfer of funds won't take place until July/August of 2019. This means that the loan wouldn't be paid off until late 2054.

We understand that the latest dated OIC is 844/2008 which ends June 1, 2041, so in order to make

this loan we would need an OIC out to say, 2055 – although we may wish to make it later. A smaller request from Grand River hospital would be similar. Both loans would fit within the existing authorized amounts but not the repayment date.

Please advise the best way to proceed towards the required OIC amendment re timing.

Thanks. I will call to follow up.

Thanks,
Garth

From: Andrea Dalgarno
Sent: December-06-17 2:10 PM
To: Garth Parish <Garth.Parish@ofina.on.ca>
Cc: Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Daki Proudfoot <Daki.Proudfoot@ofina.on.ca>; Mara Bakic <Mara.Bakic@ofina.on.ca>; Bonnie Lemcke <Bonnie.Lemcke@ofina.on.ca>
Subject: RE: BN - Lending Directive for Loan to OCRC.docx

Hi,

I have a place holder for when we do the next joint update to add the new 2 billion OIC 1279/2017 and the associated 2 billion line of credit (IESO-OFA credit facility FHP related). Also note the IESO 975m one will be removed while the IESO 475M will remain- it will be one line representing 475M.

Regards,

Andrea

From: Garth Parish
Sent: Wednesday, December 06, 2017 1:52 PM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>
Cc: Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Daki Proudfoot <Daki.Proudfoot@ofina.on.ca>; Mara Bakic <Mara.Bakic@ofina.on.ca>; Bonnie Lemcke <Bonnie.Lemcke@ofina.on.ca>
Subject: RE: BN - Lending Directive for Loan to OCRC.docx

Hi Andrea,

That's great. Thank you very much.

We may have some updates/comments to follow.

Thanks,
Garth

From: Andrea Dalgarno
Sent: December-06-17 12:30 PM
To: Garth Parish <Garth.Parish@ofina.on.ca>
Cc: Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Daki Proudfoot <Daki.Proudfoot@ofina.on.ca>
Subject: RE: BN - Lending Directive for Loan to OCRC.docx

Hi Garth,
I have been asked to respond to your query. Attached is the most current listing we have available of the OFA loans under the two OIC's. This listing was finalized in conjunction with Daki in Corporate Finance.
Based on this July 11, 2017 listing, the remaining authority under the two OIC's are as follows:

1) OIC 675/97 (the currently active one) has remaining authority of $721,594,955.57 as of July 11, 2017

2) OIC 767/99 has authority in the amount of $656,000,000.00 as of July 11, 2017

So it seems, we should be able to draw on OIC 675/97 for the additional loans you reference given it was noted in the BN you attached that the 2017-2018 OFA Borrowing and On-lending Plan was set at $486 million and apparently $250 million of that was postponed to 2018-2019.

Let me know should you have any further question or concerns.

Regards,

Andrea

From: Garth Parish
Sent: Tuesday, December 05, 2017 3:37 PM
To: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Cc: Bonnie Zhang <Bonnie.Zhang@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: BN - Lending Directive for Loan to OCRC.docx

Hi Jean-Francois,

You will see in the highlighted section below that Lisa is asking that we confirm that 2 OFA loans we are working on:

- $150 million to the Ontario Cannabis Retail Corporation
- $100 million to St Michael's hospital

are covered by the "existing on-lending OIC's".

I don't know who would keep a registry of the OICs and what loans they cover. Would your group have this registry?

Thanks,
Garth

From: Lisa Stein
Sent: December-04-17 1:25 PM
To: Garth Parish <Garth.Parish@ofina.on.ca>
Cc: Bonnie Zhang <Bonnie.Zhang@ofina.on.ca>
Subject: BN - Lending Directive for Loan to OCRC.docx

Hi Garth,

Please find attached some comments and suggested amendments to the draft briefing note, attached. I did not review the attachments; however, as discussed on Friday, they still reference the loan to St. Michael's hospital as well (and these references should be deleted).

I'm still working on the directive for the OCRC loan. In the meantime, can you please confirm that this loan is covered by the existing on-lending OICs (as referenced in the draft note)?

Thank you,

Lisa

Lisa N. Stein
Legal Counsel
Ontario Financing Authority
416-325-2320

****
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****

From:	Anna Strathy
To:	Sarah Harris
Cc:	Ken Kandeepan
Subject:	RE: OFA-IESO $2B Credit Facility
Date:	Monday, March 26, 2018 4:17:15 PM

Excellent! Thank you so much.

From: Sarah Harris
Sent: Monday, March 26, 2018 4:17 PM
To: Anna Strathy
Cc: Ken Kandeepan
Subject: OFA-IESO $2B Credit Facility

Hi Anna,

Per Ken's request, I am sending you an e-mail to confirm that the OFA-IESO $2B Credit Facility was executed on November 6, 2017.

Thanks,

Sarah

From: Andrea Dalgarno
To: Siva Nathan
Cc: Sarah Harris; William Tan
Subject: RE: OIC 1279-2017
Date: Wednesday, March 21, 2018 5:30:11 PM
Attachments: image001.png
image002.png
image003.png
OFA-OPA Original Credit Agreement.pdf
(Signed) Amendment 3 Final.pdf
OPA IESO Amendment No 9 (Executed).pdf
AA No.10 counter part OFA signed.pdf

Hi,

Originally, the Credit Agreement was set up between the OFA and **OPA** in January 2005 (the 1st) but it was for only 500 million. It was increased to 975 million in October 2005 (the 5th). The amalgamation of OPA into IESO occurred via an amendment by November 30, 2016 (and a previous amendment in anticipation of the amalgamation). The reduction to 475 million occurred via amendment dated November 21, 2017 (just signed by Mike November 6, 2017). The reduction was for effect the 21st is my understanding but Mike signed on the 6th.

Note there were other interim amendments but not related to your area of interest in terms of when 975 million facility was provided to IESO.

Hope this helps.

Regards,

Andrea

From: Siva Nathan
Sent: Wednesday, March 21, 2018 5:11 PM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: RE: OIC 1279-2017

Thanks Andrea.

You can do the rest tomorrow morning.

When the Original credit Facility of $975M provided to IESO?

From: Andrea Dalgarno
Sent: Wednesday, March 21, 2018 5:08 PM
To: Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: OIC 1279-2017

Hi,

OIC indicates latest repayment date is Dec 31, 2047.

(b) repayment of advances made under the loan plus accrued interest may be made in whole or in part at any time provided that the loan plus any accrued interest shall be fully repaid by December 31, 2047;

Under the actual agreement, no new advances under agreement after September 23, 2022

ADVANCES

Section 3.1 Advances.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO under the Credit Facility from time to time on any Business Day prior to September 23, 2022.

and total repayment by September 30,2022

Section 2.4 Mandatory Repayment.

Subject to Sections 2.5 and 5.2, the IESO shall repay each Advance together with the interest accrued thereon on the applicable Repayment Date, and, in any event, shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder on September 30, 2022.

Still looking into you other question.

Regards,

Andrea Dalgarno
Documentation & Analysis Specialist

Ontario Financing Authority
Tel 416-212-7451

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(b) repayment of advances made under the loan plus accrued interest may be made in whole or in part at any time provided that the loan plus any accrued interest shall be fully repaid by December 31, 2047;

ADVANCES

Section 3.1 Advances.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO under the Credit Facility from time to time on any Business Day prior to September 23, 2022.

Section 2.4 Mandatory Repayment.

Subject to Sections 2.5 and 5.2, the IESO shall repay each Advance together with the interest accrued thereon on the applicable Repayment Date, and, in any event, shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder on September 30, 2022.

ONTARIO POWER AUTHORITY

as Borrower

and

ONTARIO FINANCING AUTHORITY

as Lender

CREDIT AGREEMENT

THIS AGREEMENT is made as of the 1st day of January 2005, between:

A. **ONTARIO POWER AUTHORITY a corporation established under the *Electricity Act, 1998*** (the "**OPA**")

B. **ONTARIO FINANCING AUTHORITY a Crown agency established under the *Capital Investment Plan Act, 1993*** (the "**OFA**").

RECITAL:

The OPA has requested an operating line of credit from the OFA in the amount of $500 million and the OFA has agreed to provide such a line of credit to the OPA.

NOW THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the parties agree as follows:

ARTICLE 1

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"Advances" means advances made by the OFA to the OPA under Article 3 and **"Advance"** means any one of such advances.

"Advances Outstanding" means, at any time, an amount equal to the aggregate principal amount of all Advances outstanding at such time.

"Agreement", "herein", "hereby", "hereof", "hereunder" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; an the expression **"Article"** or **"Section"** followed by a number means the specified Article or Section of this Agreement.

"Borrowing Notice" has the meaning specified in Section 3.2.

"Business Day" means any day that is not a day on which banks are generally authorized or required by law or executive order to be closed in the City of Toronto.

"Dollars" or "$" means lawful currency of Canada.

"Commitment" means, at any time, an amount equal to $500 million.

"Consolidated Assets" means, at any time, the book value of the assets of the OPA, determined as of such time on a consolidated basis in accordance with generally accepted accounting principles.

"default" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"Election Notice" has the meaning specified in Section 3.3(2).

"Event of Default" has the meaning specified in Section 5.1.

"Indebtedness" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) every obligation of such Person for borrowed money;

(b) every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments;

(c) every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) every capital lease obligation of such Person; and

(f) every obligation of the type referred to in paragraphs (a) through (e) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"Lien" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"Operating Facility" means the revolving credit facility to be made available to the OPA by the OFA under this Agreement for the purposes specified in Section 2.3.

"Permitted Liens" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) any obligations or duties, affecting the property of OPA to any municipality or governmental, statutory or public authority, with respect to any franchise, grant, license or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by the OPA under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which the are held by the OPA;

(d) any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) the right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) any undetermined or inchoate Liens and charges incidental to the current operations of the OPA that have not at the time been filed against the OPA; provided, however, that if any such Lien or charge shall have been filed, the OPA shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) any Lien the validity of which is being contested at the time by the OPA in good faith and the enforcement of which has been stayed;

(h) any easements, rights-of-way and servitudes that in the opinion of the OPA will not in the aggregate materially and adversely impair the use or value of the land for the purpose for which it is held or occupied by the OPA;

(i) any Liens and privileges arising out of judgments or awards with respect to which the OPA shall be prosecuting an appeal or proceedings for review and with respect to which it shall have secured a stay of execution pending such appeal or proceedings for review; and

(j) any other Liens of a nature similar to the foregoing which do not in the opinion of the OPA, acting reasonably, material impair the use of the property subject thereto or the operation of the business of the OPA or the value of such property for the purpose of any such business.

"Person" means any individual, corporation, partnership joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"Purchase Money Mortgage" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or par of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"Repayment Date" means, in respect of the repayment of Advances, the repayment date contained in the most recent Borrowing Notice or Election Notice.

"Stated Maturity" when used with respect to any Indebtedness or any installment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such installment of interest is due and payable.

Section 1.2 Effect of Headings and Table of Contents.

The division of this Agreement into Articles and Sections the insertion of headings and the provision of a Table of Contents are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and vice versa and words importing gender may include any gender. In this Agreement, (a) the words **"including"** and **"includes"** mean "including (or includes) without limitation", and (b) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" excluding".

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with generally accepted accounting principles. Generally accepted accounting principles refer to accounting principles generally accepted in Canada as recommended in the Handbook of the Canadian Institute of Chartered Accountants at the relevant time applied on a consistent basis.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the next succeeding Business Day.

ARTICLE 2

OPERATING FACILITY

Section 2.1 Availability

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the OPA. The OFA shall make each Advance in Canadian Dollars.

Section 2.2 Commitment and Facility Limits.

The Advances Outstanding to the OPA under the Operating Facility shall not at any time exceed the Commitment. The Operating Facility shall revolve and no payment under the Operating Facility shall reduce the Commitment.

Section 2.3 Use of Proceeds.

The OPA shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 423/04 made under the *Electricity Act, 1998.*

Section 2.4 Mandatory Repayment.

Subject to Sections 2.9 and 5.1, the OPA shall repay each Advance on the applicable Repayment Date and, in any event, shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder on December 31, 2006.

Section 2.5 Prepayments.

The OPA is not entitled to prepay any part of the Advances Outstanding or the interest accrued thereon without the prior written consent of the OFA.

Section 2.7 Payments under this Agreement.

(1) The OPA shall make any payment required hereunder to be made by it to the OFA, to or to the order of the OFA, by wire transfer of immediately available funds in accordance with wire transfer instruction given by the OFA to the OPA from time to time, or in such other manner as the OFA may specify to the OPA from time to time. The OPA shall make each such payment in Canadian Dollars.

(2) The OFA shall make Advances to the OPA under this Agreement to or to the order of the OPA by wire transfer of immediately available funds in accordance with wire transfer instructions given by the OPA to the OFA from time to time, or in such other manner as the OPA may specify to the OFA from time to time.

Section 2.8 Computations of Interest.

(1) All computations of interest shall be made by the OFA taking into account the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest is payable on the basis of a year of 365 days or 366 days, as the case may be.

(2) For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Agreement for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding in the next calendar year and the denominator of which is the actual number of days in such period.

Section 2.9 Limit on Rate of Interest.

(1) Notwithstanding any provision contained in this Agreement, the OPA shall not be obliged to make any payments of interest or other amounts payable to the OFA hereunder in excess of the amount or rate which would be prohibited by applicable law or would result in the receipt by the OFA of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada)).

(2) In the event that any such payments are limited or prohibited as provided in Section 2.9(1), the OFA shall have no further obligation to make any Advances available hereunder and the Advances Outstanding, together will all accrued interest and all other amounts owing hereunder, shall become immediately due and payable.

ARTICLE 3

ADVANCES

Section 3.1 Advances.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the OPA under the Operating Facility from time to time on any Business Day prior to November 30, 2006.

Section 3.2 Procedure for Advances.

(1) Subject to Section 3.3(3), each Advance shall be made on one Business Day's prior notice given not later than 10:00 a.m. (Toronto time) by the OPA to the OFA. Each notice of an Advance (a **"Borrowing Notice"**) shall be substantially in the form of Schedule 1, shall be irrevocable and binding on the OPA and shall specify (a) the requested date of the Advance, and (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall be not later than 1 month, 2 months or 3 months after the requested date of the Advance. The OFA will make the principal amount of each Advance available to the OPA in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, the OPA shall execute and deliver to the OFA a grid promissory note in respect of Advances substantially in the form of Schedule 3. The OPA authorizes the OFA to record on the grid promissory note (a) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (b) the applicable rate of interest for each Advance; (c) the Repayment Date of each Advance; (d) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (e) the outstanding principal amount of the grid promissory note. Such notations, in the absence of manifest error, shall be prima facie evidence of the such advances and repayments; provided that the failure of the OFA to record any amount, rate or date shall not affect the obligation of the OPA to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement.

Section 3.3 Elections Regarding Advances.

(1) The OPA may elect to continue all or a portion of the principal amount of any Advance for a further period of 1 month, 2 months or 3 months beginning on the then current Repayment Date in accordance with Section 3.3(2).

(2) Each election to continue an Advance for a further period shall be made one Business Day's prior notice given, in each case, not later than 10:00 a.m. (Toronto time) by the OPA to the OFA. Each such notice (an **"Election Notice"**) shall be given substantially in the form of Schedule 2 and shall be irrevocable and binding upon the OPA. If the OPA fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date.

(3) Any portion of an Advance not continued for a further period in accordance with Section 3.3(2) shall be repayable on the applicable Repayment Date.

Section 3.4 Interest on Advances.

(1) The OPA shall pay interest on the unpaid principal amount of each Advance in accordance with this Section 3.4 from and including the date of such Advance until the principal amount of such Advance is repaid in full.

(2) Interest shall accrue on the principal amount of each Advance from and including the date of the Advance to but excluding the Repayment Date of such Advance, at an annual rate equal to the Province's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum, before as well as after the date such principal amount or interest thereon becomes due hereunder and both before and after default and shall be payable on the Repayment Date for such Advance. Any amount of interest arising hereunder which is not paid when due shall bear interest at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment. The amount of interest payable on an Advance will be calculated by the OFA by dividing the interest rate applicable to the Advance by 365 or 366, as the case may be, and multiplying the result by the principal amount of the Advance and further multiplying the result by the number of days in the period from the date of the Advance to the Repayment Date of the Advance.

(3) If the OPA elects to continue an Advance in accordance with Section 3.3(2), the Province shall determine the interest rate applicable after the original Repayment Date of the Advance and endorse the said rate on the grid forming part of the OPA promissory note in respect of Advances held by it.

Section 3.5 Conditions Precedent

The obligation of the OFA to make the Advances pursuant to Section 2.1 is subject to the following conditions being satisfied to the OFA's satisfaction at the time of making each Advance:

(a) that the representations and warranties of the OPA contained in this Agreement are true and correct as at the date of making the Advance;

(b) that no Event of Default has occurred and is continuing;

(c) that there shall, in the reasonable opinion of the OFA, have been no material adverse change in the financial condition of the OPA; and

(d) that the OFA has received such other documentation which it has reasonably requested to ensure that the OPA is in compliance with the terms and conditions of this Agreement, including certified true copies of any necessary resolutions, a written legal opinion from counsel to the OPA confirming that the borrowing is within the legal powers of the OPA and that the Agreement is a direct, unsecured obligation of the OPA enforceable against the OPA in form satisfactory to the OFA.

ARTICLE 4

COVENANTS OF THE OPA

Section 4.1 Payment of Advances.

The OPA will duly and punctually pay or cause to be paid all amounts owing under this Agreement in accordance with the terms and subject to the conditions of this Agreement.

Section 4.2 OPA will Maintain its Corporate Existence.

The OPA will at all times maintain its corporate existence.

Section 4.3 Maintenance of Properties.

The OPA will cause all property owned by the OPA to be maintained and kept in good condition, repair an working order, all as in the judgment of the OPA may be necessary for the proper operation of such property, except as and to the extent that the OPA may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 4.3 shall prevent the OPA from discontinuing the maintenance of any such property or decommissioning any such property if such discontinuance or decommissioning is, in the judgment of the OPA , desirable in the conduct of its business.

Section 4.4 Insurance.

The OPA will cause all property owned by the OPA which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the mature and to the extent that such property is usually insured by companies operating similar businesses.

Section 4.5 Conduct of Business.

The OPA will carry on and conduct their respective businesses in a proper, efficient and business-like manner and in accordance with good business practice.

Section 4.6 Negative Pledge.

The OPA will not create, incur or assume any Lien, charging the interest of the OPA in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, all amounts owing under this Agreement are secured equally and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) the creation, incurrence or assumption of any Purchase Money Mortgage;

(b) the grant of any Lien in the normal course of business to any banks or financial institutions for present or future indebtedness of the OPA to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) any extension, renewal or replacement of any of the Liens referred to in Sections 4.6(a), (b) or (c), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased; and

(e) any Lien charging the interest of the OPA in any property to secure any Indebtedness, other than any Lien referred to in Sections 4.6(a), (b) or (c), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 4.6(e) which is outstanding at such time does not exceed 10% of Consolidated Assets at such time.

Section 4.7 Payment of OFA Expenses

The OPA will, on demand, reimburse and indemnify OFA for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OFA in connection with the Services (including those incurred in the preservation of rights under or enforcement of this Agreement at any time during the continuance of a default or Event of Default and for any reasonable loss or expense incurred by OFA as a result of any failure by the OPA to fulfill any of its obligations under this Agreement). All such costs, charges and expenses shall bear interest at the Province's cost of funds plus 0.25 percent per annum (as determined by the OFA) calculated and payable monthly not in advance from in each case from the date on which the OFA incurs the cost, charge or expense until the date on which the OPA reimbursement the OFA therefor. The OFA agrees, acting reasonably, to invoice the OPA for any such costs, charges and expense as they are incurred, together with interest at the aforesaid rate (with interest on overdue interest).

ARTICLE 5

EVENTS OF DEFAULT AND REMEDIES

Section 5.1 Event of Default.

Wherever used in this Agreement, the term **"Event of Default"** means any of the following:

(a) failure to pay any interest upon any Advance when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) failure to pay the principal amount of any Advance on the applicable Repayment Date or the Advances Outstanding, all interest accrued thereon and all other amounts owing under this Agreement on December 31, 2006;

(c) failure on the part of the OPA to observe or perform its obligations set forth in Section 4.1;

(e) failure on the part of the OPA to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 20 days after the date on which written notice of such failure shall have been given to the OPA by OFA;

(f) any representation or warranty made by the OPA in this Agreement or in any certificate or other document at any time delivered hereunder to the OFA was incorrect or misleading in any material respect;

(g) one or more breaches by the OPA of its covenants under one or more evidences of indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $5 million, which breaches:

(i) constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist, or

(ii) have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waive or rescinded);

(h) the OPA:

(i) becomes generally not able to pay its debts as they become due;

(ii) admits in writing its inability to pay its debts generally or makes a general assignment for the benefit its creditors or files a proposal or other scheme *of* arrangement involving the rescheduling or composition *of* its Indebtedness;

(iii) institutes or has instituted against it any proceeding seeking:

(A) to adjudicate it a bankrupt or insolvent,

(B) liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy / insolvency / reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors, or

(C) the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets,

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismisssed or unstayed for a period of 30 days, or any remedy sought in any such proceeding (including the entry of order for relief against it or the appointment of a receiver, trustee, custodian or other similar

official for it or for any substantial part of its properties and assets) occurs; or

(iv) takes any corporate action to authorize any of the actions in Sections 5.1(h)(i) to (iii); or

(i) if there shall be rendered against the OPA a final judgment or judgments for the payment of money in an aggregate amount in excess of $5 million by a court or courts of competent jurisdiction, and the OPA shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 5.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case the OFA may declare all amounts owing hereunder to be due and payable immediately, by a notice in writing to the OPA, and upon any such declaration all such amounts shall become immediately due and payable.

Section 5.3 Suits for Enforcement by OFA.

If an Event of Default occurs and is continuing, the OFA may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in the OFA by this Agreement or by law.

Section 5.4 OFA May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of the OPA under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property of the OPA, or if any other judicial proceedings relative to the OPA, its creditors or its property are pending, the OFA shall be entitled and empowered, by intention in such proceeding or otherwise:

(a) to file and prove a claim for all amounts owing und this Agreement and to file such other papers or documents as ma be necessary or advisable in order to have the claims of the OFA (including any claim for fees and disbursements of the OFA, its agents and counsel) allowed in such judicial proceeding; and

(b) to collect and receive any moneys or other property payable or deliverable on any such claim.

Section 5.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to the OFA is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.6 Delay or Omission not Waiver.

No delay or omission of the OFA to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right or remedy given by this Article 5 or by law to OFA may be exercised from time to time, and as often as may be deemed expedient, by the OFA.

ARTICLE 6

REPRESENTATIONS AND WARRANTIES OF OPA

Section 6.1 Representations and Warranties of OPA

The OPA represents and warrants to the OFA that:

(a) the borrowing of money (including principal and accrued interest) by the OPA and the execution, delivery and performance of this Agreement are within the powers and capacities of the OPA and have been duly authorized by all necessary legal action and proper proceedings;

(b) the execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the compliance with the terms and conditions of this Agreement will not conflict with or result in a breach of any of the terms or provisions of the constituting documents or by-laws of the OPA, laws of Ontario, including laws of Canada applicable therein, applicable to the OPA or any contractual or other obligation binding on the OPA;

(c) this Agreement will, when executed and delivered, constitute the legal, valid and binding obligation of the OPA enforceable against it in accordance with its terms; and

(d) the monies advanced under this Agreement shall be used only by the OPA for the purposes set out in Section 2.3.

Section 6.2 Continuation of Representation and Warranties

The representations and warranties set out in Section 6.1 herein shall survive the execution and delivery of this Agreement, the making of each advance by the OFA, notwithstanding any investigations or examinations which may be made by counsel for the OFA.

ARTICLE 7

GENERAL

Section 7.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy or other means of electronic communication addressed:

If to the OPA, to it at:

Ontario Power Authority
880 Bay Street
3rd Floor
Toronto, ON M7A 2C

Attention: Chief Executive Officer
Telephone:
Telecopier:

If to OFA, to it at:

Ontario Financing Authority
1 Dundas Street West
Suite 1400
Toronto, Ontario
M7AIY7

Attention: Executive Director -Capital Markets Division
Telephone: (416) 325-8128
Telecopier: (416) 325-8005

provided that any Borrowing Notice or Election Notice shall be addressed as indicated on Schedule 1 or Schedule 2 respectively.

Any communication hereunder shall be deemed to have been validly and effectively given if (a) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p. m (Toronto time), otherwise on the next Business Day, (b) transmitted by telecopier other means of electronic communication, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice give in accordance with this Section 7.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 7.1.

Section 7.2 Successors and Assigns.

This Agreement shall be binding on and enure to the benefit of the OFA and the OPA and their respective successors and permitted assigns, except that the OPA shall not, without the prior written consent of the OFA assign, pledge or hypothecate any rights or obligations with respect to this Agreement.

Section 7.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of the OFA and the OPA.

Section 7.4 Waiver.

(1) No waiver of any provisions of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) or this Agreement nor shall such waiver be binding unless executed in writing y the party to be bound by the waiver.

(2) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude an other or further exercise of such right or the exercise of any other right.

Section 7.5 Further Assurances.

Each of the OPA and the OFA shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement.

Section 7.6 Severability.

In case any provision in this Agreement shall be in valid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement shall not in any way be affected or impaired thereby.

Section 7.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 7.8 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF the parties have executed this Agreement as of the 1st day of January, 2005.

ONTARIO POWER AUTHORITY

by: _____
Name: Rosalyn Lawrence
Authorized Signing Officer

and: _____
Name: Rick Jennings
Authorized Signing Officer

ONTARIO FINANCING AUTHORITY

by: _____

Name: Gadi Mayman
Title: Chief Executive Officer

SCHEDULE 1
FORM OF BORROWING NOTICE

Via Telecopier: (416)

Ontario Financing Authority **("OFA")**
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A1Y7

Attention: Cash Management

Dear Sirs:

The undersigned, Ontario Power Authority, refer to the credit agreement dated [Insert] (as amended, supplemented or restated from time to time, the **"Agreement"**, the terms defined therein being used herein as therein defined) between the OPA and the OFA, and gives you notice pursuant to Section 3.2 of the Agreement that the OPA requests an Advance under the Agreement, and, in that connection, sets forth below the information relating such Advance (the **"Proposed Advance"**) as required by Section 3.2 of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The aggregate amount of the Proposed Advance is _____;
(c) The Repayment Date of the Proposed Advance is _____; [not more than 3 months after the date of the Proposed Advance]

Yours truly,

ONTARIO POWER AUTHORITY

Per: _____
Rosalyn Lawrence
Authorized Signatory

Per: _____
Rick Jennings
Authorized Signatory

*To be confirmed by telephone call to OFA Cash Management (416) 325-8108.

SCHEDULE 2

FORM OF ELECTION NOTICE

Via Telecopier: (416)

Ontario Financing Authority ("**OFA**")
1 Dundas Street West
Suite 1400
Toronto, Ontario
M7A 1Y7

Attention: Cash Management

Dear Sirs:

The undersigned, Ontario Power Authority, refer to the credit agreement dated [Insert] (as amended, supplemented or restated from time to time, the "**Agreement**", the terms defined therein being used herein as therein defined) between the OPA and OFA, and gives you notice pursuant to Section 3.3 of the Agreement that the OPA elects to continue all or a portion of an Advance for an additional term and, in that connection, sets forth below the information relating to the election as required by Section 3.3(3) of the Agreement:

(a) The outstanding principal amount of such Advance to be continued is $_____;

(b) The new Repayment Date applicable to such Advance is _____; [not more than 3 months after the current Repayment Date for the Advance.

Yours truly,

ONTARIO POWER AUTHORITY

Per: _____
Rosalyn Lawrence
Authorized Signatory

Per: _____
Rick Jennings
Authorized Signatory

*To be confirmed by telephone call to OFA Cash Management (416) 325-8108

SCHEDULE 3

ONTARIO POWER AUTHORITY

GRID NOTE

Principal Amount: Up to $500,000,000 Date: _____

FOR VALUE RECEIVED, ONTARIO POWER AUTHORITY (the **"OPA"**), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY ("OFA")** at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the OPA, all as recorded by the OFA on the grid (the **"Grid"**) attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Credit Agreement (as defined below).

OFA shall and is unconditionally and absolutely authorized and directed by the OPA to record on the Grid (a) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (b) the applicable rate of interest for each Advance; (c) the repayment date of each Advance; (d) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (e) the outstanding principal balance. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Credit Agreement dated as of [Insert] between the Borrower and the OFA (the **"Credit Agreement"**). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Credit Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Credit Agreement. This Note is not transferable or negotiable without the prior written consent of the OPA. The OPA hereby waives presentment for payment, demand, protest, notice of dishonour and notice of non-payment.

This Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the OPA has executed this Note.

ONTARIO POWER AUTHORITY

Per: _____
Rosalyn Lawrence
Authorized Signatory

Per: _____
Rick Jennings
Authorized Signatory

DATE	PRINCIPAL ADVANCED	RATE	REPAYMENT DATE AND PRINCIPAL REPAID	INTEREST PAYMENT DATE AND AMOUNT	UNPAID PRINCIPAL BALANCE	NOTATION MADE BY

AMENDING AGREEMENT NO.3

This Amending Agreement made as of the 11th day of October, 2005.

BETWEEN: **ONTARIO POWER AUTHORITY** a corporation established under the *Electricity Act, 1998* (the **"OPA"**)

AND: **ONTARIO FINANCING AUTHORITY** a Crown agency established under the *Capital Investment Plan Act, 1993* (the **"OFA"**)

WHEREAS the OPA and the OFA entered into a credit agreement dated January 1, 2005, as amended by an Amending Agreement dated February 14, 2005 (together the "Credit Agreement") pursuant to which the OFA has agreed to provide a revolving operating facility to the OPA in the principal amount of up to $500 million and the OPA issued a grid note dated January 11, 2005 to the OFA for a principal amount of up to $500 million;

AND WHEREAS as of the date hereof the total principal amount of advances outstanding under the grid note is $386,034,687.25;

AND WHEREAS the OPA and the OFA have now agreed to increase the operating facility to a principal amount of up to $975,000,000;

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that:

1. The definition of Commitment in Section 1.1 of the Credit Agreement is amended by deleting "$500 million" and substituting "$975,000,000" therefor.

2. On the date of this Amending Agreement and prior to any further Advances under the Credit Agreement, the OPA shall execute and deliver to the OFA a new grid promissory note in the principal amount of up to $975,000,000 substantially in the form attached to this Amending Agreement and indicating a total principal amount of advances outstanding to date of $386,034,687.25 Upon receipt of the new grid promissory note, the OFA will cancel and return the existing grid promissory note to the OPA.

IN ALL OTHER RESPECTS, the said Agreement is confirmed by the parties as further amended by the terms of this Amending Agreement.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

ONTARIO FINANCING AUTHORITY

by: Gadi

Name: Gadi Mayman

Title: Chief Executive Officer

ONTARIO POWER AUTHORITY

by: MERichardson

Name: MARY ELLEN RICHARDSON

Title VP, CORPORATE AFFAIRS
ACTING CHIEF EXECUTIVE OFFICER

By: _____

Name:

Title

AMENDING AGREEMENT NO. 9

This Amending Agreement No. 9 (this "**Amending Agreement**") is made as of the 30 day of November, 2016

BETWEEN:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, a statutory corporation without share capital existing under the *Electricity Act, 1998* ("**IESO**") (as Borrower)

-and-

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* ("**OFA**" and together with the IESO, the "**Parties**")
(as Lender)

WHEREAS the Ontario Power Authority ("OPA") and the OFA entered into a Credit Agreement dated January 1, 2005 (the "**Original Agreement**");

AND WHEREAS pursuant to the amending agreements dated February 14, 2005, October 11, 2005 (titled, "Amending Agreement No. 3"), September 27, 2006 (titled, "Amending Agreement No. 4"), July 13, 2007 (titled, "Amending Agreement No. 5"), November 9, 2010 (titled, "Amending Agreement No. 6"), December 20, 2013 (titled, "Amendding Agreement No. 7") and December 19, 2014 (titled, "Amending Agreement No. 8"), the parties amended the Original Agreement (as so amended, the "**Agreement**");

AND WHEREAS effective January 1, 2015, the OPA and the Independent Electricity System Operator amalgamated and continued as a corporation without share capital under Part II of the *Electricity Act, 1998* (the "**Amalgamation**") with the name Independent Electricity Sytem Operator;

AND WHEREAS under the Amalgamation the obligations of the OPA became obligations of the amalgamated corporation and the Parties wish to amend the Agreement to reflect the name of the amalgamated corporation;

AND WHEREAS the Parties now wish to further amend the Agreement pursuant to the terms of this Amending Agreement;

AND WHEREAS pursuant to Section 7.3 of the Agreement, the Agreement may only be amended or otherwise modified by written agreement executed by each of the OFA and the IESO.

NOW THEREFORE IN CONSIDERATION of the mutual agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree to the following amendments, effective as of the date first written above.

Except as expressly provided herein or unless the context otherwise requires, capitalized terms not otherwise defined in this Amending Agreement have the respective meanings given to those terms in the Agreement.

1. The following definition is added to Section 1.1 of the Agreement:

   "IESO" means the Independent Electricity System Operator, a statutory corporation without share capital existing under Part II of the *Electricity Act, 1998.*

2. Section 1.6 is added to the Agreement as follows:

   "**Section 1.6 References to OPA**

   For the purposes of this Agreement, all references to the "Ontario Power Authority" or "OPA" in this Agreement shall be interpreted as referring to the IESO.

3. Section 2.4 of the Agreement is deleted in its entirety and replaced by the following:

   "Subject to Sections 2.9 and 5.1, the IESO shall repay each Advance on the applicable Repayment Date and, in any event, shall repay all Advances Oustanding, together with all accrued interest and all other amounts owing hereunder on December 31, 2019."

4. Section 3.1 of the Agreement is deleted in its entirety and replaced by the following:

   "The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO under the Operating Facility from time to time on any Business Day prior to November 30, 2019."

5. Section 3.2(1) of the Agreement is deleted in its entirety and replaced by the following:

   "Subject to Section 3.3(3), each Advance shall be made on two Business Days' prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each such notice of an Advance (each, a "**Borrowing Notice**") shall be given substantially in the form of Schedule 1, shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance, (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall be no earlier than 28 days and not later than 95 days after the date of the requested Advance. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2."

6. Section 3.3(1) of the Agreement is deleted in its entirety and replaced by the following:

   "The IESO may elect to continue all or a portion of the principal amount of any Advance for a further period of a minimum of 28 days and up to a maximum of 95 days beginning on the then current Repayment Date in accordance with Section 3.3(2)."

7. Section 3.3(2) of the Agreement is deleted in its entirety and replaced by the following:

   "Each election to continue an Advance for a further period shall be made on one Business Day's prior notice, given, in each case, not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each such notice (each, an "**Election Notice**") shall be given substantially in the form of Schedule 2, shall be irrevocable and binding upon the IESO and shall specify (a) the requested date of the proposed election, (b) the aggregate principal election amount, and (c) the new Repayment Date, which shall be no earlier than 28 days and not later than 95 days after the current Repayment Date. If the IESO fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date."

8. Section 5.1(b) of the Agreement is deleted in its entirety and replaced by the following:

"failure to pay the principal amount of any Advance on the applicable Repayment Date or the Advances Oustanding, all interest accrued thereon and all other amounts owing under this Agreement on December 31, 2019;"

9. The address and contact information of the OPA provided in Section 7.1 of the Agreement is deleted and replaced by the following:

   If to the IESO, to it at:

   Independent Electricity System Operator
   120 Adelaide Street West, Suite 1600
   Toronto, ON M5H 1T1

   Attention: Chief Financial Officer
   Telephone: 416-969-6232
   Fascimile: 905-403-6913

10. Schedule 1 of the Agreement, Form of Borrowing Notice, is deleted in its entirety and replaced by the Form of Borrowing Notice attached hereto as Schedule 1.

11. Schedule 2 of the Agreement, Form of Election Notice, is deleted in its entirety and replaced by the Form of Election Notice attached hereto as Schedule 2.

12. Schedule 3 of the Agreement, IESO Grid Note, is deleted in its entirety and replaced by the IESO Grid Note attached hereto as Schedule 3.

IN ALL OTHER RESPECTS, the said Agreement is confirmed by the Parties.

IN WITNESS WHEREOF the Parties have executed this Amending Agreement as of the date first written above.

ONTARIO FINANCING AUTHORITY

Per: _____
Name: Michael D. Manning
Title: Executive Director
Capital Markets Division

I have authorit to bind the corporation.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Name: Kimberly Marshall
Title: Vice President, Corporate Services;
Chief Financial Officer; Treasurer

I have authorit to bind the corporation.

SCHEDULE 1 TO AMENDING AGREEMENT NO. 9

FORM OF BORROWING NOTICE

Delivered Via Fax: 416-204-7920

Ontario Financing Authority ("**OFA**")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("**IESO**"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "**Agreement**", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "**Proposed Advance**"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The aggregate amount of the Proposed Advance is **$**_____;
(c) The Repayment Date of the Proposed Advance is _____. [no earlier than 28 days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The undersigned herby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purposes:

(1) [indicate amount and purpose of funds requested]
(2) [indicate amount and purpose of funds requested]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:

Authorized Signatory

SCHEDULE 2 TO AMENDING AGREEMENT NO. 9

FORM OF ELECTION NOTICE

Delivered Via Fax: 416-204-7920

Ontario Financing Authority ("**OFA**")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("**IESO**"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "**Agreement**", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue all or a portion of an Advance for an additional term, and in connection with such election, sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day is _____;
(b) The aggregate amount of the proposed election is $_____;
    i. previous principal amount $_____
    ii. interest $_____
(c) The new Repayment Date applicable to such Advance is _____. [no earlier than 28 days and not later than 95 days after the current Repayment Date for the Advance.]

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per:_____
Name:

Authorized Signatory

SCHEDULE 3 TO AMENDING AGREEMENT NO. 9

SCHEDULE 3

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $975,000,000 Date: November 30, 2016

FOR VALUE RECEIVED, INDEPENDENT ELECTRICTY SYSTEM OPERATOR (the **"Company"**), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY ("OFA")** at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the Company, all as recorded by the OFA on the grid (the **"Grid"**) attached to and forming part of this Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Credit Agreement (as defined below).

OFA shall and is unconditionally and absolutely authorized and directed by the Company to record on the Grid (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the grid promissory note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Note together with all interest accrued thereon shall become due and payable as specified in the Credit Agreement dated January 1, 2005 as amended, supplemented or restated from time to time, between the Borrower and the OFA (the **"Credit Agreement"**). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Credit Agreement.

This Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Credit Agreement.

This Note is not transferable or negotiable without the prior written consent of the Company.

The Company waives presentment for payment and notice of non-payment.

This Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the Company has executed this Note.

INDEPENDENT ELECTRICTY SYSTEM OPERARTOR

By: _____

Name: Bruce Campbell
Title: President & CEO

By: _____

Name: Kimberly Marshall
Title: VP, Corporate Services; CFO; Treasurer

ONTARIO FINANCING AUTHORITY
LINE OF CREDIT GRID NOTE

Borrower: Independent Electricity System Operator

Program: Regulated Price Plan Variance

Schedule of loan transactions to: 21-Nov-2016

Loan Limit: $975,000,000.00

Loan Advanced to: 21-Nov-2016

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days
19-Aug-2016	$94,951,024.00	0.8100%	19-Sep-2016	31	$65,321.10	$49,331,879.98	$49,266,558.88	$65,321.10	19-Sep-2016	31
19-Sep-2016	$45,684,465.12	0.8100%	19-Oct-2016	30	$30,414.59	$30,283,150.31	$30,252,735.72	$30,414.59	19-Oct-2016	30
19-Oct-2016	$15,431,729.40	0.7900%	21-Nov-2016	33	$11,022.06	$11,022.06	$0.00	$11,022.06	21-Nov-2016	33
21-Nov-2016	$64,793,065.20	0.7800%	21-Dec-2016	30	$41,538.57	$64,834,603.77	$64,793,065.20	$41,538.57	21-Dec-2016	30
21-Nov-2016	$15,431,729.40	0.7800%	21-Dec-2016	30	$9,893.22	$15,441,622.62	$15,431,729.40	$9,893.22	21-Dec-2016	30

AMENDING AGREEMENT NO. 10

This Amending Agreement No. 10 (this "**Amending Agreement**") is made as of the 21st day of November, 2017 (the "**Effective Date**")

BETWEEN:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, a statutory corporation without share capital existing under Part II of the *Electricity Act, 1998* ("**IESO**")

-and-

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* ("**OFA**")

(together, the "**Parties**")

WHEREAS the Ontario Power Authority ("**OPA**") and the OFA entered into a credit agreement dated January 1, 2005 (the "**Original Agreement**");

AND WHEREAS effective January 1, 2015, the OPA and the then existing Independent Electricity System Operator amalgamated and continued as a corporation without share capital under Part II of the *Electricity Act, 1998* with the name "Independent Electricity System Operator" (**"IESO"**), and the obligations of the OPA became obligations of the IESO;

AND WHEREAS pursuant to the amending agreements dated February 14, 2005, October 11, 2005 (titled, "Amending Agreement No. 3"), September 27, 2006 (titled, "Amending Agreement No. 4"), July 13, 2007 (titled, "Amending Agreement No. 5"), November 9, 2010 (titled, "Amending Agreement No. 6"), December 20, 2013 (titled, "Amending Agreement No. 7"), December 19, 2014 (titled, "Amending Agreement No. 8") and November 30, 2016 (titled, "Amending Agreement No. 9"), the OPA or IESO (as applicable) and the OFA amended the Original Agreement (as so amended, the "**Credit Agreement**", the terms defined therein being used herein as therein defined);

AND WHEREAS the Parties have now agreed to: (i) at the request of the IESO, decrease the total principal amount available under the Credit Agreement from $975,000,000 to a total principal amount of up to $475,000,000; (ii) amend the use of proceeds under the Credit Agreement; (iii) amend the Form of Election Notice and related provisions under the Credit Agreement; and (iv) make other amendments required as a consequence of the implementation of the OFHP (as defined below);

AND WHEREAS pursuant to Section 7.3 of the Credit Agreement, the Credit Agreement may only be amended or otherwise modified by written agreement executed by the Parties.

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby

acknowledged, and subject to the terms and conditions hereafter set out, the Parties agree that, as of the Effective Time (as defined below):

1. The definition of "Advances" in Section 1.1 of the Credit Agreement is deleted and replaced by the following:

   "**Advances**" means advances made by the OFA to the IESO under Article 3 and "Advance" means any one of such advances, and in the case of an election by the IESO under Section 3.3, includes a "Continued Advance", as defined in Section 3.3(1), as applicable."

2. The definition of "**Commitment**" in Section 1.1 of the Credit Agreement is amended by deleting "$975,000,000" and substituting "$475,000,000" therefor.

3. The definition of "**Permitted Liens**" is amended by deleting the word "and" at the end of subsection (i); replacing the "." at the end of subsection (j) and replacing it with "; and" ; and adding the following subsection (k):

   "(k) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

4. The following definitions are added to Section 1.1 of the Credit Agreement:

   "Clean Energy Adjustment" has the same meaning as that term is defined in the OFHP.

   "**Continued Advance"** has the meaning specified in Section 3.3(1).

   "**Current Repayment Date**" has the meaning specified in Section 3.3(2).

   "**New Repayment Date**" has the meaning specified in Section 3.3(2).

   "OFHP" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

5. Section 2.3 "Use of Proceeds" of the Credit Agreement is deleted in its entirety (with the exception of the title of the section, which exception also applies regarding the amendments made under sections 6, 7 and 8 hereof) and replaced by the following:

   "The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the *Electricity Act, 1998,* as such regulation may be amended or replaced from time to time, provided that Advances may be used only for liquidity purposes."

6. Section 3.2 "Procedures for Advances" of the Credit Agreement is deleted in its entirety and replaced by the following:

"(1) Subject to Section 3.3(5), each Advance shall be made subject to two Business Days' prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each notice of an Advance (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1, other than a Borrowing Notice that is included in an Election Notice as permitted by Section 3.3(3). Each Borrowing Notice shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance; (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall be no earlier than 28 days and not later than 95 days after the date of the requested Advance. Each Borrowing Notice shall also certify the use of proceeds of the Advance which shall in any case be in accordance with Section 2.3. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, the IESO shall execute and deliver to the OFA a grid promissory note in respect of Advances substantially in the form of Schedule 3 (the **"Grid Note"**). The IESO authorizes the OFA to record on the Grid Note (a) the date and amount of each Advance or Continued Advance; (b) the applicable rate of interest for each Advance or Continued Advance; (c) the Repayment Date of each Advance or Continued Advance; (d) the date and amount of each payment of interest and each payment of principal or portion thereof in respect of each Advance or Continued Advance; and (e) Advances Outstanding. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such Advances and repayments; provided that the failure of the OFA to record any amount, rate or date shall not affect the obligation of the IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement."

7. Section 3.3 "Elections Regarding Advances" of the Credit Agreement is deleted in its entirety and replaced by the following:

"(1) The IESO may elect to continue all or a portion of the principal amount of any Advance and any amount of interest on such Advance (together, the "**Continued Advance**") for a further period of at least 28 days and up to a maximum of 95 days beginning on the then current Repayment Date in accordance with Section 3.3(2).

(2) Each notice to continue an Advance for a further period (an "**Election Notice**") shall be provided by the IESO to the OFA at least two Business Days prior to the Repayment Date of the Advance (the "**Current Repayment Date**"), and in each case, not later than 10:00 a.m. (Toronto time). Each such Election Notice shall be given substantially in the form of Schedule 2 and shall be irrevocable and binding upon the IESO and shall specify: (a) the Current Repayment Date; (b) the new aggregate total amount of the proposed Continued Advance; (c) the amount of interest or principal, if any, to be paid or re-paid by the IESO with respect to such Advance on the Current Repayment Date; and (d) the new Repayment Date of the proposed Continued Advance, which shall be no earlier than 28 days and not later than 95 days after the Current Repayment Date (the "**New Repayment Date**"). If the IESO fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date.

(3) An Election Notice with respect to a proposed Continued Advance may include a Borrowing Notice for a further Advance proposed to be made on the Current Repayment

Date. The Repayment Date of such further Advance shall be the New Repayment Date of the Continued Advance that is specified in the Election Notice. Such Borrowing Notice shall be given substantially in the form of Schedule 2.

(4) The calculation of interest on a Continued Advance shall be determined in the same manner as an Advance under Section 3.4 and shall be recorded on the grid promissory note in respect of Advances in accordance with Section 3.2(2).

(5) Any portion of an Advance not continued for a further period in accordance with Section 3.3(2) shall be repayable on the applicable Repayment Date."

8. Section 5.2 "Acceleration of Maturity; Recission and Annulement" of the Credit Agreement is deleted in its entirety and replaced by the following:

"If an Event of Default occurs and is continuing, then and in every such case the OFA may at its option, in addition to any other remedy available to the OFA at law, by written notice to the IESO, take any or all of the following actions:

(a) suspend the right of the IESO to request any further Advance until the Event of Default has been cured to the OFA's satisfaction or, if the Event of Default is not cured within three (3) Business Days after the date on which written notice of such Event of Default shall have been given to the IESO by the OFA, declare all amounts owing hereunder including all interest accrued to be due and payable immediately, by a notice in writing to the IESO, and upon any such declaration all such amounts shall become immediately due and payable.

(b) invoke the Intercept pursuant to section 5.7 of this Agreement to require payment of any amount due and payable under this Agreement."

9. Section 5.7 "Intercept" is added to the Credit Agreement, stating as follows:

"Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of November 6th , 2017 herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the *Capital Investment Plan Act, 1993* (the "**Intercept Letter**"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("**Appropriated Funds**"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("**Intercept**").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail."

10. Section 7.9 "Entire Agreement' is added to the Credit Agreement, stating as follows:

"Section 7.9 Entire Agreement

This Agreement as amended from time to time and including the schedules hereto and any other agreements expressly referred to herein, constitutes the whole agreement between the Parties with respect to the matters dealt with in it, and it supersedes any prior agreement, undertakings, discussions and the like respecting the matters dealt with in this Agreement and entered into by the Parties before the date the OFA signs this Agreement."

11. Schedule 1 of the Credit Agreement, Form of Borrowing Notice, is deleted in its entirety and replaced by the Form of Borrowing Notice attached hereto as Schedule 1.

12. Schedule 2 of the Credit Agreement, Form of Election Notice, is deleted in its entirety and replaced by the Form of Election Notice attached hereto as Schedule 2.

13. Schedule 3 of the Credit Agreement, IESO Grid Note, is deleted in its entirety and replaced by the Form of Grid Note attached hereto as Schedule 3.

14. For the purposes of this Amending Agreement and its coming into effect:

a. "**Effective Time**" means the time on the Effective Date by which the Transfers of Funds (defined below) have been completed; or such other time as the Parties may subsequently agree to in writing as being the "Effective Time";

b. "**Transfers of Funds**" means those transfers of funds to be completed between the Parties on the Effective Date, being:

   i. the First Advance as defined under section 3.2(3) of the credit agreement between the Parties in relation to the IESO's role in the implementation of the OFHP dated November 6, 2017; and,

   ii. the completion of all Advances described in the Election Notice to be provided by the IESO to the OFA no later than November 17, 2017 (such terms having the meanings defined in the Credit Agreement) that are to be funded under the Credit Agreement on the Effective Date; and,

   iii. the repayment by the IESO of all Advances Outstanding (as defined in the Credit Agreement) exceeding $475 million; and,

   iv. the payment by the IESO to OFA of the interest then owing under the Credit Agreement.

15. The Parties shall endeavour to complete and exchange all usual documentation relating to the Transfers of Funds, and to any other related matters occurring on the Effective Date, prior to 5:00 p.m. on the Effective Date, and in any case no later than the next business day.

16. After the Effective Time, and prior to any further Advances under the Credit Agreement, the IESO shall execute and deliver to the OFA a new grid promissory note in the principal amount of up to $475,000,000 substantially in the form attached hereto as Schedule 3 (the **"Grid Note"**) and indicating a total principal amount of Advances Outstanding as of the Effective Time. Upon receipt of the new Grid Note delivered hereunder, the OFA will cancel and return the grid promissory note dated November 30, 2016 to the IESO.

17. This Amending Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Amending Agreement.

IN ALL OTHER RESPECTS, the Credit Agreement is confirmed by the Parties.

[*signature page follows*]

IN WITNESS WHEREOF the Parties hereto have executed and delivered this Amending Agreement on the dates set out below, which shall come into effect as of the Effective Time as defined herein.

ONTARIO FINANCING AUTHORITY

Per: _____ Date: November 6, 2017.

Name: Michael D. Manning
Title: Executive Director & Chief
Investment Officer
Capital Markets Division

I have authority to bind the corporation.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____ Date: November_____, 2017.

Name: Kimberly Marshall
Title: Vice President, Corporate Services;
Chief Financial Officer; Treasurer

I have authority to bind the corporation.

SCHEDULE 1 TO AMENDING AGREEMENT NO. 10

FORM OF BORROWING NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "**Agreement**", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "**Proposed Advance**"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The principal amount of the Proposed Advance is $_____;
(c) The Repayment Date of the Proposed Advance is _____. [Not earlier than 28 days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:

Authorized Signatory

SCHEDULE 2 TO AMENDING AGREEMENT NO. 10

FORM OF ELECTION NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is _____;

(b) The aggregate amount of the proposed Continued Advance is $_____, which is comprised of:

i. principal amount (or portion thereof) of Advance which is to be continued $_____; and
ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date $_____;

(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): $ _____

(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _____. [Insert date no earlier than 28 days and not later than 95 days after the Current Repayment Date for the Advance.]

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: $_____

The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:
Authorized Signatory

SCHEDULE 3 TO AMENDING AGREEMENT NO. 10

FORM OF GRID NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $475,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICTY SYSTEM OPERATOR (the **"IESO"**), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY ("OFA")** at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Credit Agreement (as defined below). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Credit Agreement.

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the credit agreement dated January 1, 2005 as amended, supplemented or restated from time to time, between the Borrower and the OFA (the **"Credit Agreement"**).

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Credit Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Name:
Authorized Signatory

Line of Credit Grid Note

Entity : Independent Electricity System Operator
Loan Limit: $475,000,000

Project:
Schedule of loan transactions to:
Loan Advanced to:

New Loan and/or Rollover					Actual Repayment					
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days

From: Sarah Harris
To: Siva Nathan
Cc: San Rajaratnam; Andrea Dalgarno
Subject: RE: OIC Total Amount for OFA Loans as of Dec 31, 2017
Date: Tuesday, February 13, 2018 2:29:23 PM
Attachments: RE OIC Total Amount for OFA Loans as of Sep 30 2017.msg

---

Hello Siva,

Our apologies if this has caused any confusion.

While Lenin may have provided these answers previously, given the particular sensitivity around the FHP file for the OFA, the objective in consulting with CEFD and Corporate Finance was to ensure that we fully understood the scope of the OIC, since CEFD led the FHP file for the OFA and procured this specific OIC. In future, we will advise you directly of any potential concerns with the inclusion of new OICs.

As a clarification, we are confirming available OIC authority amounts, not the amounts of credit facilities/loans outstanding. For example, the OICs associated with past auto sector loans still have available authority, but there are no such associated credit facilities or loans outstanding. For purposes of clarity, it may be advisable to consider modifying the notes in the Financial Statements to reflect this difference (please see attached e-mail with some suggestions).

Thanks,
Sarah

From: Siva Nathan
Sent: Tuesday, February 13, 2018 10:15 AM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>; San Rajaratnam <San.Rajaratnam@ofina.on.ca>
Subject: RE: OIC Total Amount for OFA Loans as of Dec 31, 2017

Hi Andrea,

Thank you for your initiative to search for the answers to San's questions on Loans and Credit facilities.

In the future, please don't ask CEFD or Corporate Finance on this matter. They don't need to know what Accounting is reporting. John Kim and Bruno are responsible for OEFC matters. The note disclosure is for the OFA Financial Statements. For completeness and accuracy purposes, Accounting Agencies section staff request Documentation to provide updated information to be reported in the OFA's Notes to the Financial Statements. This is like a confirmation of Credit Facility and Loan

numbers from documentation.

In the past, Lenin provided this information with supporting Excel spreadsheet and relevant OICs. Please note that this is not a new request from Accounting- Agencies section.

For each quarter we request this confirmation from documentation and we will continue sending this request in the future as well.

If you have any questions, please contact me.

Thanks
Siva

From: Andrea Dalgarno
Sent: Tuesday, February 13, 2018 9:45 AM
To: John Kim <John.Kim@ofina.on.ca>; Bruno Amara <Bruno.Amara@ofina.on.ca>; Mara Bakic <Mara.Bakic@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Ken Kandeepan <Ken.Kandeepan@ofina.on.ca>; John Psinas <John.Psinas@ofina.on.ca>; San Rajaratnam <San.Rajaratnam@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: RE: OIC Total Amount for OFA Loans as of Dec 31, 2017

Hi John,

Sorry for any miscommunication/misunderstanding. I will ask for a response either way next time.

Good to know we are all in agreement.

Regards,

Andrea

From: John Kim
Sent: Tuesday, February 13, 2018 9:29 AM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>; Bruno Amara <Bruno.Amara@ofina.on.ca>; Mara Bakic <Mara.Bakic@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Ken Kandeepan <Ken.Kandeepan@ofina.on.ca>; John Psinas <John.Psinas@ofina.on.ca>; San Rajaratnam <San.Rajaratnam@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: RE: OIC Total Amount for OFA Loans as of Dec 31, 2017

Hi Andrea,

You asked us to let you know if there was an issue. We didn't have any issues.

Thanks,

John

From: Andrea Dalgarno
Sent: Tuesday, February 13, 2018 9:26 AM
To: John Kim <John.Kim@ofina.on.ca>; Bruno Amara <Bruno.Amara@ofina.on.ca>; Mara Bakic <Mara.Bakic@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Ken Kandeepan <Ken.Kandeepan@ofina.on.ca>; John Psinas <John.Psinas@ofina.on.ca>; San Rajaratnam <San.Rajaratnam@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: RE: OIC Total Amount for OFA Loans as of Dec 31, 2017

Hi,

I consulted Ken Kandeepan with respect to the appropriateness of including the IESO-OFA FHP related OIC in the reporting and he agrees it should be included.

The attached is the final report provided to Accounting for use in the financial statements as at Dec 31, 2017. I believe they pick up the total OIC amount which will jump by 2 billion and the date range which will be pushed to 2047 on the far end as a result of the addition of the FHP related OIC.

Regards,

Andrea

From: Andrea Dalgarno
Sent: Friday, February 02, 2018 11:14 AM
To: John Kim <John.Kim@ofina.on.ca>; Bruno Amara <Bruno.Amara@ofina.on.ca>; Mara Bakic <Mara.Bakic@ofina.on.ca>
Cc: San Rajaratnam <San.Rajaratnam@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: OIC Total Amount for OFA Loans as of Dec 31, 2017

Hi,

I have tentatively updated a report of OFA OIC amounts we provide to Accounting quarterly for financial reporting purposes to include the OIC that supports the $2 billion dollar Credit Facility Agreement between the OFA and IESO related to the Fair Hydro Plan.

As this is a significant addition, I would like to give interested parties the opportunity to consider the appropriateness of its inclusion.

Accounting should be able to provide you further details with respect to the nature of the reporting which is based on this input should it be needed.

Please let me know as soon as possible should there be an issue with its inclusion

Regards,

Andrea

From: San Rajaratnam
Sent: Friday, February 02, 2018 10:46 AM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of Dec 31, 2017

Hi Andrea,

For reporting in OFA's Dec 31, 2017 financial statements, We would like to check with you of any changes to OIC amounts as of Dec 31, 2017.

Thanks,
San

From: San Rajaratnam
Sent: Friday, October 20, 2017 9:17 AM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of Sep 30, 2017

Hi Andrea,

For reporting in OFA's Sep 30, 2017 financial statements We would like to check with you of any changes to OIC amounts as of Sep 30, 2017.

Thanks,
San

From: Andrea Dalgarno
Sent: Wednesday, July 19, 2017 10:10 AM

To: San Rajaratnam <San.Rajaratnam@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: RE: OIC Total Amount for OFA Loans as of June 30, 2017

Hi,

We confirm the authorized amounts for the OICs in the attached table are unchanged totalling $16,916,000,000 as at June 30 ,2017.

Regards,

Andrea

From: San Rajaratnam
Sent: Wednesday, July 19, 2017 9:56 AM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of June 30, 2017

Hi Andrea,

For reporting in OFA's June 30, 2017 financial statements We would like to check with you of any changes to OIC amounts as of June 30, 2017.

Thanks,
San

From: Andrea Dalgarno
Sent: Wednesday, April 19, 2017 9:57 AM
To: San Rajaratnam <San.Rajaratnam@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: RE: OIC Total Amount for OFA Loans as of Mar 31, 2017

Hi San,

Sarah asked me to address this request

The only changes are as follows:

OIC 1883/06 - $800,000,000 - the amended maturity date is June 1, 2041 (previously November 1, 2032).
OIC 2144/07 - $2,000,000,000 - the amended maturity date is June 1, 2041 (previously December 1, 2037).

and the changes have been made to the OFA Summary attached.

These updates take into account the amendment to the maturity dates incorporated in OIC 844/2008 (attached for your reference).

Other than that:

I can confirm that the total OIC amounts remains unchanged as of March 31, 2017. I can also confirm that there have been no additional OICs. I cannot however, comment on any loans or transactions undertaken under the OICs. Documentation does not keep track of this. If needed, I believe that Corporate Finance keeps track of this information. As such the supporting documentation provided is comprised of copies of the OIC's in question.

Regards,

Andrea

From: San Rajaratnam
Sent: Tuesday, April 18, 2017 2:51 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of Mar 31, 2017

Hi William,

We would like to check with you of any changes to OIC amounts as of Mar 31, 2017? We require this info for reporting in OFA's Mar 31, 2017 Financial Statements.

Thanks,
San

From: William Tan
Sent: Friday, January 20, 2017 2:56 PM
To: San Rajaratnam <San.Rajaratnam@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: OIC Total Amount for OFA Loans as of Dec 31,2016

Hello San,

We confirm the authorized amounts for the OICs in the attached table are unchanged totalling $16,916,000,000 as at Dec 31, 2016.

Please note the amended maturity dates for the following two OICs:

OIC 675/97 - $2,160,000,000 - the amended maturity date is June 1, 2041 (previously August 31, 2027).
OIC 767/99 - $656,000,000 - the amended maturity date is June 1, 2041 (previously August 31, 2029).

Thanks,

Will

From: Sarah Harris
Sent: Tuesday, January 17, 2017 4:14 PM
To: William Tan <William.Tan@ofina.on.ca>
Subject: FW: OIC Total Amount for OFA Loans as of Dec 31,2016

From: San Rajaratnam
Sent: Tuesday, January 17, 2017 3:39 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of Dec 31,2016

Hi Sarah,

We would like to check whether any changes to OIC amounts as of Dec 31, 2016? We require this info for reporting in OFA's Dec 31,2016 FS.

Lenin provided us the attached file (as of Sep 30,2016).

Thanks,
San

From: Andrea Dalgarno []
To: San Rajaratnam [San.Rajaratnam@ofina.on.ca]
CC: Siva Nathan [Siva.Nathan@ofina.on.ca]; Sarah Harris [Sarah.Harris@ofina.on.ca]
Subject: RE: OIC Total Amount for OFA Loans as of Sep 30, 2017
Date: Thursday, October 26, 2017 08:44:19
Attachment 1: Total OIC Amount (September 30 2017).xlsx

Hi San

We confirm the authorized amounts for the OIC's in the attached table are unchanged totaling $16,916,000,000 as at September 30, 2017. I have cleaned up the spreadsheet a bit (please see attached) but the substance has not changed.

A suggestion for consideration in terms of wording:

Funds for these loans are advanced to the OFA by the Province through a combination of loans and credit facilities. The total advanced by the Province cannot exceed $16.916 billion.

The thinking behind this suggestion is as follows:

-the $16.916 billion is the total original authority available to the Province (under all OICs) to fund the OFA in support of the referenced public body financing.

-the financing to public bodies is through a combination of loans and credit facilities.

-the auto loan related OIC's do not specify a final repayment date

Let me know should you have any questions or concerns.

Andrea

From: San Rajaratnam
Sent: Tuesday, October 24, 2017 2:16 PM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: OIC Total Amount for OFA Loans as of Sep 30, 2017

Hi Andrea,

This is what we disclose in the notes to OFA's quarterly and yearly financial statements. Provided below is the note in June 30, 2017 FS:

5. TRANSACTIONS WITH PUBLIC BODIES

The OFA provides financing to various public bodies on direction from the Province. As the OFA is directed by the Province to make these loans in furtherance of stated Provincial initiatives, and these loans are included in the Province's consolidated financial statements, these transactions are not reflected in these financial statements.

Funds for these loans are advanced to the OFA by the Province under credit facilities aggregating $16.9 billion expiring from 2036 to 2044. Principal repayments received from public bodies by the OFA are forwarded to the Province. The interest rates charged to public bodies is generally slightly higher than the rate charged by the Province on the advances to fund the loans ("the spread").

Thanks,

San

From: Andrea Dalgarno
Sent: Tuesday, October 24, 2017 1:56 PM
To: San Rajaratnam <San.Rajaratnam@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: OIC Total Amount for OFA Loans as of Sep 30, 2017

Hi San,

Is there any way you can send me a copy of the note and whatever section of the OFA statements the note refers to?

We are trying to get a better idea as to what is being communicated in order to hopefully determine if the Fair Hydro Plan OIC should be added given it is not included for the purposes of the OFA Lending Directive.

Regards,

Andrea

From: San Rajaratnam
Sent: Friday, October 20, 2017 9:17 AM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of Sep 30, 2017

Hi Andrea,

For reporting in OFA's Sep 30, 2017 financial statements We would like to check with you of any changes to OIC amounts as of Sep 30, 2017.

Thanks,

San

From: Andrea Dalgarno
Sent: Wednesday, July 19, 2017 10:10 AM
To: San Rajaratnam <San.Rajaratnam@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: RE: OIC Total Amount for OFA Loans as of June 30, 2017

Hi,

We confirm the authorized amounts for the OICs in the attached table are unchanged totalling $16,916,000,000 as at June 30 ,2017.

Regards,

Andrea

From: San Rajaratnam
Sent: Wednesday, July 19, 2017 9:56 AM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan

<Siva.Nathan@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of June 30, 2017

Hi Andrea,

For reporting in OFA's June 30, 2017 financial statements We would like to check with you of any changes to OIC amounts as of June 30, 2017.

Thanks,

San

From: Andrea Dalgarno
Sent: Wednesday, April 19, 2017 9:57 AM
To: San Rajaratnam <San.Rajaratnam@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: RE: OIC Total Amount for OFA Loans as of Mar 31, 2017

Hi San,

Sarah asked me to address this request

The only changes are as follows:

OIC 1883/06 - $800,000,000 - the amended maturity date is June 1, 2041 (previously November 1, 2032).

OIC 2144/07 - $2,000,000,000 - the amended maturity date is June 1, 2041 (previously December 1, 2037).

and the changes have been made to the OFA Summary attached.

These updates take into account the amendment to the maturity dates incorporated in OIC 844/2008 (attached for your reference).

Other than that:

I can confirm that the total OIC amounts remains unchanged as of March 31, 2017. I can also confirm that there have been no additional OICs. I cannot however, comment on any loans or transactions undertaken under the OICs. Documentation does not keep track of this. If needed, I believe that Corporate Finance keeps track of this information. As such the supporting documentation provided is comprised of copies of the OIC's in question.

Regards,

Andrea

From: San Rajaratnam
Sent: Tuesday, April 18, 2017 2:51 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of Mar 31, 2017

Hi William,

We would like to check with you of any changes to OIC amounts as of Mar 31, 2017? We require this info for reporting in OFA's Mar 31, 2017 Financial Statements.

Thanks,

San

From: William Tan
Sent: Friday, January 20, 2017 2:56 PM
To: San Rajaratnam <San.Rajaratnam@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: OIC Total Amount for OFA Loans as of Dec 31,2016

Hello San,

We confirm the authorized amounts for the OICs in the attached table are unchanged totalling $16,916,000,000 as at Dec 31, 2016.

Please note the amended maturity dates for the following two OICs:

OIC 675/97 - $2,160,000,000 - the amended maturity date is June 1, 2041 (previously August 31, 2027).

OIC 767/99 - $656,000,000 - the amended maturity date is June 1, 2041 (previously August 31, 2029).

Thanks,

Will

From: Sarah Harris
Sent: Tuesday, January 17, 2017 4:14 PM
To: William Tan <William.Tan@ofina.on.ca>
Subject: FW: OIC Total Amount for OFA Loans as of Dec 31,2016

From: San Rajaratnam
Sent: Tuesday, January 17, 2017 3:39 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of Dec 31,2016

Hi Sarah,

We would like to check whether any changes to OIC amounts as of Dec 31, 2016? We require this info for reporting in OFA's Dec 31,2016 FS.

Lenin provided us the attached file (as of Sep 30,2016).

Thanks,

San

OIC Summary

As At: **Septemebr 30, 2017**

Regular Loans	**Total OIC Amount**
Under OIC 675/97 -	
Authorized:	$2,160,000,000
Repayment date:	June 1, 2041
Under OIC 767/99 -	
Authorized:	$656,000,000
Repayment date:	June 1, 2041
School Board Loans	**Total OIC Amount**
Under OIC 1883/2006	
Authorized:	$800,000,000
Repayment date:	June 1, 2041
Under OIC 2144/2007	
Authorized:	$2,000,000,000
Repayment date:	June 1, 2041
Under OIC 300/2010	
Authorized:	$1,800,000,000
Repayment date:	May 15, 2036
Under OIC 163/2012	
Authorized:	$1,700,000,000
Repayment date:	Year 2040
Under OIC 354/2014	
Authorized:	$700,000,000
Repayment date:	March 5, 2044
Auto Loans	**Total OIC Amount**
Under OIC 2154/2008	$1,700,000,000
Under OIC 678/2009	$1,100,000,000
Under OIC 975/2009	$4,300,000,000
Total Amount	**$16,916,000,000**

Amount Issued		Remaining Authority	
$	1,700,000,000.00	$	-
$	480,818,602.74	$	619,181,397.26
$	1,983,345,267.75	$	2,316,654,732.25

From:	Ken Kandeepan
To:	Andrea Dalgarno
Cc:	Sarah Harris; San Rajaratnam; Siva Nathan; John Psinas
Subject:	RE: OIC Total Amount for OFA Loans as of Dec 31, 2017
Date:	Tuesday, February 13, 2018 9:14:50 AM
Attachments:	image001.png

Hi Andrea

Agreed, the credit facility of $2B to IESO is indeed extended by the OFA and does require disclosure.

Thanks

Ken K

From: Andrea Dalgarno
Sent: Tuesday, February 13, 2018 9:13 AM
To: Ken Kandeepan
Cc: Sarah Harris ; San Rajaratnam ; Siva Nathan
Subject: OIC Total Amount for OFA Loans as of Dec 31, 2017

Hi Ken,

We are trying to finalize the attached worksheet for Accounting. I believe it is used in the statements to populate the highlighted sentence:

5. TRANSACTIONS WITH PUBLIC BODIES

The OFA provides financing to various public bodies on direction from the Province. As the OFA is directed by the Province to make these loans in furtherance of stated Provincial initiatives, and these loans are included in the Province's consolidated financial statements, these transactions are not reflected in these financial statements.

Funds for these loans are advanced to the OFA by the Province under credit facilities aggregating $16.9 billion expiring from 2036 to 2044. Principal repayments received from public bodies by the OFA are forwarded to the Province. The interest rates charged to public bodies is generally slightly higher than the rate charged by the Province on the advances to fund the loans ("the spread").

We have tentatively added the IESO-OFA FHP OIC to the worksheet but want to ensure this is both expected and acceptable.

We approached Corporate Finance/Corporate Electricity Finance to see if they had any concerns but have yet to hear back.

We are hoping that you may be able to confirm the appropriateness of its inclusion in light of the fact that it will cause a $2 billion jump in the amount reported and push the far date out to 2047.

Regards,

Andrea Dalgarno
Documentation & Analysis Specialist
Ontario Financing Authority
Tel 416-212-7451

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recipient or have received this message in error, please notify us immediately by reply e-mail and permanently delete this message including any attachments, without reading it or making a copy. Thank you

5. TRANSACTIONS WITH PUBLIC BODIES

The OFA provides financing to various public bodies on direction from the Province. As the OFA is directed by the Province to make these loans in furtherance of stated Provincial initiatives, and these loans are included in the Province's consolidated financial statements, these transactions are not reflected in these financial statements.

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From:	Ken Kandeepan
To:	Andrea Dalgarno
Cc:	Sarah Harris; San Rajaratnam; Siva Nathan; John Psinas
Subject:	RE: OIC Total Amount for OFA Loans as of Dec 31, 2017
Date:	Tuesday, February 13, 2018 9:14:50 AM
Attachments:	image001.png

Hi Andrea

Agreed, the credit facility of $2B to IESO is indeed extended by the OFA and does require disclosure.

Thanks

Ken K

From: Andrea Dalgarno
Sent: Tuesday, February 13, 2018 9:13 AM
To: Ken Kandeepan
Cc: Sarah Harris ; San Rajaratnam ; Siva Nathan
Subject: OIC Total Amount for OFA Loans as of Dec 31, 2017

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We are hoping that you may be able to confirm the appropriateness of its inclusion in light of the fact that it will cause a $2 billion jump in the amount reported and push the far date out to 2047.

Regards,

Andrea Dalgarno
Documentation & Analysis Specialist
Ontario Financing Authority
Tel 416-212-7451

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recipient or have received this message in error, please notify us immediately by reply e-mail and permanently delete this message including any attachments, without reading it or making a copy. Thank you

5. TRANSACTIONS WITH PUBLIC BODIES

The OFA provides financing to various public bodies on direction from the Province. As the OFA is directed by the Province to make these loans in furtherance of stated Provincial initiatives, and these loans are included in the Province's consolidated financial statements, these transactions are not reflected in these financial statements.

Funds for these loans are advanced to the OFA by the Province under credit facilities aggregating $16.9 billion expiring from 2036 to 2044. Principal repayments received from public bodies by the OFA are forwarded to the Province. The interest rates charged to public bodies is generally slightly higher than the rate charged by the Province on the advances to fund the loans ("the spread").

From: Siva Nathan
To: Andrea Dalgarno
Cc: Sarah Harris; Siva Nathan; San Rajaratnam
Subject: RE: OIC Total Amount for OFA Loans as of Dec 31, 2017
Date: Tuesday, February 13, 2018 10:15:29 AM

Hi Andrea,
Thank you for your initiative to search for the answers to San's questions on Loans and Credit facilities.
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Cc: Sarah Harris ; Ken Kandeepan ; John Psinas ; San Rajaratnam ; Siva Nathan
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Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
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Hi San,

Sarah asked me to address this request

The only changes are as follows:

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844/2008 (attached for your reference).
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From:	Andrea Dalgarno
To:	John Kim; Bruno Amara; Mara Bakic
Cc:	Sarah Harris; Ken Kandeepan; John Psinas; San Rajaratnam; Siva Nathan
Subject:	RE: OIC Total Amount for OFA Loans as of Dec 31, 2017
Date:	Tuesday, February 13, 2018 9:45:16 AM

Hi John,
Sorry for any miscommunication/misunderstanding. I will ask for a response either way next time. Good to know we are all in agreement.
Regards,
Andrea

From: John Kim
Sent: Tuesday, February 13, 2018 9:29 AM
To: Andrea Dalgarno ; Bruno Amara ; Mara Bakic
Cc: Sarah Harris ; Ken Kandeepan ; John Psinas ; San Rajaratnam ; Siva Nathan
Subject: RE: OIC Total Amount for OFA Loans as of Dec 31, 2017
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To: John Kim <John.Kim@ofina.on.ca>; Bruno Amara <Bruno.Amara@ofina.on.ca>; Mara Bakic <Mara.Bakic@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Ken Kandeepan <Ken.Kandeepan@ofina.on.ca>; John Psinas <John.Psinas@ofina.on.ca>; San Rajaratnam <San.Rajaratnam@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
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Cc: San Rajaratnam <San.Rajaratnam@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
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Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of Dec 31, 2017

Hi Andrea,
For reporting in OFA's Dec 31, 2017 financial statements, We would like to check with you of any changes to OIC amounts as of Dec 31, 2017.
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To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of Sep 30, 2017

Hi Andrea,
For reporting in OFA's Sep 30, 2017 financial statements We would like to check with you of any changes to OIC amounts as of Sep 30, 2017.
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Subject: RE: OIC Total Amount for OFA Loans as of June 30, 2017

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From: San Rajaratnam
Sent: Wednesday, July 19, 2017 9:56 AM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of June 30, 2017

Hi Andrea,
For reporting in OFA's June 30, 2017 financial statements We would like to check with you of any changes to OIC amounts as of June 30, 2017.
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Sent: Wednesday, April 19, 2017 9:57 AM
To: San Rajaratnam <San.Rajaratnam@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: RE: OIC Total Amount for OFA Loans as of Mar 31, 2017
Hi San,
Sarah asked me to address this request
The only changes are as follows:
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OIC 2144/07 - $2,000,000,000 - the amended maturity date is June 1, 2041 (previously December 1, 2037).
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Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
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Subject: FW: OIC Total Amount for OFA Loans as of Dec 31,2016

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Cc:	Sarah Harris; Ken Kandeepan; John Psinas; San Rajaratnam; Siva Nathan
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Subject: OIC Total Amount for OFA Loans as of Dec 31, 2017

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Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of Sep 30, 2017

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Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of June 30, 2017

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Hi San,

Sarah asked me to address this request

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Cc:	Sarah Harris; Ken Kandeepan; John Psinas; San Rajaratnam; Siva Nathan
Subject:	RE: OIC Total Amount for OFA Loans as of Dec 31, 2017
Date:	Tuesday, February 13, 2018 9:26:00 AM
Attachments:	Total OIC Amount (Decemeber 31 2017).xlsx OIC-1279-2017.pdf

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Other than that:

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confirm that there have been no additional OICs. I cannot however, comment on any loans or transactions undertaken under the OICs. Documentation does not keep track of this. If needed, I believe that Corporate Finance keeps track of this information. As such the supporting documentation provided is comprised of copies of the OIC's in question.
Regards,
Andrea

From: San Rajaratnam
Sent: Tuesday, April 18, 2017 2:51 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of Mar 31, 2017

Hi William,
We would like to check with you of any changes to OIC amounts as of Mar 31, 2017? We require this info for reporting in OFA's Mar 31, 2017 Financial Statements.
Thanks,
San

From: William Tan
Sent: Friday, January 20, 2017 2:56 PM
To: San Rajaratnam <San.Rajaratnam@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: OIC Total Amount for OFA Loans as of Dec 31,2016

Hello San,
We confirm the authorized amounts for the OICs in the attached table are unchanged totalling $16,916,000,000 as at Dec 31, 2016.
Please note the amended maturity dates for the following two OICs:
OIC 675/97 - $2,160,000,000 - the amended maturity date is June 1, 2041 (previously August 31, 2027).
OIC 767/99 - $656,000,000 - the amended maturity date is June 1, 2041 (previously August 31, 2029).
Thanks,
Will

From: Sarah Harris
Sent: Tuesday, January 17, 2017 4:14 PM
To: William Tan <William.Tan@ofina.on.ca>
Subject: FW: OIC Total Amount for OFA Loans as of Dec 31,2016

From: San Rajaratnam
Sent: Tuesday, January 17, 2017 3:39 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of Dec 31,2016

Hi Sarah,
We would like to check whether any changes to OIC amounts as of Dec 31, 2016? We require this info for reporting in OFA's Dec 31,2016 FS.
Lenin provided us the attached file (as of Sep 30,2016).

Thanks,
San

OIC Summary

As At: **Septemebr 30, 2017**

Regular Loans	**Total OIC Amount**
Under OIC 675/97 -	
Authorized:	$2,160,000,000
Repayment date:	June 1, 2041
Under OIC 767/99 -	
Authorized:	$656,000,000
Repayment date:	June 1, 2041
IESO FHP Credit Facility	
Under OIC 1279/2017 -	
Authorized:	$2,000,000,000
Repayment date:	December 31, 2047
School Board Loans	**Total OIC Amount**
Under OIC 1883/2006	
Authorized:	$800,000,000
Repayment date:	June 1, 2041
Under OIC 2144/2007	
Authorized:	$2,000,000,000
Repayment date:	June 1, 2041
Under OIC 300/2010	
Authorized:	$1,800,000,000
Repayment date:	May 15, 2036
Under OIC 163/2012	
Authorized:	$1,700,000,000
Repayment date:	Year 2040
Under OIC 354/2014	
Authorized:	$700,000,000
Repayment date:	March 5, 2044
Auto Loans	**Total OIC Amount**
Under OIC 2154/2008	$1,700,000,000
Under OIC 678/2009	$1,100,000,000
Under OIC 975/2009	$4,300,000,000
Total Amount	**$18,916,000,000**

Amount Issued		Remaining Authority	
$	1,700,000,000.00	$	-
$	480,818,602.74	$	619,181,397.26
$	1,983,345,267.75	$	2,316,654,732.25

Executive Council of Ontario/Conseil exécutif de l'Ontario **[Bilingual]**

Ontario

Order in Council
Décret

On the recommendation of the undersigned, the Lieutenant Governor of Ontario, by and with the advice and concurrence of the Executive Council of Ontario, orders that:

Sur la recommandation de la personne soussignée, la lieutenante-gouverneure de l'Ontario, sur l'avis et avec le consentement du Conseil exécutif de l'Ontario, décrète ce qui suit :

WHEREAS pursuant to subsection 22(1) of the *Capital Investment Plan Act, 1993* (the "Act"), the Minister of Finance may purchase securities of or make loans to corporations established under subsection 2(1) of the Act in such amounts, at such times and on such terms and conditions as the Lieutenant Governor in Council considers expedient;

AND WHEREAS the Ontario Financing Authority (the "OFA") is a corporation established under subsection 2(1) of the Act;

AND WHEREAS pursuant to subsection 6(3) of the Act, the power of a corporation established under subsection 2(1) of the Act to borrow and issue securities, among other things, may only be exercised under the authority of a by-law that has been approved by the Minister of Finance;

AND WHEREAS the OFA wishes to borrow up to Two Billion Dollars in lawful money of Canada from the Minister of Finance and has been authorized to do so by a borrowing by-law approved in accordance with the Act;

THEREFORE:

Pursuant to subsection 22 (1) of the Act, the Minister of Finance is authorized to lend a maximum of Two Billion Dollars in lawful money of Canada to the OFA on the following terms and conditions:

(a) the loan may be advanced in such amounts and at such time or times as required by the OFA;

(b) repayment of advances made under the loan plus accrued interest may be made in whole or in part at any time provided that the loan plus any accrued interest shall be fully repaid by December 31, 2047;

(c) each advance (an "Advance") made under the loan hereby authorized shall bear interest at a rate which is determined as follows:

(i) from the date of the Advance to (but excluding) the date of repayment the Advance shall bear interest at a per annum rate equivalent to the yield earned on

ninety day Province of Ontario treasury bills on the date before the Advance Date as determined by the Province, provided that if an Advance is outstanding for longer than ninety days, the interest rate shall be reset on the last day of each ninety day period (the "Reset Date") to the yield earned on ninety day Province of Ontario treasury bills immediately preceding the Reset Date for such ninety day period as determined by the Province;

(ii) in the event that moneys included in an Advance are used by the OFA for the purpose of funding loans to third parties (a "Third Party Loan"), the rate of interest payable by the OFA to the Province on the portion of the Advance so used shall be adjusted effective as of the date that the portion of the Advance is used to fund the Third Party Loan so that the per annum rate of interest payable by the OFA on such moneys is equivalent to the per annum rate of interest payable to the OFA under the Third Party Loan less an amount as may be determined by the Minister of Finance in respect of such Third Party Loan or a class of such Third Party Loans, until but excluding the date on which the Third Party Loan is repaid, at which time the interest rate set out in subparagraph (i) shall again be applicable to that portion of the Advance; and

(iii) in the event that moneys described in subparagraph (ii), once repaid, are subsequently used to fund loans to third parties, subparagraph (ii) shall again be applicable in determining the interest rate payable to the Province on that portion of the Advance used to fund such loan, and so on, until the Advance shall be repaid to the Province in full;

(iv) despite subparagraphs (ii) and (iii), in the event that no interest is payable to the OFA under a Third Party Loan, no interest shall be payable by the OFA on the portion of the Advance so used and to the extent that the terms of a Third Party Loan provide for the deferral of the payment of accrued interest for a period, the interest payment terms of an Advance or portion thereof shall also be deferred for a similar period.

(d) interest for any period of less than one year shall be payable for the actual number of days included in such period, computed on the basis of a 365-day year;

(e) despite paragraph (b) of this Order, interest on any portion of an Advance made to the OFA under the loan that is used by the OFA to fund a Third Party Loan shall accrue on the basis stated above but shall become payable only to the extent the OFA receives payment of interest under the relevant Third Party Loan;

(f) despite paragraph (b) of this Order, any portion of the principal of an Advance made to the OFA under the loan that is used by the OFA to fund a Third Party Loan shall become payable only to the extent the OFA receives repayment of principal under the relevant Third Party Loan; and

(g) the loan hereby authorized shall be evidenced by a promissory note.

ATTENDU QUE le ministre des Finances peut, en vertu du paragraphe 22 (1) de la *Loi de 1993 sur le plan d'investissement* (la « Loi »), acheter des valeurs mobilières des personnes morales

créées en vertu du paragraphe 2 (1) de la Loi ou leur consentir des prêts selon les montants, aux moments et aux conditions que le lieutenant-gouverneur en conseil estime opportuns;

ATTENDU QUE l'Office ontarien de financement (l'« OOF ») est une personne morale créée en vertu du paragraphe 2 (1) de la Loi;

ATTENDU QUE, conformément au paragraphe 6 (3) de la Loi, le pouvoir qu'ont les personnes morales créées en vertu du paragraphe 2 (1) de la Loi de contracter des emprunts et d'émettre des valeurs mobilières, entre autres, ne peut être exercé qu'aux termes d'un règlement administratif approuvé par le ministre des Finances;

ATTENDU QUE l'OOF souhaite emprunter jusqu'à concurrence de deux milliards de dollars en monnaie légale du Canada du ministre des Finances et qu'il a été autorisé à le faire par un règlement administratif d'emprunt approuvé conformément à la Loi;

PAR CONSÉQUENT :

en vertu du paragraphe 22 (1) de la Loi, le ministre des Finances est autorisé à prêter un montant maximal de deux milliards de dollars en monnaie légale du Canada à l'OOF, aux conditions suivantes :

a) le prêt peut être consenti selon les montants et aux moments qui conviennent à l'OOF;

b) le remboursement des avances consenties au titre du prêt, plus les intérêts courus, peut à tout moment être effectué en totalité ou en partie, pourvu que le prêt et les intérêts courus soient entièrement remboursés au plus tard le 31 décembre 2047;

c) chaque avance (« avance ») faite au titre du prêt autorisé par les présentes portera intérêt au taux est fixé comme suit :

(i) de la date où elle a été faite jusqu'à la date (non comprise) de son remboursement, l'avance portera intérêt à un taux annuel équivalant au rendement gagné sur des bons du Trésor de la province de l'Ontario de quatre-vingt-dix jours à la date précédant la date de l'avance fixée par la province, pourvu que ce taux d'intérêt soit rajusté le dernier jour de chaque période de quatre-vingt-dix jours (« date de rajustement ») selon le rendement gagné sur de tels bons du Trésor immédiatement avant la date de rajustement pour une période de quatre-vingt-dix jours décidée par la province, si l'avance est impayée pendant plus de quatre-vingt-dix jours;

(ii) dans l'éventualité où l'OOF se servirait de sommes comprises dans une avance pour financer des prêts à des tiers, le taux d'intérêt à payer par l'OOF à la province sur la partie de l'avance ainsi utilisée sera rajusté à la date à laquelle la partie de l'avance sera utilisée pour le financement du prêt à un tiers de façon que le taux d'intérêt annuel à payer par l'OOF sur de telles sommes soit équivalent à ce dernier taux moins un montant que pourra fixer le ministre des Finances à l'égard d'un tel prêt ou d'une telle catégorie de prêt, jusqu'à la date (non comprise) à laquelle le prêt à un tiers sera remboursé, date à laquelle le taux d'intérêt établi au sous-alinéa (i) s'appliquera de nouveau à cette partie de l'avance;

(iii) dans l'éventualité où les sommes décrites au sous-alinéa (ii), une fois remboursées, seraient ultérieurement utilisées pour le financement de prêts à des tiers, le sous-alinéa (ii) s'appliquera de nouveau dans l'établissement du taux d'intérêt à payer à la province sur la partie de l'avance utilisée à cette fin, et ainsi de suite, jusqu'à ce que l'avance ait été remboursée intégralement à la province;

(iv) malgré les sous-alinéas (ii) et (iii), dans l'éventualité où aucun intérêt ne serait payable à l'OOF au titre d'un prêt à un tiers, aucun intérêt ne sera à payer par l'OOF sur la partie de l'avance ainsi utilisée et dans la mesure où les conditions du prêt à un tiers prévoient le report du paiement d'intérêts courus pour une période, le paiement d'intérêts au titre d'une avance ou d'une partie d'une avance sera également reporté pour une période d'égale durée;

d) l'intérêt payable relativement à toute période de moins d'un an sera calculé en fonction du nombre de jours réellement compris dans cette période, par rapport à une année comptant 365 jours;

e) par dérogation à l'alinéa a) ci-dessus, l'intérêt sur toute partie d'une avance consentie à l'OOF dans le cadre du prêt que cette dernière utilise pour financer un prêt à un tiers est calculé comme il est indiqué ci-dessus, mais cet intérêt devient payable uniquement dans la mesure où l'OOF reçoit un paiement d'intérêts au titre du prêt à un tiers;

f) par dérogation à l'alinéa b) ci-dessus, toute partie du capital d'une avance consentie à l'OOF dans le cadre du prêt que cette dernière utilise pour financer un prêt à un tiers devient payable uniquement dans la mesure où l'OOF reçoit un remboursement du capital au titre du prêt à un tiers

g) le prêt autorisé en vertu des présentes sera attesté par un billet à ordre.

Recommended: Minister of Finance
Recommandé par : Le ministre des Finances

Deb Matthews

Concurred: Chair of Cabinet
Appuyé par : Le président/la présidente du Conseil des ministres

Approved and Ordered:
Approuvé et décrété le : JUN 28 2017

Lieutenant Governor
La lieutenante-gouverneure

From:	Andrea Dalgarno
To:	John Kim; Bruno Amara; Mara Bakic
Cc:	Sarah Harris; Ken Kandeepan; John Psinas; San Rajaratnam; Siva Nathan
Subject:	RE: OIC Total Amount for OFA Loans as of Dec 31, 2017
Date:	Tuesday, February 13, 2018 9:26:00 AM
Attachments:	Total OIC Amount (Decemeber 31 2017).xlsx OIC-1279-2017.pdf

Hi,
I consulted Ken Kandeepan with respect to the appropriateness of including the IESO-OFA FHP related OIC in the reporting and he agrees it should be included.
The attached is the final report provided to Accounting for use in the financial statements as at Dec 31, 2017. I believe they pick up the total OIC amount which will jump by 2 billion and the date range which will be pushed to 2047 on the far end as a result of the addition of the FHP related OIC.
Regards,
Andrea

From: Andrea Dalgarno
Sent: Friday, February 02, 2018 11:14 AM
To: John Kim ; Bruno Amara ; Mara Bakic
Cc: San Rajaratnam ; Siva Nathan ; Sarah Harris
Subject: FW: OIC Total Amount for OFA Loans as of Dec 31, 2017
Hi,
I have tentatively updated a report of OFA OIC amounts we provide to Accounting quarterly for financial reporting purposes to include the OIC that supports the $2 billion dollar Credit Facility Agreement between the OFA and IESO related to the Fair Hydro Plan.
As this is a significant addition, I would like to give interested parties the opportunity to consider the appropriateness of its inclusion.
Accounting should be able to provide you further details with respect to the nature of the reporting which is based on this input should it be needed.
Please let me know as soon as possible should there be an issue with its inclusion
Regards,
Andrea

From: San Rajaratnam
Sent: Friday, February 02, 2018 10:46 AM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of Dec 31, 2017
Hi Andrea,
For reporting in OFA's Dec 31, 2017 financial statements, We would like to check with you of any changes to OIC amounts as of Dec 31, 2017.
Thanks,
San

From: San Rajaratnam
Sent: Friday, October 20, 2017 9:17 AM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>

Subject: OIC Total Amount for OFA Loans as of Sep 30, 2017

Hi Andrea,

For reporting in OFA's Sep 30, 2017 financial statements We would like to check with you of any changes to OIC amounts as of Sep 30, 2017.

Thanks,

San

From: Andrea Dalgarno
Sent: Wednesday, July 19, 2017 10:10 AM
To: San Rajaratnam <San.Rajaratnam@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: RE: OIC Total Amount for OFA Loans as of June 30, 2017

Hi,

We confirm the authorized amounts for the OICs in the attached table are unchanged totalling $16,916,000,000 as at June 30 ,2017.

Regards,

Andrea

From: San Rajaratnam
Sent: Wednesday, July 19, 2017 9:56 AM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of June 30, 2017

Hi Andrea,

For reporting in OFA's June 30, 2017 financial statements We would like to check with you of any changes to OIC amounts as of June 30, 2017.

Thanks,

San

From: Andrea Dalgarno
Sent: Wednesday, April 19, 2017 9:57 AM
To: San Rajaratnam <San.Rajaratnam@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: RE: OIC Total Amount for OFA Loans as of Mar 31, 2017

Hi San,

Sarah asked me to address this request

The only changes are as follows:

OIC 1883/06 - $800,000,000 - the amended maturity date is June 1, 2041 (previously November 1, 2032).

OIC 2144/07 - $2,000,000,000 - the amended maturity date is June 1, 2041 (previously December 1, 2037).

and the changes have been made to the OFA Summary attached.

These updates take into account the amendment to the maturity dates incorporated in OIC 844/2008 (attached for your reference).

Other than that:

I can confirm that the total OIC amounts remains unchanged as of March 31, 2017. I can also

confirm that there have been no additional OICs. I cannot however, comment on any loans or transactions undertaken under the OICs. Documentation does not keep track of this. If needed, I believe that Corporate Finance keeps track of this information. As such the supporting documentation provided is comprised of copies of the OIC's in question.
Regards,
Andrea

From: San Rajaratnam
Sent: Tuesday, April 18, 2017 2:51 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of Mar 31, 2017

Hi William,
We would like to check with you of any changes to OIC amounts as of Mar 31, 2017? We require this info for reporting in OFA's Mar 31, 2017 Financial Statements.
Thanks,
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From: William Tan
Sent: Friday, January 20, 2017 2:56 PM
To: San Rajaratnam <San.Rajaratnam@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: OIC Total Amount for OFA Loans as of Dec 31,2016

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We confirm the authorized amounts for the OICs in the attached table are unchanged totalling $16,916,000,000 as at Dec 31, 2016.
Please note the amended maturity dates for the following two OICs:
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Thanks,
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To: William Tan <William.Tan@ofina.on.ca>
Subject: FW: OIC Total Amount for OFA Loans as of Dec 31,2016

From: San Rajaratnam
Sent: Tuesday, January 17, 2017 3:39 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of Dec 31,2016

Hi Sarah,
We would like to check whether any changes to OIC amounts as of Dec 31, 2016? We require this info for reporting in OFA's Dec 31,2016 FS.
Lenin provided us the attached file (as of Sep 30,2016).

Thanks,
San

OIC Summary

As At: **Septemebr 30, 2017**

Regular Loans	**Total OIC Amount**
Under OIC 675/97 -	
Authorized:	$2,160,000,000
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Authorized:	$656,000,000
Repayment date:	June 1, 2041
IESO FHP Credit Facility	
Under OIC 1279/2017 -	
Authorized:	$2,000,000,000
Repayment date:	December 31, 2047
School Board Loans	**Total OIC Amount**
Under OIC 1883/2006	
Authorized:	$800,000,000
Repayment date:	June 1, 2041
Under OIC 2144/2007	
Authorized:	$2,000,000,000
Repayment date:	June 1, 2041
Under OIC 300/2010	
Authorized:	$1,800,000,000
Repayment date:	May 15, 2036
Under OIC 163/2012	
Authorized:	$1,700,000,000
Repayment date:	Year 2040
Under OIC 354/2014	
Authorized:	$700,000,000
Repayment date:	March 5, 2044
Auto Loans	**Total OIC Amount**
Under OIC 2154/2008	$1,700,000,000
Under OIC 678/2009	$1,100,000,000
Under OIC 975/2009	$4,300,000,000
Total Amount	**$18,916,000,000**

Amount Issued		Remaining Authority	
$	1,700,000,000.00	$	-
$	480,818,602.74	$	619,181,397.26
$	1,983,345,267.75	$	2,316,654,732.25

Executive Council of Ontario/Conseil exécutif de l'Ontario **[Bilingual]**

Ontario

Order in Council
Décret

On the recommendation of the undersigned, the Lieutenant Governor of Ontario, by and with the advice and concurrence of the Executive Council of Ontario, orders that:

Sur la recommandation de la personne soussignée, la lieutenante-gouverneure de l'Ontario, sur l'avis et avec le consentement du Conseil exécutif de l'Ontario, décrète ce qui suit :

WHEREAS pursuant to subsection 22(1) of the *Capital Investment Plan Act, 1993* (the "Act"), the Minister of Finance may purchase securities of or make loans to corporations established under subsection 2(1) of the Act in such amounts, at such times and on such terms and conditions as the Lieutenant Governor in Council considers expedient;

AND WHEREAS the Ontario Financing Authority (the "OFA") is a corporation established under subsection 2(1) of the Act;

AND WHEREAS pursuant to subsection 6(3) of the Act, the power of a corporation established under subsection 2(1) of the Act to borrow and issue securities, among other things, may only be exercised under the authority of a by-law that has been approved by the Minister of Finance;

AND WHEREAS the OFA wishes to borrow up to Two Billion Dollars in lawful money of Canada from the Minister of Finance and has been authorized to do so by a borrowing by-law approved in accordance with the Act;

THEREFORE:

Pursuant to subsection 22 (1) of the Act, the Minister of Finance is authorized to lend a maximum of Two Billion Dollars in lawful money of Canada to the OFA on the following terms and conditions:

(a) the loan may be advanced in such amounts and at such time or times as required by the OFA;

(b) repayment of advances made under the loan plus accrued interest may be made in whole or in part at any time provided that the loan plus any accrued interest shall be fully repaid by December 31, 2047;

(c) each advance (an "Advance") made under the loan hereby authorized shall bear interest at a rate which is determined as follows:

(i) from the date of the Advance to (but excluding) the date of repayment the Advance shall bear interest at a per annum rate equivalent to the yield earned on

ninety day Province of Ontario treasury bills on the date before the Advance Date as determined by the Province, provided that if an Advance is outstanding for longer than ninety days, the interest rate shall be reset on the last day of each ninety day period (the "Reset Date") to the yield earned on ninety day Province of Ontario treasury bills immediately preceding the Reset Date for such ninety day period as determined by the Province;

(ii) in the event that moneys included in an Advance are used by the OFA for the purpose of funding loans to third parties (a "Third Party Loan"), the rate of interest payable by the OFA to the Province on the portion of the Advance so used shall be adjusted effective as of the date that the portion of the Advance is used to fund the Third Party Loan so that the per annum rate of interest payable by the OFA on such moneys is equivalent to the per annum rate of interest payable to the OFA under the Third Party Loan less an amount as may be determined by the Minister of Finance in respect of such Third Party Loan or a class of such Third Party Loans, until but excluding the date on which the Third Party Loan is repaid, at which time the interest rate set out in subparagraph (i) shall again be applicable to that portion of the Advance; and

(iii) in the event that moneys described in subparagraph (ii), once repaid, are subsequently used to fund loans to third parties, subparagraph (ii) shall again be applicable in determining the interest rate payable to the Province on that portion of the Advance used to fund such loan, and so on, until the Advance shall be repaid to the Province in full;

(iv) despite subparagraphs (ii) and (iii), in the event that no interest is payable to the OFA under a Third Party Loan, no interest shall be payable by the OFA on the portion of the Advance so used and to the extent that the terms of a Third Party Loan provide for the deferral of the payment of accrued interest for a period, the interest payment terms of an Advance or portion thereof shall also be deferred for a similar period.

(d) interest for any period of less than one year shall be payable for the actual number of days included in such period, computed on the basis of a 365-day year;

(e) despite paragraph (b) of this Order, interest on any portion of an Advance made to the OFA under the loan that is used by the OFA to fund a Third Party Loan shall accrue on the basis stated above but shall become payable only to the extent the OFA receives payment of interest under the relevant Third Party Loan;

(f) despite paragraph (b) of this Order, any portion of the principal of an Advance made to the OFA under the loan that is used by the OFA to fund a Third Party Loan shall become payable only to the extent the OFA receives repayment of principal under the relevant Third Party Loan; and

(g) the loan hereby authorized shall be evidenced by a promissory note.

ATTENDU QUE le ministre des Finances peut, en vertu du paragraphe 22 (1) de la *Loi de 1993 sur le plan d'investissement* (la « Loi »), acheter des valeurs mobilières des personnes morales

créées en vertu du paragraphe 2 (1) de la Loi ou leur consentir des prêts selon les montants, aux moments et aux conditions que le lieutenant-gouverneur en conseil estime opportuns;

ATTENDU QUE l'Office ontarien de financement (l'« OOF ») est une personne morale créée en vertu du paragraphe 2 (1) de la Loi;

ATTENDU QUE, conformément au paragraphe 6 (3) de la Loi, le pouvoir qu'ont les personnes morales créées en vertu du paragraphe 2 (1) de la Loi de contracter des emprunts et d'émettre des valeurs mobilières, entre autres, ne peut être exercé qu'aux termes d'un règlement administratif approuvé par le ministre des Finances;

ATTENDU QUE l'OOF souhaite emprunter jusqu'à concurrence de deux milliards de dollars en monnaie légale du Canada du ministre des Finances et qu'il a été autorisé à le faire par un règlement administratif d'emprunt approuvé conformément à la Loi;

PAR CONSÉQUENT :

en vertu du paragraphe 22 (1) de la Loi, le ministre des Finances est autorisé à prêter un montant maximal de deux milliards de dollars en monnaie légale du Canada à l'OOF, aux conditions suivantes :

a) le prêt peut être consenti selon les montants et aux moments qui conviennent à l'OOF;

b) le remboursement des avances consenties au titre du prêt, plus les intérêts courus, peut à tout moment être effectué en totalité ou en partie, pourvu que le prêt et les intérêts courus soient entièrement remboursés au plus tard le 31 décembre 2047;

c) chaque avance (« avance ») faite au titre du prêt autorisé par les présentes portera intérêt au taux est fixé comme suit :

(i) de la date où elle a été faite jusqu'à la date (non comprise) de son remboursement, l'avance portera intérêt à un taux annuel équivalant au rendement gagné sur des bons du Trésor de la province de l'Ontario de quatre-vingt-dix jours à la date précédant la date de l'avance fixée par la province, pourvu que ce taux d'intérêt soit rajusté le dernier jour de chaque période de quatre-vingt-dix jours (« date de rajustement ») selon le rendement gagné sur de tels bons du Trésor immédiatement avant la date de rajustement pour une période de quatre-vingt-dix jours décidée par la province, si l'avance est impayée pendant plus de quatre-vingt-dix jours;

(ii) dans l'éventualité où l'OOF se servirait de sommes comprises dans une avance pour financer des prêts à des tiers, le taux d'intérêt à payer par l'OOF à la province sur la partie de l'avance ainsi utilisée sera rajusté à la date à laquelle la partie de l'avance sera utilisée pour le financement du prêt à un tiers de façon que le taux d'intérêt annuel à payer par l'OOF sur de telles sommes soit équivalent à ce dernier taux moins un montant que pourra fixer le ministre des Finances à l'égard d'un tel prêt ou d'une telle catégorie de prêt, jusqu'à la date (non comprise) à laquelle le prêt à un tiers sera remboursé, date à laquelle le taux d'intérêt établi au sous-alinéa (i) s'appliquera de nouveau à cette partie de l'avance;

(iii) dans l'éventualité où les sommes décrites au sous-alinéa (ii), une fois remboursées, seraient ultérieurement utilisées pour le financement de prêts à des tiers, le sous-alinéa (ii) s'appliquera de nouveau dans l'établissement du taux d'intérêt à payer à la province sur la partie de l'avance utilisée à cette fin, et ainsi de suite, jusqu'à ce que l'avance ait été remboursée intégralement à la province;

(iv) malgré les sous-alinéas (ii) et (iii), dans l'éventualité où aucun intérêt ne serait payable à l'OOF au titre d'un prêt à un tiers, aucun intérêt ne sera à payer par l'OOF sur la partie de l'avance ainsi utilisée et dans la mesure où les conditions du prêt à un tiers prévoient le report du paiement d'intérêts courus pour une période, le paiement d'intérêts au titre d'une avance ou d'une partie d'une avance sera également reporté pour une période d'égale durée;

d) l'intérêt payable relativement à toute période de moins d'un an sera calculé en fonction du nombre de jours réellement compris dans cette période, par rapport à une année comptant 365 jours;

e) par dérogation à l'alinéa a) ci-dessus, l'intérêt sur toute partie d'une avance consentie à l'OOF dans le cadre du prêt que cette dernière utilise pour financer un prêt à un tiers est calculé comme il est indiqué ci-dessus, mais cet intérêt devient payable uniquement dans la mesure où l'OOF reçoit un paiement d'intérêts au titre du prêt à un tiers;

f) par dérogation à l'alinéa b) ci-dessus, toute partie du capital d'une avance consentie à l'OOF dans le cadre du prêt que cette dernière utilise pour financer un prêt à un tiers devient payable uniquement dans la mesure où l'OOF reçoit un remboursement du capital au titre du prêt à un tiers

g) le prêt autorisé en vertu des présentes sera attesté par un billet à ordre.

Recommended: Minister of Finance
Recommandé par : Le ministre des Finances

Deb Matthews

Concurred: Chair of Cabinet
Appuyé par : Le président/la présidente du Conseil des ministres

Approved and Ordered:
Approuvé et décrété le : JUN 28 2017

Lieutenant Governor
La lieutenante-gouverneure

From: Sarah Harris
To: Siva Nathan
Cc: San Rajaratnam; Andrea Dalgarno
Subject: RE: OIC Total Amount for OFA Loans as of Dec 31, 2017
Date: Tuesday, February 13, 2018 2:29:23 PM
Attachments: RE OIC Total Amount for OFA Loans as of Sep 30 2017.msg

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Hello Siva,
Our apologies if this has caused any confusion.
While Lenin may have provided these answers previously, given the particular sensitivity around the FHP file for the OFA, the objective in consulting with CEFD and Corporate Finance was to ensure that we fully understood the scope of the OIC, since CEFD led the FHP file for the OFA and procured this specific OIC. In future, we will advise you directly of any potential concerns with the inclusion of new OICs.
As a clarification, we are confirming available OIC authority amounts, not the amounts of credit facilities/loans outstanding. For example, the OICs associated with past auto sector loans still have available authority, but there are no such associated credit facilities or loans outstanding. For purposes of clarity, it may be advisable to consider modifying the notes in the Financial Statements to reflect this difference (please see attached e-mail with some suggestions).
Thanks,
Sarah

From: Siva Nathan
Sent: Tuesday, February 13, 2018 10:15 AM
To: Andrea Dalgarno
Cc: Sarah Harris ; Siva Nathan ; San Rajaratnam
Subject: RE: OIC Total Amount for OFA Loans as of Dec 31, 2017
Hi Andrea,
Thank you for your initiative to search for the answers to San's questions on Loans and Credit facilities.
In the future, please don't ask CEFD or Corporate Finance on this matter. They don't need to know what Accounting is reporting. John Kim and Bruno are responsible for OEFC matters. The note disclosure is for the OFA Financial Statements. For completeness and accuracy purposes, Accounting Agencies section staff request Documentation to provide updated information to be reported in the OFA's Notes to the Financial Statements. This is like a confirmation of Credit Facility and Loan numbers from documentation.
In the past, Lenin provided this information with supporting Excel spreadsheet and relevant OICs. Please note that this is not a new request from Accounting- Agencies section.
For each quarter we request this confirmation from documentation and we will continue sending this request in the future as well.
If you have any questions, please contact me.
Thanks
Siva

From: Andrea Dalgarno
Sent: Tuesday, February 13, 2018 9:45 AM
To: John Kim <John.Kim@ofina.on.ca>; Bruno Amara <Bruno.Amara@ofina.on.ca>; Mara Bakic <Mara.Bakic@ofina.on.ca>

Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Ken Kandeepan <Ken.Kandeepan@ofina.on.ca>; John Psinas <John.Psinas@ofina.on.ca>; San Rajaratnam <San.Rajaratnam@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: RE: OIC Total Amount for OFA Loans as of Dec 31, 2017

Hi John,

Sorry for any miscommunication/misunderstanding. I will ask for a response either way next time. Good to know we are all in agreement.

Regards,

Andrea

From: John Kim
Sent: Tuesday, February 13, 2018 9:29 AM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>; Bruno Amara <Bruno.Amara@ofina.on.ca>; Mara Bakic <Mara.Bakic@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Ken Kandeepan <Ken.Kandeepan@ofina.on.ca>; John Psinas <John.Psinas@ofina.on.ca>; San Rajaratnam <San.Rajaratnam@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: RE: OIC Total Amount for OFA Loans as of Dec 31, 2017

Hi Andrea,

You asked us to let you know if there was an issue. We didn't have any issues.

Thanks,

John

From: Andrea Dalgarno
Sent: Tuesday, February 13, 2018 9:26 AM
To: John Kim <John.Kim@ofina.on.ca>; Bruno Amara <Bruno.Amara@ofina.on.ca>; Mara Bakic <Mara.Bakic@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Ken Kandeepan <Ken.Kandeepan@ofina.on.ca>; John Psinas <John.Psinas@ofina.on.ca>; San Rajaratnam <San.Rajaratnam@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: RE: OIC Total Amount for OFA Loans as of Dec 31, 2017

Hi,

I consulted Ken Kandeepan with respect to the appropriateness of including the IESO-OFA FHP related OIC in the reporting and he agrees it should be included.

The attached is the final report provided to Accounting for use in the financial statements as at Dec 31, 2017. I believe they pick up the total OIC amount which will jump by 2 billion and the date range which will be pushed to 2047 on the far end as a result of the addition of the FHP related OIC.

Regards,

Andrea

From: Andrea Dalgarno
Sent: Friday, February 02, 2018 11:14 AM
To: John Kim <John.Kim@ofina.on.ca>; Bruno Amara <Bruno.Amara@ofina.on.ca>; Mara Bakic <Mara.Bakic@ofina.on.ca>
Cc: San Rajaratnam <San.Rajaratnam@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: OIC Total Amount for OFA Loans as of Dec 31, 2017

Hi,
I have tentatively updated a report of OFA OIC amounts we provide to Accounting quarterly for financial reporting purposes to include the OIC that supports the $2 billion dollar Credit Facility Agreement between the OFA and IESO related to the Fair Hydro Plan.
As this is a significant addition, I would like to give interested parties the opportunity to consider the appropriateness of its inclusion.
Accounting should be able to provide you further details with respect to the nature of the reporting which is based on this input should it be needed.
Please let me know as soon as possible should there be an issue with its inclusion
Regards,
Andrea

From: San Rajaratnam
Sent: Friday, February 02, 2018 10:46 AM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of Dec 31, 2017
Hi Andrea,
For reporting in OFA's Dec 31, 2017 financial statements, We would like to check with you of any changes to OIC amounts as of Dec 31, 2017.
Thanks,
San

From: San Rajaratnam
Sent: Friday, October 20, 2017 9:17 AM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of Sep 30, 2017
Hi Andrea,
For reporting in OFA's Sep 30, 2017 financial statements We would like to check with you of any changes to OIC amounts as of Sep 30, 2017.
Thanks,
San

From: Andrea Dalgarno
Sent: Wednesday, July 19, 2017 10:10 AM
To: San Rajaratnam <San.Rajaratnam@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: RE: OIC Total Amount for OFA Loans as of June 30, 2017
Hi,
We confirm the authorized amounts for the OICs in the attached table are unchanged totalling $16,916,000,000 as at June 30 ,2017.
Regards,
Andrea

From: San Rajaratnam
Sent: Wednesday, July 19, 2017 9:56 AM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>

Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of June 30, 2017

Hi Andrea,

For reporting in OFA's June 30, 2017 financial statements We would like to check with you of any changes to OIC amounts as of June 30, 2017.

Thanks,

San

From: Andrea Dalgarno
Sent: Wednesday, April 19, 2017 9:57 AM
To: San Rajaratnam <San.Rajaratnam@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: RE: OIC Total Amount for OFA Loans as of Mar 31, 2017

Hi San,

Sarah asked me to address this request

The only changes are as follows:

OIC 1883/06 - $800,000,000 - the amended maturity date is June 1, 2041 (previously November 1, 2032).

OIC 2144/07 - $2,000,000,000 - the amended maturity date is June 1, 2041 (previously December 1, 2037).

and the changes have been made to the OFA Summary attached.

These updates take into account the amendment to the maturity dates incorporated in OIC 844/2008 (attached for your reference).

Other than that:

I can confirm that the total OIC amounts remains unchanged as of March 31, 2017. I can also confirm that there have been no additional OICs. I cannot however, comment on any loans or transactions undertaken under the OICs. Documentation does not keep track of this. If needed, I believe that Corporate Finance keeps track of this information. As such the supporting documentation provided is comprised of copies of the OIC's in question.

Regards,

Andrea

From: San Rajaratnam
Sent: Tuesday, April 18, 2017 2:51 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of Mar 31, 2017

Hi William,

We would like to check with you of any changes to OIC amounts as of Mar 31, 2017? We require this info for reporting in OFA's Mar 31, 2017 Financial Statements.

Thanks,

San

From: William Tan
Sent: Friday, January 20, 2017 2:56 PM
To: San Rajaratnam <San.Rajaratnam@ofina.on.ca>

Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: OIC Total Amount for OFA Loans as of Dec 31,2016

Hello San,

We confirm the authorized amounts for the OICs in the attached table are unchanged totalling $16,916,000,000 as at Dec 31, 2016.

Please note the amended maturity dates for the following two OICs:

OIC 675/97 - $2,160,000,000 - the amended maturity date is June 1, 2041 (previously August 31, 2027).

OIC 767/99 - $656,000,000 - the amended maturity date is June 1, 2041 (previously August 31, 2029).

Thanks,

Will

From: Sarah Harris
Sent: Tuesday, January 17, 2017 4:14 PM
To: William Tan <William.Tan@ofina.on.ca>
Subject: FW: OIC Total Amount for OFA Loans as of Dec 31,2016

From: San Rajaratnam
Sent: Tuesday, January 17, 2017 3:39 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of Dec 31,2016

Hi Sarah,

We would like to check whether any changes to OIC amounts as of Dec 31, 2016? We require this info for reporting in OFA's Dec 31,2016 FS.

Lenin provided us the attached file (as of Sep 30,2016).

Thanks,

San

From: Andrea Dalgarno []
To: San Rajaratnam [San.Rajaratnam@ofina.on.ca]
CC: Siva Nathan [Siva.Nathan@ofina.on.ca]; Sarah Harris [Sarah.Harris@ofina.on.ca]
Subject: RE: OIC Total Amount for OFA Loans as of Sep 30, 2017
Date: Thursday, October 26, 2017 08:44:19
Attachment 1: Total OIC Amount (September 30 2017).xlsx

Hi San

We confirm the authorized amounts for the OIC's in the attached table are unchanged totaling $16,916,000,000 as at September 30, 2017. I have cleaned up the spreadsheet a bit (please see attached) but the substance has not changed.

A suggestion for consideration in terms of wording:

Funds for these loans are advanced to the OFA by the Province through a combination of loans and credit facilities. The total advanced by the Province cannot exceed $16.916 billion.

The thinking behind this suggestion is as follows:

-the $16.916 billion is the total original authority available to the Province (under all OICs) to fund the OFA in support of the referenced public body financing.
-the financing to public bodies is through a combination of loans and credit facilities.
-the auto loan related OIC's do not specify a final repayment date

Let me know should you have any questions or concerns.

Andrea

From: San Rajaratnam
Sent: Tuesday, October 24, 2017 2:16 PM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: OIC Total Amount for OFA Loans as of Sep 30, 2017

Hi Andrea,

This is what we disclose in the notes to OFA's quarterly and yearly financial statements. Provided below is the note in June 30, 2017 FS:

5. TRANSACTIONS WITH PUBLIC BODIES

The OFA provides financing to various public bodies on direction from the Province. As the OFA is directed by the Province to make these loans in furtherance of stated Provincial initiatives, and these loans are included in the Province's consolidated financial statements, these transactions are not reflected in these financial statements.

Funds for these loans are advanced to the OFA by the Province under credit facilities aggregating $16.9 billion expiring from 2036 to 2044. Principal repayments received from public bodies by the OFA are forwarded to the Province. The interest rates charged to public bodies is generally slightly higher than the rate charged by the Province on the advances to fund the loans ("the spread").

Thanks,
San

From: Andrea Dalgarno
Sent: Tuesday, October 24, 2017 1:56 PM
To: San Rajaratnam <San.Rajaratnam@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: OIC Total Amount for OFA Loans as of Sep 30, 2017

Hi San,

Is there any way you can send me a copy of the note and whatever section of the OFA statements the note refers to?

We are trying to get a better idea as to what is being communicated in order to hopefully determine if the Fair Hydro Plan OIC should be added given it is not included for the purposes of the OFA Lending Directive.

Regards,

Andrea

From: San Rajaratnam
Sent: Friday, October 20, 2017 9:17 AM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of Sep 30, 2017

Hi Andrea,

For reporting in OFA's Sep 30, 2017 financial statements We would like to check with you of any changes to OIC amounts as of Sep 30, 2017.

Thanks,
San

From: Andrea Dalgarno
Sent: Wednesday, July 19, 2017 10:10 AM
To: San Rajaratnam <San.Rajaratnam@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>

Subject: RE: OIC Total Amount for OFA Loans as of June 30, 2017

Hi,

We confirm the authorized amounts for the OICs in the attached table are unchanged totalling $16,916,000,000 as at June 30 ,2017.

Regards,

Andrea

From: San Rajaratnam
Sent: Wednesday, July 19, 2017 9:56 AM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of June 30, 2017

Hi Andrea,

For reporting in OFA's June 30, 2017 financial statements We would like to check with you of any changes to OIC amounts as of June 30, 2017.

Thanks,
San

From: Andrea Dalgarno
Sent: Wednesday, April 19, 2017 9:57 AM
To: San Rajaratnam <San.Rajaratnam@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: RE: OIC Total Amount for OFA Loans as of Mar 31, 2017

Hi San,

Sarah asked me to address this request

The only changes are as follows:

OIC 1883/06 - $800,000,000 - the amended maturity date is June 1, 2041 (previously November 1, 2032).
OIC 2144/07 - $2,000,000,000 - the amended maturity date is June 1, 2041 (previously December 1, 2037).

and the changes have been made to the OFA Summary attached.

These updates take into account the amendment to the maturity dates incorporated in OIC 844/2008

(attached for your reference).

Other than that:

I can confirm that the total OIC amounts remains unchanged as of March 31, 2017. I can also confirm that there have been no additional OICs. I cannot however, comment on any loans or transactions undertaken under the OICs. Documentation does not keep track of this. If needed, I believe that Corporate Finance keeps track of this information. As such the supporting documentation provided is comprised of copies of the OIC's in question.

Regards,

Andrea

From: San Rajaratnam
Sent: Tuesday, April 18, 2017 2:51 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of Mar 31, 2017

Hi William,

We would like to check with you of any changes to OIC amounts as of Mar 31, 2017? We require this info for reporting in OFA's Mar 31, 2017 Financial Statements.

Thanks,
San

From: William Tan
Sent: Friday, January 20, 2017 2:56 PM
To: San Rajaratnam <San.Rajaratnam@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: OIC Total Amount for OFA Loans as of Dec 31,2016

Hello San,

We confirm the authorized amounts for the OICs in the attached table are unchanged totalling $16,916,000,000 as at Dec 31, 2016.
Please note the amended maturity dates for the following two OICs:

OIC 675/97 - $2,160,000,000 - the amended maturity date is June 1, 2041 (previously August 31, 2027).
OIC 767/99 - $656,000,000 - the amended maturity date is June 1, 2041 (previously August 31, 2029).

Thanks,

Will

From: Sarah Harris
Sent: Tuesday, January 17, 2017 4:14 PM
To: William Tan <William.Tan@ofina.on.ca>
Subject: FW: OIC Total Amount for OFA Loans as of Dec 31,2016

From: San Rajaratnam
Sent: Tuesday, January 17, 2017 3:39 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of Dec 31,2016

Hi Sarah,

We would like to check whether any changes to OIC amounts as of Dec 31, 2016? We require this info for reporting in OFA's Dec 31,2016 FS.

Lenin provided us the attached file (as of Sep 30,2016).

Thanks,
San

OIC Summary

As At: **Septemebr 30, 2017**

Regular Loans	**Total OIC Amount**
Under OIC 675/97 -	
Authorized:	$2,160,000,000
Repayment date:	June 1, 2041
Under OIC 767/99 -	
Authorized:	$656,000,000
Repayment date:	June 1, 2041
School Board Loans	**Total OIC Amount**
Under OIC 1883/2006	
Authorized:	$800,000,000
Repayment date:	June 1, 2041
Under OIC 2144/2007	
Authorized:	$2,000,000,000
Repayment date:	June 1, 2041
Under OIC 300/2010	
Authorized:	$1,800,000,000
Repayment date:	May 15, 2036
Under OIC 163/2012	
Authorized:	$1,700,000,000
Repayment date:	Year 2040
Under OIC 354/2014	
Authorized:	$700,000,000
Repayment date:	March 5, 2044
Auto Loans	**Total OIC Amount**
Under OIC 2154/2008	$1,700,000,000
Under OIC 678/2009	$1,100,000,000
Under OIC 975/2009	$4,300,000,000
Total Amount	**$16,916,000,000**

Amount Issued		Remaining Authority	
$	1,700,000,000.00	$	-
$	480,818,602.74	$	619,181,397.26
$	1,983,345,267.75	$	2,316,654,732.25

From: Andrea Dalgarno
To: San Rajaratnam
Cc: Sarah Harris; Siva Nathan
Subject: RE: OIC Total Amount for OFA Loans as of June 30, 2018
Date: Thursday, July 12, 2018 7:21:48 AM
Attachments: Total OIC Amount (June 30 2018).xlsx
OC-787-2018 (Ext Mat OFA Loan 2055).pdf

Hi San,

Please find attached the updated workbook. Note that the amounts reported represent the authority provided by the referenced OIC. If needed, specific information regarding loans or transactions are available from Corporate Finance.

The only change was that the Repayment Date for the first two was pushed out via amending OIC 787/2018 in April 2018 (See OIC attached).

Regards,

Andrea

From: San Rajaratnam
Sent: Wednesday, July 11, 2018 4:20 PM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of June 30, 2018

Hi Andrea,

For reporting in OFA's June 30, 2018 FS, we would like to check with you of any changes to OIC amounts as of June 30, 2018.

Thanks,
San

From: Andrea Dalgarno
Sent: Wednesday, April 18, 2018 7:06 AM
To: San Rajaratnam <San.Rajaratnam@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: RE: OIC Total Amount for OFA Loans as of Mar 31, 2018

Hi San,

Attached is the file as at March 31, 2018. There were no additional OICs to add as at March 31, 2018

Please note that the amounts reported represent the authority provided by the referenced OIC

For completeness purposes ,I have added three amending OICs at the end (OIC 1277-2017, OIC 928-2012 and OIC 168-2016) – all were to address title changes of Divisions or Positions referenced only. Amounts and dates were not impacted by these.

If needed, specific information regarding loans or transactions are available from Corporate Finance.

Regards,

Andrea

OIC Summary

As At: **30-Jun-18**

Regular Loans	**Total OIC Amount**
Under OIC 675/97 -	
Authorized:	$2,160,000,000
Repayment date:	June 1, 2055
Under OIC 767/99 -	
Authorized:	$656,000,000
Repayment date:	June 1, 2055
IESO FHP Credit Facility	
Under OIC 1279/2017 -	
Authorized:	$2,000,000,000
Repayment date:	December 31, 2047
School Board Loans	**Total OIC Amount**
Under OIC 1883/2006	
Authorized:	$800,000,000
Repayment date:	June 1, 2041
Under OIC 2144/2007	
Authorized:	$2,000,000,000
Repayment date:	June 1, 2041
Under OIC 300/2010	
Authorized:	$1,800,000,000
Repayment date:	May 15, 2036
Under OIC 163/2012	
Authorized:	$1,700,000,000
Repayment date:	Year 2040
Under OIC 354/2014	
Authorized:	$700,000,000
Repayment date:	March 5, 2044
Auto Loans	**Total OIC Amount**
Under OIC 2154/2008	$1,700,000,000
Under OIC 678/2009	$1,100,000,000
Under OIC 975/2009	$4,300,000,000
Total Amount	**$18,916,000,000**

Extended via amending OIC787/2018 dated April 18,2018

Extended via amending OIC787/2018 dated April 18,2018

Amount Issued	Remaining Authority
$ 1,700,000,000.00	$ -
$ 480,818,602.74	$ 619,181,397.26
$ 1,983,345,267.75	$ 2,316,654,732.25

Executive Council of Ontario/Conseil exécutif de l'Ontario **[Bilingual]**

Ontario

Order in Council
Décret

On the recommendation of the undersigned, the Lieutenant Governor of Ontario, by and with the advice and concurrence of the Executive Council of Ontario, orders that:

Sur la recommandation de la personne soussignée, la lieutenante-gouverneure de l'Ontario, sur l'avis et avec le consentement du Conseil exécutif de l'Ontario, décrète ce qui suit :

WHEREAS pursuant to Order in Council 675/97, as amended, made under subsection 22(1) of the *Capital Investment Plan Act, 1993*, the Minister of Finance is authorized to lend Two Billion One Hundred and Sixty Million Dollars in lawful money of Canada to the Ontario Financing Authority (the "OFA"):

AND WHEREAS pursuant to Order in Council 767/99, as amended, made under subsection 22(1) of the *Capital Investment Plan Act, 1993*, the Minister of Finance is authorized to lend Six Hundred and Fifty-Six Million Dollars in lawful money of Canada to the OFA:

AND WHEREAS the Province considers it expedient to amend Order in Council 675/97 and Order in Council 767/99 to allow for loans from the Minister of Finance to the OFA which shall be fully repaid by the OFA by June 1, 2055:

THEREFORE:

1. Order in Council 675/97, as amended by Order in Council 1709/98, Order in Council 844/2008, Order in Council 1723/2009, Order in Council 1268/2010, and Order in Council 1051/2012 is hereby amended by deleting paragraph (b) and replacing it with the following paragraph:

   "(b) repayment of advances made under the loan plus accrued interest may be made in whole or in part at any time provided that the loan plus accrued interest shall be fully repaid by June 1, 2055;"

2. Order in Council 767/99, as amended by Order in Council 844/2008, Order in Council 1723/2009, Order in Council 1268/2010, and Order in Council 1051/2012 is hereby amended by deleting paragraph (b) and replacing it with the following paragraph:

   "(b) repayment of advances made under the loan plus accrued interest may be made in whole or in part at any time provided that the loan plus accrued interest shall be fully repaid by June 1, 2055;"

3. The forms of promissory note which evidence the loans pursuant to Order in Council 675/97 and Order in Council 767/99 are hereby amended, as applicable, to reflect the above changes to the Orders in Council in respect of all amounts advanced to the OFA on or after the date of this Order.

ATTENDU QU'en vertu du décret 675/97, dans ses versions successives, pris en vertu du paragraphe 22 (1) de la *Loi de 1993 sur le plan d'investissement*, le ministre des Finances est autorisé à consentir un prêt de deux milliards cent soixante millions de dollars en monnaie ayant cours légal au Canada à l'Office ontarien de financement (l'« OOF »);

ATTENDU QU'en vertu du décret 767/99, dans ses versions successives, pris en vertu du paragraphe 22 (1) de la *Loi de 1993 sur le plan d'investissement*, le ministre des Finances est autorisé à consentir un prêt de six cent cinquante-six millions de dollars en monnaie ayant cours légal au Canada à l'OOF;

ET ATTENDU QUE la province estime qu'il est souhaitable de modifier les décrets 675/97 et 767/99 afin d'autoriser les prêts par le ministre des Finances à l'OOF, lequel devra avoir remboursé intégralement les prêts au plus tard le 1er juin 2055;

PAR CONSÉQUENT :

1. Le décret 675/97, modifié par les décrets 1709/98, 844/2008, 1723/2009, 1268/2010 et 1051/2012, est par les présentes modifié par la suppression du paragraphe b) et son remplacement par le paragraphe suivant :

« b) le remboursement des avances faites conformément au prêt et des intérêts courus peut se faire intégralement ou partiellement en tout temps, pourvu que le prêt et les intérêts courus soient payés intégralement au plus tard le 1er juin 2055; »

2. Le décret 767/99, modifié par les décrets 844/2008, 1723/2009, 1268/2010 et 1051/2012, est par les présentes modifié par la suppression du paragraphe b) et son remplacement par le paragraphe suivant :

« (b) le remboursement des avances faites conformément au prêt et des intérêts courus peut se faire intégralement ou partiellement en tout temps, pourvu que le prêt et les intérêts courus soient payés intégralement au plus tard le 1er juin 2055; »

3. Les formulaires de billets à ordre qui attestent les prêts consentis conformément aux décrets 675/97 et 767/99 sont par les présentes modifiés, selon le cas, afin de tenir compte des modifications susmentionnées apportées aux décrets relativement à l'ensemble des sommes avancées à l'OOF à la date du présent décret ou après cette date.

Recommended: Minister of Finance
Recommandé par : Le ministre des Finances

Concurred: Chair of Cabinet
Appuyé par : Le président/la présidente du Conseil des ministres

Approved and Ordered:
Approuvé et décrété le : APR 18 2018

Lieutenant Governor
La lieutenante-gouverneure

From:	Andrea Dalgarno
To:	San Rajaratnam
Cc:	Sarah Harris; Siva Nathan
Subject:	RE: OIC Total Amount for OFA Loans as of June 30, 2018
Date:	Thursday, July 12, 2018 7:21:48 AM
Attachments:	Total OIC Amount (June 30 2018).xlsx OC-787-2018 (Ext Mat OFA Loan 2055).pdf

Hi San,

Please find attached the updated workbook. Note that the amounts reported represent the authority provided by the referenced OIC. If needed, specific information regarding loans or transactions are available from Corporate Finance.

The only change was that the Repayment Date for the first two was pushed out via amending OIC 787/2018 in April 2018 (See OIC attached).

Regards,

Andrea

From: San Rajaratnam
Sent: Wednesday, July 11, 2018 4:20 PM
To: Andrea Dalgarno
Cc: Sarah Harris ; Siva Nathan
Subject: OIC Total Amount for OFA Loans as of June 30, 2018

Hi Andrea,

For reporting in OFA's June 30, 2018 FS, we would like to check with you of any changes to OIC amounts as of June 30, 2018.

Thanks,

San

From: Andrea Dalgarno
Sent: Wednesday, April 18, 2018 7:06 AM
To: San Rajaratnam <San.Rajaratnam@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: RE: OIC Total Amount for OFA Loans as of Mar 31, 2018

Hi San,

Attached is the file as at March 31, 2018. There were no additional OICs to add as at March 31, 2018

Please note that the amounts reported represent the authority provided by the referenced OIC

For completeness purposes ,I have added three amending OICs at the end (OIC 1277-2017, OIC 928-2012 and OIC 168-2016) – all were to address title changes of Divisions or Positions referenced only. Amounts and dates were not impacted by these.

If needed, specific information regarding loans or transactions are available from Corporate Finance.

Regards,

Andrea

OIC Summary

As At: **30-Jun-18**

Regular Loans	**Total OIC Amount**
Under OIC 675/97 -	
Authorized:	$2,160,000,000
Repayment date:	June 1, 2055
Under OIC 767/99 -	
Authorized:	$656,000,000
Repayment date:	June 1, 2055
IESO FHP Credit Facility	
Under OIC 1279/2017 -	
Authorized:	$2,000,000,000
Repayment date:	December 31, 2047
School Board Loans	**Total OIC Amount**
Under OIC 1883/2006	
Authorized:	$800,000,000
Repayment date:	June 1, 2041
Under OIC 2144/2007	
Authorized:	$2,000,000,000
Repayment date:	June 1, 2041
Under OIC 300/2010	
Authorized:	$1,800,000,000
Repayment date:	May 15, 2036
Under OIC 163/2012	
Authorized:	$1,700,000,000
Repayment date:	Year 2040
Under OIC 354/2014	
Authorized:	$700,000,000
Repayment date:	March 5, 2044
Auto Loans	**Total OIC Amount**
Under OIC 2154/2008	$1,700,000,000
Under OIC 678/2009	$1,100,000,000
Under OIC 975/2009	$4,300,000,000
Total Amount	**$18,916,000,000**

Extended via amending OIC787/2018 dated April 18,2018

Extended via amending OIC787/2018 dated April 18,2018

Amount Issued	Remaining Authority
$ 1,700,000,000.00	$ -
$ 480,818,602.74	$ 619,181,397.26
$ 1,983,345,267.75	$ 2,316,654,732.25

Executive Council of Ontario/Conseil exécutif de l'Ontario **[Bilingual]**

Ontario

Order in Council
Décret

On the recommendation of the undersigned, the Lieutenant Governor of Ontario, by and with the advice and concurrence of the Executive Council of Ontario, orders that:

Sur la recommandation de la personne soussignée, la lieutenante-gouverneure de l'Ontario, sur l'avis et avec le consentement du Conseil exécutif de l'Ontario, décrète ce qui suit :

WHEREAS pursuant to Order in Council 675/97, as amended, made under subsection 22(1) of the *Capital Investment Plan Act, 1993*, the Minister of Finance is authorized to lend Two Billion One Hundred and Sixty Million Dollars in lawful money of Canada to the Ontario Financing Authority (the "OFA"):

AND WHEREAS pursuant to Order in Council 767/99, as amended, made under subsection 22(1) of the *Capital Investment Plan Act, 1993*, the Minister of Finance is authorized to lend Six Hundred and Fifty-Six Million Dollars in lawful money of Canada to the OFA:

AND WHEREAS the Province considers it expedient to amend Order in Council 675/97 and Order in Council 767/99 to allow for loans from the Minister of Finance to the OFA which shall be fully repaid by the OFA by June 1, 2055:

THEREFORE:

1. Order in Council 675/97, as amended by Order in Council 1709/98, Order in Council 844/2008, Order in Council 1723/2009, Order in Council 1268/2010, and Order in Council 1051/2012 is hereby amended by deleting paragraph (b) and replacing it with the following paragraph:

   "(b) repayment of advances made under the loan plus accrued interest may be made in whole or in part at any time provided that the loan plus accrued interest shall be fully repaid by June 1, 2055;"

2. Order in Council 767/99, as amended by Order in Council 844/2008, Order in Council 1723/2009, Order in Council 1268/2010, and Order in Council 1051/2012 is hereby amended by deleting paragraph (b) and replacing it with the following paragraph:

   "(b) repayment of advances made under the loan plus accrued interest may be made in whole or in part at any time provided that the loan plus accrued interest shall be fully repaid by June 1, 2055;"

3. The forms of promissory note which evidence the loans pursuant to Order in Council 675/97 and Order in Council 767/99 are hereby amended, as applicable, to reflect the above changes to the Orders in Council in respect of all amounts advanced to the OFA on or after the date of this Order.

ATTENDU QU'en vertu du décret 675/97, dans ses versions successives, pris en vertu du paragraphe 22 (1) de la *Loi de 1993 sur le plan d'investissement*, le ministre des Finances est autorisé à consentir un prêt de deux milliards cent soixante millions de dollars en monnaie ayant cours légal au Canada à l'Office ontarien de financement (l'« OOF »);

ATTENDU QU'en vertu du décret 767/99, dans ses versions successives, pris en vertu du paragraphe 22 (1) de la *Loi de 1993 sur le plan d'investissement*, le ministre des Finances est autorisé à consentir un prêt de six cent cinquante-six millions de dollars en monnaie ayant cours légal au Canada à l'OOF;

ET ATTENDU QUE la province estime qu'il est souhaitable de modifier les décrets 675/97 et 767/99 afin d'autoriser les prêts par le ministre des Finances à l'OOF, lequel devra avoir remboursé intégralement les prêts au plus tard le 1er juin 2055;

PAR CONSÉQUENT :

1. Le décret 675/97, modifié par les décrets 1709/98, 844/2008, 1723/2009, 1268/2010 et 1051/2012, est par les présentes modifié par la suppression du paragraphe b) et son remplacement par le paragraphe suivant :

« b) le remboursement des avances faites conformément au prêt et des intérêts courus peut se faire intégralement ou partiellement en tout temps, pourvu que le prêt et les intérêts courus soient payés intégralement au plus tard le 1er juin 2055; »

2. Le décret 767/99, modifié par les décrets 844/2008, 1723/2009, 1268/2010 et 1051/2012, est par les présentes modifié par la suppression du paragraphe b) et son remplacement par le paragraphe suivant :

« (b) le remboursement des avances faites conformément au prêt et des intérêts courus peut se faire intégralement ou partiellement en tout temps, pourvu que le prêt et les intérêts courus soient payés intégralement au plus tard le 1er juin 2055; »

3. Les formulaires de billets à ordre qui attestent les prêts consentis conformément aux décrets 675/97 et 767/99 sont par les présentes modifiés, selon le cas, afin de tenir compte des modifications susmentionnées apportées aux décrets relativement à l'ensemble des sommes avancées à l'OOF à la date du présent décret ou après cette date.

Recommended: Minister of Finance
Recommandé par : Le ministre des Finances

Concurred: Chair of Cabinet
Appuyé par : Le président/la présidente du Conseil des ministres

Approved and Ordered:
Approuvé et décrété le : APR 18 2018

Lieutenant Governor
La lieutenante-gouverneure

From: Andrea Dalgarno
To: San Rajaratnam
Cc: Sarah Harris; Siva Nathan
Subject: RE: OIC Total Amount for OFA Loans as of Mar 31, 2018
Date: Wednesday, April 18, 2018 7:06:33 AM
Attachments: Total OIC Amount (March 31, 2018).xlsx
OIC 767-1999(3).pdf
OIC 2154-2008 (Auto Loan Purposes) 19Dec08.pdf
OIC 354-2014.pdf
OIC 844-2008.pdf
OIC1883-2006.pdf
OIC 675-1997.pdf
OIC 975-2009 (Auto Loan Purposes) 29May09.pdf
OIC 163-2012.pdf
OIC 678-2009 (Auto Loan Purposes) 29Apr09.pdf
OIC 2144-2007.pdf
OIC 300-2010.pdf
OIC-1279-2017.pdf
image001.png
OIC 1277-2017 (Mike Manning Title Change).pdf
OIC 928-2012 (change title & division name).pdf
OIC 168-2016 (change title KK CFO to CFRO).pdf

Hi San,
Attached is the file as at March 31, 2018. There were no additional OICs to add as at March 31, 2018
Please note that the amounts reported represent the authority provided by the referenced OIC
For completeness purposes ,I have added three amending OICs at the end (OIC 1277-2017, OIC 928-2012 and OIC 168-2016) – all were to address title changes of Divisions or Positions referenced only. Amounts and dates were not impacted by these.
If needed, specific information regarding loans or transactions are available from Corporate Finance.
Regards,
Andrea

From: San Rajaratnam
Sent: Tuesday, April 17, 2018 4:15 PM
To: Andrea Dalgarno
Cc: Sarah Harris ; Siva Nathan
Subject: OIC Total Amount for OFA Loans as of Mar 31, 2018
Hi Andrea,
For reporting in OFA's Mar 31, 2018 FS, we would like to check with you of any changes to OIC amounts as of Mar 31, 2018.
Thanks,
San

From: Andrea Dalgarno
Sent: Tuesday, February 13, 2018 9:13 AM
To: Ken Kandeepan <Ken.Kandeepan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; San Rajaratnam <San.Rajaratnam@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of Dec 31, 2017
Hi Ken,
We are trying to finalize the attached worksheet for Accounting. I believe it is used in the statements to populate the highlighted sentence:

5. TRANSACTIONS WITH PUBLIC BODIES

The OFA provides financing to various public bodies on direction from the Province. As the OFA is directed by the Province to make these loans in furtherance of stated Provincial initiatives, and these loans are included in the Province's consolidated financial statements, these transactions are not reflected in these financial statements.

Funds for these loans are advanced to the OFA by the Province under credit facilities aggregating $16.9 billion expiring from 2036 to 2044. Principal repayments received from public bodies by the OFA are forwarded to the Province. The interest rates charged to public bodies is generally slightly higher than the rate charged by the Province on the advances to fund the loans ("the spread").

We have tentatively added the IESO-OFA FHP OIC to the worksheet but want to ensure this is both expected and acceptable.

We approached Corporate Finance/Corporate Electricity Finance to see if they had any concerns but have yet to hear back.

We are hoping that you may be able to confirm the appropriateness of its inclusion in light of the fact that it will cause a $2 billion jump in the amount reported and push the far date out to 2047.

Regards,

Andrea Dalgarno
Documentation & Analysis Specialist
Ontario Financing Authority
Tel 416-212-7451

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OIC Summary

As At: **31-Mar-18**

Regular Loans	**Total OIC Amount**
Under OIC 675/97 -	
Authorized:	$2,160,000,000
Repayment date:	June 1, 2041
Under OIC 767/99 -	
Authorized:	$656,000,000
Repayment date:	June 1, 2041
IESO FHP Credit Facility	
Under OIC 1279/2017 -	
Authorized:	$2,000,000,000
Repayment date:	December 31, 2047
School Board Loans	**Total OIC Amount**
Under OIC 1883/2006	
Authorized:	$800,000,000
Repayment date:	June 1, 2041
Under OIC 2144/2007	
Authorized:	$2,000,000,000
Repayment date:	June 1, 2041
Under OIC 300/2010	
Authorized:	$1,800,000,000
Repayment date:	May 15, 2036
Under OIC 163/2012	
Authorized:	$1,700,000,000
Repayment date:	Year 2040
Under OIC 354/2014	
Authorized:	$700,000,000
Repayment date:	March 5, 2044
Auto Loans	**Total OIC Amount**
Under OIC 2154/2008	$1,700,000,000
Under OIC 678/2009	$1,100,000,000
Under OIC 975/2009	$4,300,000,000
Total Amount	**$18,916,000,000**

Amount Issued		Remaining Authority	
$	1,700,000,000.00	$	-
$	480,818,602.74	$	619,181,397.26
$	1,983,345,267.75	$	2,316,654,732.25

Ontario
Executive Council
Conseil des ministres

Order in Council
Décret

Min. Finance
Borrowing Bylaw
for the OFA

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and concurrence of the Executive Council, orders that:

Sur la recommandation du soussigné, le lieutenant-gouverneur, sur l'avis et avec le consentement du Conseil des ministres, décrète ce qui suit :

WHEREAS pursuant to subsection 22(1) of the *Capital Investment Plan Act, 1993* (the "Act"), the Minister of Finance may purchase securities of or make loans to corporations established under subsection 2(1) of the Act in such amounts, at such times and on such terms and conditions as the Lieutenant Governor in Council considers expedient;

AND WHEREAS the Ontario Financing Authority (the "OFA") is a corporation established under subsection 2(1) of the Act;

AND WHEREAS pursuant to subsection 6(3) of the Act, the power of a corporation to borrow and issue securities, among other things, may only be exercised under the authority of a by-law that has been approved by the Minister of Finance;

AND WHEREAS the OFA wishes to borrow Six Hundred and Fifty-six Million Dollars from the Minister of Finance and has been authorized to do so by a borrowing by-law in accordance with the Act and approved by the Minister of Finance;

THEREFORE:

Pursuant to subsection 22 (1) of the Act, the Minister of Finance is authorized to lend a maximum of Six Hundred and Fifty-six Million Dollars in lawful money of Canada to the OFA on the following terms and conditions:

(a) the loan may be advanced in such amounts and at such time or times as required by the OFA;

(b) repayment of advances made under the loan plus accrued interest may be made in whole or in part at any time provided that the loan plus accrued interest shall be fully repaid by August 31, 2029;

(c) the OFA shall be entitled to use the loan as a revolving credit facility allowing for successive advances of moneys repaid under the loan, provided that the maximum principal amount of the loan outstanding at any time shall not exceed Six Hundred and Fifty-six Million Dollars;

(d) each advance (an "Advance") made under the loan hereby authorized shall bear interest at a rate which is determined as follows:

(i) from the date of advance to (but excluding) the date of repayment, the Advance shall bear interest at a per annum rate equivalent to the interest rate paid on ninety day Province of Ontario treasury bills (determined as at the auction date immediately preceding the date of the Advance), provided that if an Advance is outstanding for longer than ninety days, the interest rate shall be reset on the last day of each ninety day period (the "Reset Date") to the interest rate paid on ninety day Province of Ontario treasury bills as at the auction date immediately preceding the Reset Date for such ninety day period;

(ii) in the event that moneys included in an Advance are subsequently loaned by the OFA to third parties for the purposes contemplated in the Act, (a "Third Party Loan") the rate of interest payable by the OFA to the Province on the portion of the Advance so loaned may be adjusted at the option of the OFA effective as of the date of the Third Party Loan so that the per annum rate of interest payable by the OFA on such moneys is equivalent to either:

(A) the per annum rate of interest payable to the OFA under the Third Party Loan, or

(B) the per annum rate of interest payable to the OFA under the Third Party Loan less 25 basis points,

until but excluding the date on which the Third Party Loan is repaid, at which time the interest rate set out in subparagraph (i) shall again be applicable to that portion of the Advance; and

(iii) in the event that moneys described in subparagraph (ii), once repaid, are subsequently loaned to third parties again, subparagraph (ii) shall again be applicable in determining the interest rate payable to the Province on that portion of the Advance included in any subsequent loan, and so on, until the Advance shall be repaid to the Province in full;

(e) interest for any period of less than one year shall be payable for the actual number of days included in such period, computed on the basis of a 365-day year;

(f) the loan hereby authorized shall be evidenced by a promissory note in a form acceptable to the Minister of Finance.

Recommended

Minister of Finance

Concurred

Chair of Cabinet

Approved and Ordered

APR 2 1 1999

Date

Lieutenant Governor

Order in Council
Décret

...e Council
Conseil exécutif

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and concurrence of the Executive Council, orders that:

Sur la recommandation de la personne soussignée, le lieutenant-gouverneur, sur l'avis et avec le consentement du Conseil exécutif, décrète ce qui suit :

WHEREAS pursuant to section 21 of the *Capital Investment Plan Act, 1993*, the Lieutenant Governor in Council may raise by way of loan in the manner provided by the *Financial Administration Act* such sums as the Lieutenant Governor in Council considers necessary for the purposes of the *Capital Investment Plan Act, 1993*, and the sums so raised may be used to make advances to a corporation established under subsection 2(1) of the *Capital Investment Plan Act, 1993*, or applied by the Minister of Finance in the purchase of securities issued by such corporation;

AND WHEREAS the Ontario Financing Authority is a corporation established under subsection 2(1) of the *Capital Investment Plan Act, 1993*;

AND WHEREAS, for the purposes of the *Capital Investment Plan Act, 1993*, it is now considered necessary to authorize the borrowing of money, from time to time, in the manner provided by the *Financial Administration Act*, in an aggregate amount, as determined in accordance with section 26 of the *Financial Administration Act*, not exceeding One Billion Seven Hundred Million Dollars in lawful money of Canada by way of loan or by the issue and sale of securities of Ontario;

THEREFORE:

1. Pursuant to section 21 of the *Capital Investment Plan Act, 1993* and section 20 of the *Financial Administration Act*, as amended, the Minister of Finance is authorized to raise money for the purposes of the *Capital Investment Plan Act, 1993* by way of loan on the credit of the Consolidated Revenue Fund of Ontario in an aggregate amount determined in accordance with section 26 of the *Financial Administration Act*, as amended, and not exceeding One Billion Seven Hundred Million Dollars in lawful money of Canada:

(a) by the issue and sale from time to time of securities of Ontario; and

(b) by a loan or loans in the currency of Canada or of any other country or in any authorized composite monetary unit from a bank, corporation, government, person or authority repayable on demand or at a fixed time and raised by way of bank overdraft, loan agreement or the giving of short-term security by Ontario as the Minister of Finance considers advisable and expedient.

O.C./Décret

2154/2008

2. Pursuant to subsection 20(6) of the *Financial Administration Act*, as amended, for the purpose of borrowing the sum authorized by this Order, all of the powers of the Minister of Finance under subsection 20(1) of the *Financial Administration Act*, as amended, are delegated to each of the Deputy Minister of Finance and any solicitor, who is an employee of the Crown and seconded to the Legal Services Branch, Ministry of Finance and Ministry of Revenue, holding office on the date of this Order or on any day thereafter.

3. Pursuant to subsection 35(1) of the *Capital Investment Plan Act, 1993*, for the purpose of borrowing the sum authorized by this Order, all of the powers of the Minister of Finance under subsection 20(1) of the *Financial Administration Act*, as amended, are delegated to each of the Chief Executive Officer, the Executive Director, Capital Markets Division, the Director, Finance and Reporting Division, any Director, Capital Markets Division and any Manager, Capital Markets Division, all of the Ontario Financing Authority, holding office on the date of this Order or any day thereafter.

4. Each of the securities and any interest coupons attached thereto issued under the authority of this Order shall be signed by any one of:

(a) the Minister of Finance;
(b) the Deputy Minister of Finance; or
(c) the Chief Executive Officer, the Executive Director, Capital Markets Division, or any Director, Capital Markets Division, all of the Ontario Financing Authority;

holding office on the date of this Order or on any day thereafter, or shall have engraved, lithographed, printed or otherwise mechanically reproduced thereon the signature of the Minister of Finance holding office on the date of this Order or on any day thereafter. Each of the securities, excluding any interest coupons attached thereto, shall be sealed with the seal of the Minister of Finance which may be engraved, lithographed, printed or otherwise mechanically reproduced thereon, and shall be authenticated by the fiscal agent or registrar appointed by Ontario or, where no fiscal agent or registrar is appointed, shall be authenticated or countersigned by any one of the Director, the Manager, Settlements, Payments and Fiscal Agency, or the Co-ordinator, Settlements, Payments and Fiscal Agency, all of the Finance and Reporting Division, Ontario Financing Authority, holding office on the date of this Order or on any day thereafter and, when so executed and either authenticated or countersigned, the securities and any interest coupons attached thereto are binding upon Ontario notwithstanding any change in any of the persons holding the said office between the date when the said signature is affixed and the date of delivery of the securities, and notwithstanding that the person whose signature is so affixed may not have held office at the date of the securities or at the date of the delivery thereof.

5. Any one of the Minister of Finance or any authorized officer named in subparagraphs 4(b) and (c) of this Order may certify in writing the amount that may be borrowed under the authority of this Order as of each date securities are issued and sold or money is borrowed by way of bank overdraft, loan agreement or the giving of short-term security hereunder and it is declared that such certificate shall be conclusive evidence of the amount that may be

borrowed and shall be binding on Ontario in respect of each borrowing made in accordance with this Order and such certificate.

6. Each delegation made in this Order extends to each person from time to time holding an acting appointment to a position whose regular occupant is entitled to exercise the delegated authority.

7. The principal amount of and any interest on any security issued under this Order and the principal amount of and any interest on all money raised by way of loan under this Order shall be a charge on and payable out of the Consolidated Revenue Fund.

Recommended

Minister of Finance

Concurred

Chair of Cabinet

Approved and Ordered

DEC 19 2008

Date

Lieutenant Governor

Ontario
Executive Council
Conseil exécutif

Order in Council
Décret

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and concurrence of the Executive Council, orders that:

Sur la recommandation de la personne soussignée, le lieutenant-gouverneur, sur l'avis et avec le consentement du Conseil exécutif, décrète ce qui suit :

WHEREAS pursuant to subsection 22(1) of the *Capital Investment Plan Act, 1993* (the "Act"), the Minister of Finance may purchase securities of or make loans to corporations established under subsection 2(1) of the Act in such amounts, at such times and on such terms and conditions as the Lieutenant Governor in Council considers expedient;

AND WHEREAS the Ontario Financing Authority (the "OFA") is a corporation established under subsection 2(1) of the Act;

AND WHEREAS pursuant to subsection 6(3) of the Act, the power of a corporation established under subsection 2(1) of the Act to borrow and issue securities, among other things, may only be exercised under the authority of a by-law that has been approved by the Minister of Finance;

AND WHEREAS the OFA wishes to borrow up to Seven Hundred Million Dollars in lawful money of Canada from the Minister of Finance and has been authorized to do so by a borrowing by-law approved in accordance with the Act;

THEREFORE:

Pursuant to subsection 22 (1) of the Act, the Minister of Finance is authorized to lend a maximum of Seven Hundred Million Dollars in lawful money of Canada to the OFA on the following terms and conditions:

(a) the loan may be advanced in such amounts and at such time or times as required by the OFA;

(b) repayment of advances made under the loan plus accrued interest may be made in whole or in part at any time provided that the loan plus any accrued interest shall be fully repaid by March 5, 2044;

(c) each advance (an "Advance") made under the loan hereby authorized shall bear interest at a rate which is determined as follows:

(i) from the date of the Advance to (but excluding) the date of repayment the Advance shall bear interest at a per annum rate equivalent to the yield earned on ninety day Province of Ontario treasury bills on the date before the Advance Date as determined by the Province, provided that if an Advance is outstanding for longer than ninety days, the interest rate shall be reset on the last day of each ninety day period (the "Reset Date") to the yield earned on ninety day Province of Ontario treasury bills immediately preceding the Reset Date for such ninety day period as determined by the Province;

(ii) in the event that moneys included in an Advance are used by the OFA for the purpose of funding loans to third parties (a "Third Party Loan"), the rate of interest payable by the OFA to the Province on the portion of the Advance so used shall be adjusted effective as of the date that the portion of the Advance is used to fund the Third Party Loan so that the per annum rate of interest payable by the OFA on such moneys is equivalent to the per annum rate of interest payable to the OFA under the Third Party Loan less an amount as may be determined by the Minister of Finance in respect of such Third Party Loan or a class of such Third Party Loans, until but excluding the date on which the Third Party Loan is repaid, at which time the interest rate set out in subparagraph (i) shall again be applicable to that portion of the Advance;

(iii) in the event that moneys described in subparagraph (ii), once repaid, are subsequently used to fund loans to third parties, subparagraph (ii) shall again be applicable in determining the interest rate payable to the Province on that portion of the Advance used to fund such loan, and so on, until the Advance shall be repaid to the Province in full; and

(iv) despite subparagraphs (ii) and (iii), in the event that no interest is payable to the OFA under a Third Party Loan, no interest shall be payable by the OFA on the portion of the Advance so used and to the extent that the terms of a Third Party Loan provide for the deferral of the payment of accrued interest for a period, the interest payment terms of an Advance or portion thereof shall also be deferred for a similar period.

(d) interest for any period of less than one year shall be payable for the actual number of days included in such period, computed on the basis of a 365-day year;

(e) despite paragraph (b) of this Order, interest on any portion of an Advance made to the OFA under the loan that is used by the OFA to fund a Third Party Loan shall accrue on the basis stated above but shall become payable only to the extent the OFA receives payment of interest under the relevant Third Party Loan;

(f) despite paragraph (b) of this Order, any portion of the principal of an Advance made to the OFA under the loan that is used by the OFA to fund a Third Party Loan shall become payable only to the extent the OFA receives repayment of principal under the relevant Third Party Loan; and

(g) the loan hereby authorized shall be evidenced by a promissory note.

Recommended _____ Concurred _____

Minister of Finance Chair of Cabinet

Approved and Ordered MAR 0 5 2014

Date

_____

Lieutenant Governor

Ontario
Executive Council
Conseil exécutif

Order in Council
Décret

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and concurrence of the Executive Council, orders that:

Sur la recommandation de la personne soussignée, le lieutenant-gouverneur, sur l'avis et avec le consentement du Conseil exécutif, décrète ce qui suit :

WHEREAS pursuant to Order in Council 675/97 made under subsection 22(1) of the *Capital Investment Plan Act, 1993*, the Minister of Finance is authorized to lend Two Billion One Hundred and Sixty Million Dollars in lawful money of Canada to the Ontario Financing Authority (the "OFA");

AND WHEREAS pursuant to Order in Council 767/99 made under subsection 22(1) of the *Capital Investment Plan Act, 1993*, the Minister of Finance is authorized to lend Six Hundred and Fifty-six Million Dollars in lawful money of Canada to the OFA;

AND WHEREAS pursuant to Order in Council 1883/2006 made under subsection 22(1) of the *Capital Investment Plan Act, 1993*, the Minister of Finance is authorized to lend Eight Hundred Million Dollars in lawful money of Canada to the OFA;

AND WHEREAS pursuant to Order in Council 2144/2007 made under subsection 22(1) of the *Capital Investment Plan Act, 1993*, the Minister of Finance is authorized to lend Two Billion Dollars in lawful money of Canada to the OFA;

AND WHEREAS the Province considers it expedient to amend Order in Council 675/97, Order in Council 767/99, Order in Council 1883/2006 and Order in Council 2144/2007 to allow for loans from the Minister of Finance to the OFA which shall be fully repaid by the OFA by June 1, 2041 and to allow the OFA to retain up to 40 basis points on advances made by the Minister of Finance to the OFA where the OFA subsequently loans those moneys to public bodies;

THEREFORE:

1. Order in Council 675/97, as amended by Order in Council 1709/98, is hereby amended by:

(i) deleting "August 31, 2027" in paragraph (b) thereof and replacing said date with June 1, 2041;

(ii) deleting subparagraph (d)(i) and replacing said subparagraph with the following subparagraph:

"from the date of Advance to (but excluding) the date of repayment, the Advance shall bear interest at a per annum rate equivalent to the yield on ninety day Province of Ontario treasury bills on the Advance Date as determined by the Province, provided that if an Advance is outstanding for longer than ninety days, the interest rate shall be reset on the last day of each ninety day period (the "Reset Date") to the yield on ninety day Province of Ontario treasury bills on the Reset Date as determined by the Province."

(ii) deleting subsubparagraph (d)(ii)(B) and replacing said subsubparagraph with the following subsubparagraph:

"(B) the per annum rate of interest payable to the OFA under the Third Party Loan less an amount not exceeding 40 basis points, "

2. Order in Council 767/99, is hereby amended by:

(i) deleting "August 31, 2029" in paragraph (b) thereof and replacing said date with June 1, 2041;

(ii) deleting subparagraph (d)(i) and replacing said subparagraph with the following subparagraph:

"from the date of Advance to (but excluding) the date of repayment, the Advance shall bear interest at a per annum rate equivalent to the yield on ninety day Province of Ontario treasury bills on the Advance Date as determined by the Province, provided that if an Advance is outstanding for longer than ninety days, the interest rate shall be reset on the last day of each ninety day period (the "Reset Date") to the yield on ninety day Province of Ontario treasury bills on the Reset Date as determined by the Province."

(iii) deleting subsubparagraph (d)(ii)(B) and replacing said subsubparagraph with the following subsubparagraph:

"(B) the per annum rate of interest payable to the OFA under the Third Party Loan less an amount not exceeding 40 basis points,"

3. Order in Council 1883/2006 is hereby amended by:

(i) deleting "November 1, 2032" in paragraph (b) thereof and replacing said date with June 1, 2041;

(ii) deleting subparagraph (c)(i) and replacing said subparagraph with the following subparagraph:

> "from the date of Advance to (but excluding) the date of repayment, the Advance shall bear interest at a per annum rate equivalent to the yield on ninety day Province of Ontario treasury bills on the Advance Date as determined by the Province, provided that if an Advance is outstanding for longer than ninety days, the interest rate shall be reset on the last day of each ninety day period (the "Reset Date") to the yield on ninety day Province of Ontario treasury bills on the Reset Date as determined by the Province."

(iii) deleting subsubparagraph (c)(ii)(B) and replacing said subsubparagraph with the following subsubparagraph:

> "(B) the per annum rate of interest payable to the OFA under the Third Party Loan less an amount not exceeding 40 basis points,
>
> until but excluding the date on which the Third Party Loan is repaid, at which time the interest rate set out in subparagraph (i) shall again be applicable to that portion of the Advance; and"

4. Order in Council 2144/2007 is hereby amended by:

(i) deleting "December 1, 2037" in paragraph (b) thereof and replacing said date with June 1, 2041;

(ii) deleting subparagraph (c)(i) and replacing said subparagraph with the following subparagraph:

> "from the date of Advance to (but excluding) the date of repayment, the Advance shall bear interest at a per annum rate equivalent to the yield on ninety day Province of Ontario treasury bills on the Advance Date as determined by the Province, provided that if an Advance is outstanding for longer than ninety days, the interest rate shall be reset on the last day of each ninety day period (the "Reset Date") to the yield on ninety day Province of Ontario treasury bills on the Reset Date as determined by the Province."

(ii) deleting subsubparagraph (c)(ii)(B) and replacing said subsubparagraph with the following subsubparagraph:

> "(B) the per annum rate of interest payable to the OFA under the Third Party Loan less an amount not exceeding 40 basis points,

until but excluding the date on which the Third Party Loan is repaid, at which time the interest rate set out in subparagraph (i) shall again be applicable to that portion of the Advance; and"

5. The forms of promissory note which evidence the loans pursuant to Order in Council 675/97, Order in Council 767/99, Order in Council 1883/2006 and Order in Council 2144/2007 are hereby amended to reflect the above changes to the Orders in Council in respect of all amounts advanced to the OFA on or after the date of this Order.

Recommended _____ Minister of Finance

Concurred _____ Chair of Cabinet

Approved and Ordered JUN 0 4 2008 Date

_____ Lieutenant Governor

Ontario

Executive Council
Conseil exécutif

O.C./Décret 1883/2006

I hereby certify that the attached is a true copy of an Order made on September 27, 2006, by His Lordship the Honourable Brian W. Lennox, Chief Justice of the Ontario Court of Justice, Administrator of the Government of the Province of Ontario in Council.

Deputy Clerk, Executive Council of Ontario

Dated at Toronto,
September 28, 2006

Ontario
Executive Council
Conseil exécutif

Order in Council
Décret

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and concurrence of the Executive Council, orders that:

Sur la recommandation de la personne soussignée, le lieutenant-gouverneur, sur l'avis et avec le consentement du Conseil exécutif, décrète ce qui suit :

WHEREAS pursuant to subsection 22(1) of the *Capital Investment Plan Act, 1993* (the "Act"), the Minister of Finance may purchase securities of or make loans to corporations established under subsection 2(1) of the Act in such amounts, at such times and on such terms and conditions as the Lieutenant Governor in Council considers expedient:

AND WHEREAS the Ontario Financing Authority (the "OFA") is a corporation established under subsection 2(1) of the Act:

AND WHEREAS pursuant to subsection 6(3) of the Act, the power of a corporation established under subsection 2(1) of the Act to borrow and issue certificates, among other things, may only be exercised under the authority of a by-law that has been approved by the Minister of Finance:

AND WHEREAS the OFA wishes to borrow up to Eight Hundred Million Dollars from the Minister of Finance and has been authorized to do so by a borrowing by-law approved in accordance with the Act:

THEREFORE:

Pursuant to subsection 22 (1) of the Act, the Minister of Finance is authorized to lend a maximum of Eight Hundred Million Dollars in lawful money of Canada to the OFA on the following terms and conditions:

(a) the loan may be advanced in such amounts and at such time or times as required by the OFA;

(b) repayment of advances made under the loan plus accrued interest may be made in whole or in part at any time provided that the loan plus accrued interest shall be fully repaid by November 1, 2032;

(c) each advance (an "Advance") made under the loan hereby authorized shall bear interest at a rate which is determined as follows:

(i) from the date of advance to (but excluding) the date of repayment the Advance shall bear interest at a per annum rate equivalent to the yield earned on ninety day Province of Ontario treasury bills (determined as at the auction date immediately preceding the date of the Advance), provided that if an Advance is outstanding for longer than ninety days, the interest rate shall be reset on the last day of each ninety day period (the "Reset Date") to the yield earned on ninety day Province of Ontario treasury bills as at the auction date immediately preceding the Reset Date for such ninety day period;

(ii) in the event that moneys included in an Advance are subsequently loaned by the OFA to third parties for the purposes contemplated in the Act, (a "Third Party Loan") the rate of interest payable by the OFA to the Province on the portion of the Advance so loaned may be adjusted at the option of the OFA effective as of the date of the Third Party Loan so that the per annum rate of interest payable by the OFA on such moneys is equivalent to either:

(A) the per annum rate of interest payable to the OFA under the Third Party Loan, or

(B) the per annum rate of interest payable to the OFA under the Third Party Loan less an amount not exceeding 25 basis points, until but excluding the date on which the Third Party Loan is repaid, at which time the interest rate set out in subparagraph (i) shall again be applicable to that portion of the Advance; and

(iii) in the event that moneys described in subparagraph (ii) , once repaid, are subsequently loaned to third parties again, subparagraph (ii) shall again be applicable in determining the interest rate payable to the Province on that portion of the Advance included in any subsequent loan, and so on, until the Advance shall be repaid to the Province in full;

(d) interest for any period of less than one year shall be payable for the actual number of days included in such period, computed on the basis of a 365-day year;

(e) the loan hereby authorized shall be evidenced by a promissory note in a form acceptable to the Minister of Finance.

Recommended _____ Concurred _____
Minister of Finance Chair of Cabinet

Approved and Ordered SEP 27 2006
Date

Administrator of the Government

OFA Loan

Ontario

Executive Council
Conseil exécutif

O.C./Décret 675/97

I hereby certify that the attached is a true copy of an Order made on April 2nd, 1997, by Her Honour the Honourable Hilary M. Weston, Lieutenant Governor of the Province of Ontario in Council.

Deputy Clerk, Executive Council of Ontario

Dated at Toronto,
April 3rd, 1997

Ontario
Executive Council
Conseil des ministres

Order in Council
Décret

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and concurrence of the Executive Council, orders that:

Sur la recommandation du soussigné, le lieutenant-gouverneur, sur l'avis et avec le consentement du Conseil des ministres, décrète ce qui suit :

WHEREAS pursuant to subsection 22(1) of the *Capital Investment Plan Act, 1993* (the "Act"), the Minister of Finance may purchase securities of or make loans to corporations established under subsection 2(1) of the Act in such amounts, at such times and on such terms and conditions as the Lieutenant Governor in Council considers expedient;

AND WHEREAS the Ontario Financing Authority (the "OFA") is a corporation established under subsection 2(1) of the Act;

AND WHEREAS pursuant to subsection 6(3) of the Act, the power of a corporation to borrow and issue securities, among other things, may only be exercised under the authority of a by-law that has been approved by the Minister of Finance;

AND WHEREAS the OFA wishes to borrow Two Billion One Hundred and Sixty Million Dollars from the Minister of Finance and has been authorized to do so by a borrowing by-law approved in accordance with the Act;

THEREFORE:

Pursuant to subsection 22 (1) of the Act, the Minister of Finance is authorized to lend a maximum of Two Billion One Hundred and Sixty Million Dollars in lawful money of Canada to the OFA on the following terms and conditions:

(a) the loan may be advanced in such amounts and at such time or times as required by the OFA;

(b) repayment of advances made under the loan plus accrued interest may be made in whole or in part at any time provided that the loan plus accrued interest shall be fully repaid by August 31, 2027;

(c) the OFA shall be entitled to use the loan as a revolving credit facility allowing for successive advances of moneys repaid under the loan; provided that the maximum principal amount of the loan outstanding at any time shall not exceed Two Billion One Hundred and Sixty Million Dollars;

(d) each advance (an "Advance") made under the loan hereby authorized shall bear interest at a rate which is determined as follows:

(i) from the date of advance to (but excluding) the date of repayment the Advance shall bear interest at a per annum rate equivalent to the yield earned on ninety day Province of Ontario treasury bills (determined as at the auction date immediately preceding the date of the Advance), provided that if an Advance is outstanding for longer than ninety days, the interest rate shall be reset on the last day of each ninety day period (the "Reset Date") to the yield earned on ninety day Province of Ontario treasury bills as at the auction date immediately preceding the Reset Date for such ninety day period;

(ii) in the event that moneys included in an Advance are subsequently loaned by the OFA to third parties for the purposes contemplated in the Act, (a "Third Party Loan") the rate of interest payable by the OFA to the Province on the portion of the Advance so loaned may be adjusted at the option of the OFA effective as of the date of the Third Party Loan so that the per annum rate of interest payable by the OFA on such moneys is equivalent to either:

(A) the per annum rate of interest payable to the OFA under the Third Party Loan, or

(B) the per annum rate of interest payable to the OFA under the Third Party Loan less 25 basis points,

until but excluding the date on which the Third Party Loan is repaid, at which time the interest rate set out in subparagraph (i) shall again be applicable to that portion of the Advance; and

(iii) in the event that moneys described in subparagraph (ii), once repaid, are subsequently loaned to third parties again, subparagraph (ii) shall again be applicable in determining the interest rate payable to the Province on that portion of the Advance included in any subsequent loan, and so on, until the Advance shall be repaid to the Province in full;

(e) interest for any period of less than one year shall be payable for the actual number of days included in such period, computed on the basis of a 365-day year;

(f) the loan hereby authorized shall be evidenced by a promissory note in a form acceptable to the Minister of Finance.

Recommended
Minister of Finance

Concurred
Chair of Cabinet

Approved and Ordered
APR - 2 1997
Date

Lieutenant Governor

Ontario
Executive Council
Conseil exécutif

Order in Council
Décret

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and concurrence of the Executive Council, orders that:

Sur la recommandation de la personne soussignée, le lieutenant-gouverneur, sur l'avis et avec le consentement du Conseil exécutif, décrète ce qui suit :

WHEREAS pursuant to section 21 of the *Capital Investment Plan Act, 1993*, the Lieutenant Governor in Council may raise by way of loan in the manner provided by the *Financial Administration Act* such sums as the Lieutenant Governor in Council considers necessary for the purposes of the *Capital Investment Plan Act, 1993*, and the sums so raised may be used to make advances to a corporation established under subsection 2(1) of the *Capital Investment Plan Act, 1993*, or applied by the Minister of Finance in the purchase of securities issued by such corporation;

AND WHEREAS the Ontario Financing Authority is a corporation established under subsection 2(1) of the *Capital Investment Plan Act, 1993*;

AND WHEREAS, for the purposes of the *Capital Investment Plan Act, 1993*, it is now considered necessary to authorize the borrowing of money, from time to time, in the manner provided by the *Financial Administration Act*, in an aggregate amount, as determined in accordance with section 26 of the *Financial Administration Act*, not exceeding Four Billion Three Hundred Million Dollars in lawful money of Canada by way of loan or by the issue and sale of securities of Ontario;

THEREFORE:

1. Pursuant to section 21 of the *Capital Investment Plan Act, 1993* and section 20 of the *Financial Administration Act*, as amended, the Minister of Finance is authorized to raise money for the purposes of the *Capital Investment Plan Act, 1993* by way of loan on the credit of the Consolidated Revenue Fund of Ontario in an aggregate amount determined in accordance with section 26 of the *Financial Administration Act*, as amended, and not exceeding Four Billion Three Hundred Million Dollars in lawful money of Canada:

(a) by the issue and sale from time to time of securities of Ontario; and

(b) by a loan or loans in the currency of Canada or of any other country or in any authorized composite monetary unit from a bank, corporation, government, person or authority repayable on demand or at a fixed time and raised by way of bank

overdraft, loan agreement or the giving of short-term security by Ontario as the Minister of Finance considers advisable and expedient.

2. Pursuant to subsection 20(6) of the *Financial Administration Act*, as amended, for the purpose of borrowing the sum authorized by this Order, all of the powers of the Minister of Finance under subsection 20(1) of the *Financial Administration Act*, as amended, are delegated to each of the Deputy Minister of Finance and any solicitor, who is an employee of the Crown and seconded to the Legal Services Branch, Ministry of Finance and Ministry of Revenue, holding office on the date of this Order or on any day thereafter.

3. Pursuant to subsection 35(1) of the *Capital Investment Plan Act, 1993*, for the purpose of borrowing the sum authorized by this Order, all of the powers of the Minister of Finance under subsection 20(1) of the *Financial Administration Act*, as amended, are delegated to each of the Chief Executive Officer, the Executive Director, Capital Markets Division, the Director, Finance and Reporting Division, any Director, Capital Markets Division and any Manager, Capital Markets Division, all of the Ontario Financing Authority, holding office on the date of this Order or any day thereafter.

4. Each of the securities and any interest coupons attached thereto issued under the authority of this Order shall be signed by any one of:

(a) the Minister of Finance;
(b) the Deputy Minister of Finance; or
(c) the Chief Executive Officer, the Executive Director, Capital Markets Division, or any Director, Capital Markets Division, all of the Ontario Financing Authority;

holding office on the date of this Order or on any day thereafter, or shall have engraved, lithographed, printed or otherwise mechanically reproduced thereon the signature of the Minister of Finance holding office on the date of this Order or on any day thereafter. Each of the securities, excluding any interest coupons attached thereto, shall be sealed with the seal of the Minister of Finance which may be engraved, lithographed, printed or otherwise mechanically reproduced thereon, and shall be authenticated by the fiscal agent or registrar appointed by Ontario or, where no fiscal agent or registrar is appointed, shall be authenticated or countersigned by any one of the Director, the Manager, Settlements, Payments and Fiscal Agency, or the Co-ordinator, Settlements, Payments and Fiscal Agency, all of the Finance and Reporting Division, Ontario Financing Authority, holding office on the date of this Order or on any day thereafter and, when so executed and either authenticated or countersigned, the securities and any interest coupons attached thereto are binding upon Ontario notwithstanding any change in any of the persons holding the said office between the date when the said signature is affixed and the date of delivery of the securities, and notwithstanding that the person whose signature is so affixed may not have held office at the date of the securities or at the date of the delivery thereof.

5. Where required by the terms of the securities in addition to being signed, sealed and authenticated as described in the previous paragraph, the securities shall also be effectuated by the signature of such person authorized by the Province of Ontario to act for such purpose, and when so executed and either authenticated or countersigned, and, if required, effectuated, the securities and any interest coupons attached thereto are binding upon Ontario notwithstanding any change in any of the persons holding the said offices between the date when the said signature is affixed and the date of delivery of the securities, and notwithstanding that the person whose signature is so affixed may not have held office at the date of the securities or at the date of the delivery thereof.

6. Any one of the Minister of Finance or any authorized officer named in subparagraphs 4(b) and (c) of this Order may certify in writing the amount that may be borrowed under the authority of this Order as of each date securities are issued and sold or money is borrowed by way of bank overdraft, loan agreement or the giving of short-term security hereunder and it is declared that such certificate shall be conclusive evidence of the amount that may be borrowed and shall be binding on Ontario in respect of each borrowing made in accordance with this Order and such certificate.

7. Each delegation made in this Order extends to each person from time to time holding an acting appointment to a position whose regular occupant is entitled to exercise the delegated authority.

8. The principal amount of and any interest on any security issued under this Order and the principal amount of and any interest on all money raised by way of loan under this Order shall be a charge on and payable out of the Consolidated Revenue Fund.

Recommended

Minister of Finance

Concurred

Chair of Cabinet

Approved and Ordered

MAY 2 9 2009

Date

Lieutenant Governor

Ontario
Executive Council
Conseil exécutif

Order in Council
Décret

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and concurrence of the Executive Council, orders that:

Sur la recommandation de la personne soussignée, le lieutenant-gouverneur, sur l'avis et avec le consentement du Conseil exécutif, décrète ce qui suit :

WHEREAS pursuant to subsection 22(1) of the *Capital Investment Plan Act, 1993* (the "Act"), the Minister of Finance may purchase securities of or make loans to corporations established under subsection 2(1) of the Act in such amounts, at such times and on such terms and conditions as the Lieutenant Governor in Council considers expedient;

AND WHEREAS the Ontario Financing Authority (the "OFA") is a corporation established under subsection 2(1) of the Act;

AND WHEREAS pursuant to subsection 6(3) of the Act, the power of a corporation established under subsection 2(1) of the Act to borrow and issue securities, among other things, may only be exercised under the authority of a by-law that has been approved by the Minister of Finance;

AND WHEREAS the OFA wishes to borrow up to One Billion Seven Hundred Million Dollars in lawful money of Canada from the Minister of Finance and has been authorized to do so by a borrowing by-law approved in accordance with the Act;

THEREFORE:

Pursuant to subsection 22 (1) of the Act, the Minister of Finance is authorized to lend a maximum of One Billion Seven Hundred Million Dollars in lawful money of Canada to the OFA on the following terms and conditions:

(a) the loan may be advanced in such amounts and at such time or times as required by the OFA;

(b) repayment of advances made under the loan plus accrued interest may be made in whole or in part at any time provided that the loan plus any accrued interest shall be fully repaid by 2040;

(c) each advance (an "Advance") made under the loan hereby authorized shall bear interest at a rate which is determined as follows:

O.C./Décret 163/2012

Certified to be a true copy
Deputy Clerk, Executive Council

(i) from the date of the Advance to (but excluding) the date of repayment the Advance shall bear interest at a per annum rate equivalent to the yield earned on ninety day Province of Ontario treasury bills on the date before the Advance Date as determined by the Province, provided that if an Advance is outstanding for longer than ninety days, the interest rate shall be reset on the last day of each ninety day period (the "Reset Date") to the yield earned on ninety day Province of Ontario treasury bills immediately preceding the Reset Date for such ninety day period as determined by the Province;

(ii) in the event that moneys included in an Advance are used by the OFA for the purpose of funding loans to third parties (a "Third Party Loan"), the rate of interest payable by the OFA to the Province on the portion of the Advance so used shall be adjusted at the option of the OFA effective as of the date that the portion of the Advance is used to fund the Third Party Loan so that the per annum rate of interest payable by the OFA on such moneys is equivalent to either:

(A) the per annum rate of interest payable to the OFA under the Third Party Loan, or

(B) the per annum rate of interest payable to the OFA under the Third Party Loan less an amount not exceeding 53 basis points, until but excluding the date on which the Third Party Loan is repaid, at which time the interest rate set out in subparagraph (i) shall again be applicable to that portion of the Advance; and

(iii) in the event that moneys described in subparagraph (ii), once repaid, are subsequently used to fund loans to third parties, subparagraph (ii) shall again be applicable in determining the interest rate payable to the Province on that portion of the Advance used to fund such loan, and so on, until the Advance shall be repaid to the Province in full;

(iv) despite subparagraphs (ii) and (iii), in the event that no interest is payable to the OFA under a Third Party Loan, no interest shall be payable by the OFA on the portion of the Advance so used and to the extent that the terms of a Third Party Loan provide for the deferral of the payment of accrued interest for a period, the interest payment terms of an Advance or portion thereof shall also be deferred for a similar period.

(d) interest for any period of less than one year shall be payable for the actual number of days included in such period, computed on the basis of a 365-day year;

(e) despite paragraph (b) of this Order, interest on any portion of an Advance made to the OFA under the loan that is used by the OFA to fund a Third Party Loan shall accrue on the basis stated above but shall become payable only to the extent the OFA receives payment of interest under the relevant Third Party Loan;

(f) despite paragraph (b) of this Order, any portion of the principal of an Advance made to the OFA under the loan that is used by the OFA to fund a Third Party Loan shall become payable only to the extent the OFA receives repayment of principal under the relevant Third Party Loan; and

(g) the loan hereby authorized shall be evidenced by a promissory note.

Recommended _____
Minister of Finance

Concurred _____
Chair of Cabinet

Approved and Ordered

FEB 14 2012
Date

_____
Lieutenant Governor

Ontario

Executive Council
Conseil exécutif

O.C./Décret 678/2009

I hereby certify that the attached is a true copy of an Order made on April 29, 2009, by His Honour the Honourable David C. Onley, Lieutenant Governor of the Province of Ontario in Council.

Deputy Clerk, Executive Council of Ontario

Dated at Toronto,
June 4, 2009

Ontario
Executive Council
Conseil exécutif

Order in Council
Décret

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and concurrence of the Executive Council, orders that:

Sur la recommandation de la personne soussignée, le lieutenant-gouverneur, sur l'avis et avec le consentement du Conseil exécutif, décrète ce qui suit :

WHEREAS pursuant to section 21 of the *Capital Investment Plan Act, 1993*, the Lieutenant Governor in Council may raise by way of loan in the manner provided by the *Financial Administration Act* such sums as the Lieutenant Governor in Council considers necessary for the purposes of the *Capital Investment Plan Act, 1993*, and the sums so raised may be used to make advances to a corporation established under subsection 2(1) of the *Capital Investment Plan Act, 1993*, or applied by the Minister of Finance in the purchase of securities issued by such corporation;

AND WHEREAS the Ontario Financing Authority is a corporation established under subsection 2(1) of the *Capital Investment Plan Act, 1993*;

AND WHEREAS, for the purposes of the *Capital Investment Plan Act, 1993*, it is now considered necessary to authorize the borrowing of money, from time to time, in the manner provided by the *Financial Administration Act*, in an aggregate amount, as determined in accordance with section 26 of the *Financial Administration Act*, not exceeding One Billion One Hundred Million Dollars in lawful money of Canada by way of loan or by the issue and sale of securities of Ontario;

THEREFORE:

1. Pursuant to section 21 of the *Capital Investment Plan Act, 1993* and section 20 of the *Financial Administration Act*, as amended, the Minister of Finance is authorized to raise money for the purposes of the *Capital Investment Plan Act, 1993* by way of loan on the credit of the Consolidated Revenue Fund of Ontario in an aggregate amount determined in accordance with section 26 of the *Financial Administration Act*, as amended, and not exceeding One Billion One Hundred Million Dollars in lawful money of Canada:

(a) by the issue and sale from time to time of securities of Ontario; and

(b) by a loan or loans in the currency of Canada or of any other country or in any authorized composite monetary unit from a bank, corporation, government, person or authority repayable on demand or at a fixed time and raised by way of bank overdraft, loan agreement or the giving of short-term security by Ontario as the Minister of Finance considers advisable and expedient.

O.C./Décret 678/2009

2. Pursuant to subsection 20(6) of the *Financial Administration Act*, as amended, for the purpose of borrowing the sum authorized by this Order, all of the powers of the Minister of Finance under subsection 20(1) of the *Financial Administration Act*, as amended, are delegated to each of the Deputy Minister of Finance and any solicitor, who is an employee of the Crown and seconded to the Legal Services Branch, Ministry of Finance and Ministry of Revenue, holding office on the date of this Order or on any day thereafter.

3. Pursuant to subsection 35(1) of the *Capital Investment Plan Act, 1993*, for the purpose of borrowing the sum authorized by this Order, all of the powers of the Minister of Finance under subsection 20(1) of the *Financial Administration Act*, as amended, are delegated to each of the Chief Executive Officer, the Executive Director, Capital Markets Division, the Director, Finance and Reporting Division, any Director, Capital Markets Division and any Manager, Capital Markets Division, all of the Ontario Financing Authority, holding office on the date of this Order or any day thereafter.

4. Each of the securities and any interest coupons attached thereto issued under the authority of this Order shall be signed by any one of:

(a) the Minister of Finance;
(b) the Deputy Minister of Finance; or
(c) the Chief Executive Officer, the Executive Director, Capital Markets Division, or any Director, Capital Markets Division, all of the Ontario Financing Authority;

holding office on the date of this Order or on any day thereafter, or shall have engraved, lithographed, printed or otherwise mechanically reproduced thereon the signature of the Minister of Finance holding office on the date of this Order or on any day thereafter. Each of the securities, excluding any interest coupons attached thereto, shall be sealed with the seal of the Minister of Finance which may be engraved, lithographed, printed or otherwise mechanically reproduced thereon, and shall be authenticated by the fiscal agent or registrar appointed by Ontario or, where no fiscal agent or registrar is appointed, shall be authenticated or countersigned by any one of the Director, the Manager, Settlements, Payments and Fiscal Agency, or the Co-ordinator, Settlements, Payments and Fiscal Agency, all of the Finance and Reporting Division, Ontario Financing Authority, holding office on the date of this Order or on any day thereafter and, when so executed and either authenticated or countersigned, the securities and any interest coupons attached thereto are binding upon Ontario notwithstanding any change in any of the persons holding the said office between the date when the said signature is affixed and the date of delivery of the securities, and notwithstanding that the person whose signature is so affixed may not have held office at the date of the securities or at the date of the delivery thereof.

5. Any one of the Minister of Finance or any authorized officer named in subparagraphs 4(b) and (c) of this Order may certify in writing the amount that may be borrowed under the authority of this Order as of each date securities are issued and sold or money is borrowed by way of bank overdraft, loan agreement or the giving of short-term security hereunder and it is declared that such certificate shall be conclusive evidence of the amount that may be

borrowed and shall be binding on Ontario in respect of each borrowing made in accordance with this Order and such certificate.

6. Each delegation made in this Order extends to each person from time to time holding an acting appointment to a position whose regular occupant is entitled to exercise the delegated authority.

7. The principal amount of and any interest on any security issued under this Order and the principal amount of and any interest on all money raised by way of loan under this Order shall be a charge on and payable out of the Consolidated Revenue Fund.

Recommended

Minister of Finance

Concurred

Chair of Cabinet

Approved and Ordered

APR 2 9 2009

Date

Lieutenant Governor

Ontario

Executive Council
Conseil exécutif

O.C./Décret 2144/2007

I hereby certify that the attached is a true copy of an Order made on December 19, 2007, by His Honour the Honourable David C. Onley, Lieutenant Governor of the Province of Ontario in Council.

Deputy Clerk, Executive Council of Ontario

Dated at Toronto,
December 20, 2007

Ontario
Executive Council
Conseil exécutif

Order in Council
Décret

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and concurrence of the Executive Council, orders that:

Sur la recommandation de la personne soussignée, le lieutenant-gouverneur, sur l'avis et avec le consentement du Conseil exécutif, décrète ce qui suit :

WHEREAS pursuant to subsection 22(1) of the *Capital Investment Plan Act, 1993* (the "Act"), the Minister of Finance may purchase securities of or make loans to corporations established under subsection 2(1) of the Act in such amounts, at such times and on such terms and conditions as the Lieutenant Governor in Council considers expedient:

AND WHEREAS the Ontario Financing Authority (the "OFA") is a corporation established under subsection 2(1) of the Act:

AND WHEREAS pursuant to subsection 6(3) of the Act, the power of a corporation established under subsection 2(1) of the Act to borrow and issue certificates, among other things, may only be exercised under the authority of a by-law that has been approved by the Minister of Finance:

AND WHEREAS the OFA wishes to borrow up to $2.0 billion from the Minister of Finance and has been authorized to do so by a borrowing by-law approved in accordance with the Act:

THEREFORE:

Pursuant to subsection 22 (1) of the Act, the Minister of Finance is authorized to lend a maximum of $2.0 billion in lawful money of Canada to the OFA on the following terms and conditions:

(a) the loan may be advanced in such amounts and at such time or times as required by the OFA;

(b) repayment of advances made under the loan plus accrued interest may be made in whole or in part at any time provided that the loan plus accrued interest shall be fully repaid by December 1, 2037;

(c) each advance (an "Advance") made under the loan hereby authorized shall bear interest at a rate which is determined as follows:

(i) from the date of Advance to (but excluding) the date of repayment the Advance shall bear interest at a per annum rate equivalent to the yield earned on ninety day Province of Ontario treasury bills as determined by the Province, provided

that if an Advance is outstanding for longer than ninety days, the interest rate shall be reset on the last day of each ninety day period (the "Reset Date") to the yield earned on ninety day Province of Ontario treasury bills as determined by the Province immediately preceding the Reset Date for such ninety day period;

(ii) in the event that moneys included in an Advance are subsequently loaned by the OFA to third parties for the purposes contemplated in the Act, (a "Third Party Loan") the rate of interest payable by the OFA to the Province on the portion of the Advance so loaned shall be adjusted at the option of the OFA effective as of the date of the Third Party Loan so that the per annum rate of interest payable by the OFA on such moneys is equivalent to either:

(A) the per annum rate of interest payable to the OFA under the Third Party Loan, or

(B) the per annum rate of interest payable to the OFA under the Third Party Loan less an amount not exceeding **25** basis points, until but excluding the date on which the Third Party Loan is repaid, at which time the interest rate set out in subparagraph (i) shall again be applicable to that portion of the Advance; and

(iii) in the event that moneys described in subparagraph (ii), once repaid, are subsequently loaned to third parties again, subparagraph (ii) shall again be applicable in determining the interest rate payable to the Province on that portion of the Advance included in any subsequent loan, and so on, until the Advance shall be repaid to the Province in full;

(d) interest for any period of less than one year shall be payable for the actual number of days included in such period, computed on the basis of a 365-day year;

(e) the loan hereby authorized shall be evidenced by a promissory note in a form acceptable to the Minister of Finance.

Recommended _____ Minister of Finance

Concurred _____ Chair of Cabinet

Approved and Ordered DEC 19 2007 Date

_____ Lieutenant Governor

Ontario
Executive Council
Conseil exécutif

Order in Council
Décret

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and concurrence of the Executive Council, orders that:

Sur la recommandation de la personne soussignée, le lieutenant-gouverneur, sur l'avis et avec le consentement du Conseil exécutif, décrète ce qui suit :

WHEREAS pursuant to subsection 22(1) of the *Capital Investment Plan Act, 1993* (the "Act"), the Minister of Finance may purchase securities of or make loans to corporations established under subsection 2(1) of the Act in such amounts, at such times and on such terms and conditions as the Lieutenant Governor in Council considers expedient;

AND WHEREAS the Ontario Financing Authority (the "OFA") is a corporation established under subsection 2(1) of the Act;

AND WHEREAS pursuant to subsection 6(3) of the Act, the power of a corporation established under subsection 2(1) of the Act to borrow and issue securities, among other things, may only be exercised under the authority of a by-law that has been approved by the Minister of Finance;

AND WHEREAS the OFA wishes to borrow up to One Billion Eight Hundred Million Dollars in lawful money of Canada from the Minister of Finance and has been authorized to do so by a borrowing by-law approved in accordance with the Act;

THEREFORE:

Pursuant to subsection 22 (1) of the Act, the Minister of Finance is authorized to lend a maximum of One Billion Eight Hundred Million Dollars in lawful money of Canada to the OFA on the following terms and conditions:

(a) the loan may be advanced in such amounts and at such time or times as required by the OFA;

(b) repayment of advances made under the loan plus accrued interest may be made in whole or in part at any time provided that the loan plus any accrued interest shall be fully repaid by May 15, 2036;

(c) each advance (an "Advance") made under the loan hereby authorized shall bear interest at a rate which is determined as follows:

Certified to be a true copy
Deputy Clerk, Executive Council

O.C./Décret 300/2010

(i) from the date of the Advance to (but excluding) the date of repayment the Advance shall bear interest at a per annum rate equivalent to the yield earned on ninety day Province of Ontario treasury bills on the date before the Advance Date as determined by the Province, provided that if an Advance is outstanding for longer than ninety days, the interest rate shall be reset on the last day of each ninety day period (the "Reset Date") to the yield earned on ninety day Province of Ontario treasury bills immediately preceding the Reset Date for such ninety day period as determined by the Province;

(ii) in the event that moneys included in an Advance are used by the OFA for the purpose of funding loans to third parties (a "Third Party Loan"), the rate of interest payable by the OFA to the Province on the portion of the Advance so used shall be adjusted at the option of the OFA effective as of the date that the portion of the Advance is used to fund the Third Party Loan so that the per annum rate of interest payable by the OFA on such moneys is equivalent to either:

(A) the per annum rate of interest payable to the OFA under the Third Party Loan, or

(B) the per annum rate of interest payable to the OFA under the Third Party Loan less an amount not exceeding 45 basis points, until but excluding the date on which the Third Party Loan is repaid, at which time the interest rate set out in subparagraph (i) shall again be applicable to that portion of the Advance; and

(iii) in the event that moneys described in subparagraph (ii), once repaid, are subsequently used to fund loans to third parties, subparagraph (ii) shall again be applicable in determining the interest rate payable to the Province on that portion of the Advance used to fund such loan, and so on, until the Advance shall be repaid to the Province in full;

(iv) despite subparagraphs (ii) and (iii), in the event that no interest is payable to the OFA under a Third Party Loan, no interest shall be payable by the OFA on the portion of the Advance so used and to the extent that the terms of a Third Party Loan provide for the deferral of the payment of accrued interest for a period, the interest payment terms of an Advance or portion thereof shall also be deferred for a similar period.

(d) interest for any period of less than one year shall be payable for the actual number of days included in such period, computed on the basis of a 365-day year;

(e) despite paragraph (b) of this Order, interest on any portion of an Advance made to the OFA under the loan that is used by the OFA to fund a Third Party Loan shall accrue on the basis stated above but shall become payable only to the extent the OFA receives payment of interest under the relevant Third Party Loan;

(f) despite paragraph (b) of this Order, any portion of the principal of an Advance made to the OFA under the loan that is used by the OFA to fund a Third Party Loan shall become payable only to the extent the OFA receives repayment of principal under the relevant Third Party Loan; and

(g) the loan hereby authorized shall be evidenced by a promissory note.

Recommended _____
Minister of Finance

Concurred _____
Chair of Cabinet

Approved and Ordered

MAR 1 0 2010
Date

_____
Administrator of the Government

Executive Council of Ontario/Conseil exécutif de l'Ontario **[Bilingual]**

Ontario

Order in Council
Décret

On the recommendation of the undersigned, the Lieutenant Governor of Ontario, by and with the advice and concurrence of the Executive Council of Ontario, orders that:

Sur la recommandation de la personne soussignée, la lieutenante-gouverneure de l'Ontario, sur l'avis et avec le consentement du Conseil exécutif de l'Ontario, décrète ce qui suit :

WHEREAS pursuant to subsection 22(1) of the *Capital Investment Plan Act, 1993* (the "Act"), the Minister of Finance may purchase securities of or make loans to corporations established under subsection 2(1) of the Act in such amounts, at such times and on such terms and conditions as the Lieutenant Governor in Council considers expedient;

AND WHEREAS the Ontario Financing Authority (the "OFA") is a corporation established under subsection 2(1) of the Act;

AND WHEREAS pursuant to subsection 6(3) of the Act, the power of a corporation established under subsection 2(1) of the Act to borrow and issue securities, among other things, may only be exercised under the authority of a by-law that has been approved by the Minister of Finance;

AND WHEREAS the OFA wishes to borrow up to Two Billion Dollars in lawful money of Canada from the Minister of Finance and has been authorized to do so by a borrowing by-law approved in accordance with the Act;

THEREFORE:

Pursuant to subsection 22 (1) of the Act, the Minister of Finance is authorized to lend a maximum of Two Billion Dollars in lawful money of Canada to the OFA on the following terms and conditions:

(a) the loan may be advanced in such amounts and at such time or times as required by the OFA;

(b) repayment of advances made under the loan plus accrued interest may be made in whole or in part at any time provided that the loan plus any accrued interest shall be fully repaid by December 31, 2047;

(c) each advance (an "Advance") made under the loan hereby authorized shall bear interest at a rate which is determined as follows:

(i) from the date of the Advance to (but excluding) the date of repayment the Advance shall bear interest at a per annum rate equivalent to the yield earned on

ninety day Province of Ontario treasury bills on the date before the Advance Date as determined by the Province, provided that if an Advance is outstanding for longer than ninety days, the interest rate shall be reset on the last day of each ninety day period (the "Reset Date") to the yield earned on ninety day Province of Ontario treasury bills immediately preceding the Reset Date for such ninety day period as determined by the Province;

(ii) in the event that moneys included in an Advance are used by the OFA for the purpose of funding loans to third parties (a "Third Party Loan"), the rate of interest payable by the OFA to the Province on the portion of the Advance so used shall be adjusted effective as of the date that the portion of the Advance is used to fund the Third Party Loan so that the per annum rate of interest payable by the OFA on such moneys is equivalent to the per annum rate of interest payable to the OFA under the Third Party Loan less an amount as may be determined by the Minister of Finance in respect of such Third Party Loan or a class of such Third Party Loans, until but excluding the date on which the Third Party Loan is repaid, at which time the interest rate set out in subparagraph (i) shall again be applicable to that portion of the Advance; and

(iii) in the event that moneys described in subparagraph (ii), once repaid, are subsequently used to fund loans to third parties, subparagraph (ii) shall again be applicable in determining the interest rate payable to the Province on that portion of the Advance used to fund such loan, and so on, until the Advance shall be repaid to the Province in full;

(iv) despite subparagraphs (ii) and (iii), in the event that no interest is payable to the OFA under a Third Party Loan, no interest shall be payable by the OFA on the portion of the Advance so used and to the extent that the terms of a Third Party Loan provide for the deferral of the payment of accrued interest for a period, the interest payment terms of an Advance or portion thereof shall also be deferred for a similar period.

(d) interest for any period of less than one year shall be payable for the actual number of days included in such period, computed on the basis of a 365-day year;

(e) despite paragraph (b) of this Order, interest on any portion of an Advance made to the OFA under the loan that is used by the OFA to fund a Third Party Loan shall accrue on the basis stated above but shall become payable only to the extent the OFA receives payment of interest under the relevant Third Party Loan;

(f) despite paragraph (b) of this Order, any portion of the principal of an Advance made to the OFA under the loan that is used by the OFA to fund a Third Party Loan shall become payable only to the extent the OFA receives repayment of principal under the relevant Third Party Loan; and

(g) the loan hereby authorized shall be evidenced by a promissory note.

ATTENDU QUE le ministre des Finances peut, en vertu du paragraphe 22 (1) de la *Loi de 1993 sur le plan d'investissement* (la « Loi »), acheter des valeurs mobilières des personnes morales

créées en vertu du paragraphe 2 (1) de la Loi ou leur consentir des prêts selon les montants, aux moments et aux conditions que le lieutenant-gouverneur en conseil estime opportuns;

ATTENDU QUE l'Office ontarien de financement (l'« OOF ») est une personne morale créée en vertu du paragraphe 2 (1) de la Loi;

ATTENDU QUE, conformément au paragraphe 6 (3) de la Loi, le pouvoir qu'ont les personnes morales créées en vertu du paragraphe 2 (1) de la Loi de contracter des emprunts et d'émettre des valeurs mobilières, entre autres, ne peut être exercé qu'aux termes d'un règlement administratif approuvé par le ministre des Finances;

ATTENDU QUE l'OOF souhaite emprunter jusqu'à concurrence de deux milliards de dollars en monnaie légale du Canada du ministre des Finances et qu'il a été autorisé à le faire par un règlement administratif d'emprunt approuvé conformément à la Loi;

PAR CONSÉQUENT :

en vertu du paragraphe 22 (1) de la Loi, le ministre des Finances est autorisé à prêter un montant maximal de deux milliards de dollars en monnaie légale du Canada à l'OOF, aux conditions suivantes :

a) le prêt peut être consenti selon les montants et aux moments qui conviennent à l'OOF;

b) le remboursement des avances consenties au titre du prêt, plus les intérêts courus, peut à tout moment être effectué en totalité ou en partie, pourvu que le prêt et les intérêts courus soient entièrement remboursés au plus tard le 31 décembre 2047;

c) chaque avance (« avance ») faite au titre du prêt autorisé par les présentes portera intérêt au taux est fixé comme suit :

(i) de la date où elle a été faite jusqu'à la date (non comprise) de son remboursement, l'avance portera intérêt à un taux annuel équivalant au rendement gagné sur des bons du Trésor de la province de l'Ontario de quatre-vingt-dix jours à la date précédant la date de l'avance fixée par la province, pourvu que ce taux d'intérêt soit rajusté le dernier jour de chaque période de quatre-vingt-dix jours (« date de rajustement ») selon le rendement gagné sur de tels bons du Trésor immédiatement avant la date de rajustement pour une période de quatre-vingt-dix jours décidée par la province, si l'avance est impayée pendant plus de quatre-vingt-dix jours;

(ii) dans l'éventualité où l'OOF se servirait de sommes comprises dans une avance pour financer des prêts à des tiers, le taux d'intérêt à payer par l'OOF à la province sur la partie de l'avance ainsi utilisée sera rajusté à la date à laquelle la partie de l'avance sera utilisée pour le financement du prêt à un tiers de façon que le taux d'intérêt annuel à payer par l'OOF sur de telles sommes soit équivalent à ce dernier taux moins un montant que pourra fixer le ministre des Finances à l'égard d'un tel prêt ou d'une telle catégorie de prêt, jusqu'à la date (non comprise) à laquelle le prêt à un tiers sera remboursé, date à laquelle le taux d'intérêt établi au sous-alinéa (i) s'appliquera de nouveau à cette partie de l'avance;

(iii) dans l'éventualité où les sommes décrites au sous-alinéa (ii), une fois remboursées, seraient ultérieurement utilisées pour le financement de prêts à des tiers, le sous-alinéa (ii) s'appliquera de nouveau dans l'établissement du taux d'intérêt à payer à la province sur la partie de l'avance utilisée à cette fin, et ainsi de suite, jusqu'à ce que l'avance ait été remboursée intégralement à la province;

(iv) malgré les sous-alinéas (ii) et (iii), dans l'éventualité où aucun intérêt ne serait payable à l'OOF au titre d'un prêt à un tiers, aucun intérêt ne sera à payer par l'OOF sur la partie de l'avance ainsi utilisée et dans la mesure où les conditions du prêt à un tiers prévoient le report du paiement d'intérêts courus pour une période, le paiement d'intérêts au titre d'une avance ou d'une partie d'une avance sera également reporté pour une période d'égale durée;

d) l'intérêt payable relativement à toute période de moins d'un an sera calculé en fonction du nombre de jours réellement compris dans cette période, par rapport à une année comptant 365 jours;

e) par dérogation à l'alinéa a) ci-dessus, l'intérêt sur toute partie d'une avance consentie à l'OOF dans le cadre du prêt que cette dernière utilise pour financer un prêt à un tiers est calculé comme il est indiqué ci-dessus, mais cet intérêt devient payable uniquement dans la mesure où l'OOF reçoit un paiement d'intérêts au titre du prêt à un tiers;

f) par dérogation à l'alinéa b) ci-dessus, toute partie du capital d'une avance consentie à l'OOF dans le cadre du prêt que cette dernière utilise pour financer un prêt à un tiers devient payable uniquement dans la mesure où l'OOF reçoit un remboursement du capital au titre du prêt à un tiers

g) le prêt autorisé en vertu des présentes sera attesté par un billet à ordre.

Recommended: Minister of Finance
Recommandé par : Le ministre des Finances

Deb Matthews

Concurred: Chair of Cabinet
Appuyé par : Le président/la présidente du Conseil des ministres

Approved and Ordered:
Approuvé et décrété le : JUN 28 2017

Lieutenant Governor
La lieutenante-gouverneure

5. TRANSACTIONS WITH PUBLIC BODIES

The OFA provides financing to various public bodies on direction from the Province. As the OFA is directed by the Province to make these loans in furtherance of stated Provincial initiatives, and these loans are included in the Province's consolidated financial statements, these transactions are not reflected in these financial statements.

Funds for these loans are advanced to the OFA by the Province under credit facilities aggregating $16.9 billion expiring from 2036 to 2044. Principal repayments received from public bodies by the OFA are forwarded to the Province. The interest rates charged to public bodies is generally slightly higher than the rate charged by the Province on the advances to fund the loans ("the spread").

Ontario

Executive Council
Conseil exécutif

O.C./Décret 1277/2017

I hereby certify that the attached is a true copy of an Order made on June 28, 2017 by Her Honour the Honourable Elizabeth Dowdeswell, Lieutenant Governor of the Province of Ontario in Council.

Deputy Clerk, Executive Council of Ontario

Dated at Toronto,
June 29, 2017

Ontario

Executive Council of Ontario
Order in Council

On the recommendation of the undersigned, the Lieutenant Governor of Ontario, by and with the advice and concurrence of the Executive Council of Ontario, orders that:

Conseil exécutif de l'Ontario
Décret

Sur la recommandation de la personne soussignée, la lieutenante-gouverneure de l'Ontario, sur l'avis et avec le consentement du Conseil exécutif de l'Ontario, décrète ce qui suit :

WHEREAS certain Orders in Council made under the *Financial Administration Act* and various Ontario Loan Acts authorize borrowing by the issue and sale of treasury bills and unsecured short-term promissory notes and by way of loan or by issue and sale of securities of Ontario on the credit of the Consolidated Revenue Fund of Ontario;

AND WHEREAS Order in Council 521/2017 made under section 21 of the *Financial Administration Act* authorizes borrowing for the purpose of the payment, renewal, repayment or replacement of various loans and securities;

AND WHEREAS certain Orders in Council made under the *Financial Administration Act* and section 68 of the *Electricity Act, 1998,* section 21 of the *Capital Investment Plan Act, 1993,* or subsection 23(1) of the *Ontario Infrastructure and Lands Corporation Act, 2011* authorize borrowing by way of loan or the issue and sale of securities of Ontario;

AND WHEREAS certain Orders in Council made under subsection 23(2) of the *Ontario Infrastructure and Lands Corporation Act, 2011* authorize the Minister of Finance to purchase securities of or make loans to Ontario Infrastructure and Lands Corporation;

AND WHEREAS it is desirable to amend the aforementioned existing Orders in Council to update certain authorized signing officers;

THEREFORE:

O.C./Décret: 1277/2017

Orders made under the *Financial Administration Act* and Ontario Loan Acts

1. Amendments are made to the paragraphs immediately following paragraph 2 and paragraph 4 of Orders in Council 79/92, 318/92, 926/92, 3594/92, 1358/93, and 2096/93, each as amended, paragraphs 3 and 4 of Orders in Council 1549/2010, 1334/2012, 965/2013, 458/2015, 1241/2015, each as amended, paragraphs 3 and 4 of Order in Council 1164/2016, paragraph 3 and 5 of Orders in Council 1417/2008, 1043/2009, 1044/2009, 1048/2010, 600/2012, 966/2013, 459/2015, 460/2015, each as amended, paragraphs 4 and 6 of Order in Council 831/2008 as amended, and paragraphs 5 and 7 of Order in Council 1703/95 as amended, in each case by:

a) deleting the words "the Executive Director" and substituting "the Executive Director and Chief Investment Officer"; and

b) deleting the words "any Manager, Capital Markets Division" and substituting "any Senior Manager, Capital Markets Division".

Order made under section 21 of the *Financial Administration Act*

2. Paragraphs 4 and 5 of Order in Council 521/2017 are each amended by:

a) deleting the words "the Executive Director" and substituting "the Executive Director and Chief Investment Officer"; and

b) deleting the words "any Manager, Capital Markets Division" and substituting "any Senior Manager, Capital Markets Division".

Orders relating to the *Electricity Act, 1998*

3. Amendments are made to paragraphs 3, 5 and 6 of Order in Council 561/2000 as amended, paragraphs 3, 5 and 6 of Order in Council 1168/2002 as amended, and paragraphs 3, 4 and 7 of Orders in Council 967/2013, 956/2014 and 949/2015, each as amended, in each case by:

a) deleting the words "the Executive Director" and substituting "the Executive Director and Chief Investment Officer"; and

b) deleting the words "any Manager, Capital Markets Division" and substituting "any Senior Manager, Capital Markets Division".

Orders relating to the *Capital Investment Plan Act, 1993*

4. Paragraphs 3 and 4 of Orders in Council 678/2009 and 975/2009, each as amended, are amended by:

a) deleting the words "the Executive Director" and substituting "the Executive Director and Chief Investment Officer"; and

b) deleting the words "any Manager, Capital Markets Division" and substituting "any Senior Manager, Capital Markets Division".

Orders relating to the *Ontario Infrastructure and Lands Corporation Act, 2011*

5. Amendments are made to paragraph 2 of Orders in Council 631/2014 and 1524/2014, each as amended, and paragraphs 3, 4 and 7 of Orders in Council 1229/2013 and 632/2014 as amended, in each case by:

a) deleting the words "the Executive Director" and substituting "the Executive Director and Chief Investment Officer"; and

b) deleting the words "any Manager, Capital Markets Division" and substituting "any Senior Manager, Capital Markets Division".

6. Paragraph 2 of Order in Council 1566/2016 is amended by:

a) deleting the words "the Executive Director, Capital Markets Division, the Chief Financial and Risk Officer, Finance and Treasury Division" and substituting "the Executive Director and Chief Investment Officer, Capital Markets Division, the Chief Financial and Risk Officer";

b) deleting the words "any Manager, Capital Markets Division" and substituting "any Senior Manager, Capital Markets Division".

AND THAT this Order in Council is effective on the later of July 1, 2017 and the date this Order in Council is made.

ATTENDU QUE certains décrets pris en vertu de la *Loi sur l'administration financière* et de diverses lois sur les emprunts de l'Ontario autorisent des emprunts par l'émission et la vente de bons du Trésor et de billets à ordre à court terme non garantis et par voie de prêt ou par l'émission et la vente de valeurs mobilières de l'Ontario sur le crédit du Trésor de l'Ontario;

ET ATTENDU QUE le décret 521/2017 pris en vertu de l'article 21 de la *Loi sur l'administration financière* autorise des emprunts aux fins du paiement, du renouvellement, du remboursement ou du remplacement de divers prêts et valeurs mobilières;

ET ATTENDU QUE certains décrets pris en vertu de la *Loi sur l'administration financière* et de l'article 68 de la *Loi de 1998 sur l'électricité*, de l'article 21 de la *Loi de 1993 sur le plan d'investissement* ou du paragraphe 23 (1) de la *Loi de 2011 sur la Société ontarienne des infrastructures et de l'immobilier* autorisent des emprunts par voie de prêt ou par l'émission et la vente de valeurs mobilières de l'Ontario;

ET ATTENDU QUE certains décrets pris en vertu du paragraphe 23 (2) de la *Loi de 2011 sur la Société ontarienne des infrastructures et de l'immobilier* autorisent le ministre des Finances à acheter des valeurs mobilières de la Société ontarienne des infrastructures et de l'immobilier ou à lui consentir des prêts;

ET ATTENDU QU'il est souhaitable de modifier les décrets existants susmentionnés pour effectuer une mise à jour concernant certains signataires autorisés;

PAR CONSÉQUENT :

Décrets pris en vertu de la *Loi sur l'administration financière* et des lois sur les emprunts de l'Ontario

1. Des modifications sont apportées aux paragraphes suivant immédiatement le paragraphe 2 et le paragraphe 4 des décrets 79/92, 318/92, 926/92, 3594/92, 1358/93 et 2096/93, dans leurs versions

successives, aux paragraphes 3 et 4 des décrets 1549/2010, 1334/2012, 965/2013, 458/2015 et 1241/2015, dans leurs versions successives, aux paragraphes 3 et 4 du décret 1164/2016, aux paragraphes 3 et 5 des décrets 1417/2008, 1043/2009, 1044/2009, 1048/2010, 600/2012, 966/2013, 459/2015 et 460/2015, dans leurs versions successives, aux paragraphes 4 et 6 du décret 831/2008, ainsi modifié, et aux paragraphes 5 et 7 du décret 1703/95, ainsi modifié, dans chaque cas :

a) par substitution, aux mots « the Executive Director », des mots « the Executive Director and Chief Investment Officer »;

b) par substitution, aux mots « any Manager, Capital Markets Division », des mots « any Senior Manager, Capital Markets Division ».

Décret pris en vertu de l'article 21 de la *Loi sur l'administration financière*

2. Les paragraphes 4 et 5 du décret 521/2017 sont chacun modifiés :

a) par substitution, aux mots « au directeur général », des mots « au directeur général et au directeur des investissements »;

b) par substitution, aux mots « tout chef, Division des marchés financiers », des mots « tout gestionnaire supérieur, Division des marchés financiers ».

Décrets se rapportant à la *Loi de 1998 sur l'électricité*

3. Des modifications sont apportées aux paragraphes 3, 5 et 6 du décret 561/2000, ainsi modifié, aux paragraphes 3, 5 et 6 du décret 1168/2002, ainsi modifié, et aux paragraphes 3, 4 et 7 des décrets 967/2013, 956/2014 et 949/2015, dans leurs versions successives, dans chaque cas :

a) par substitution, aux mots « the Executive Director », des mots « the Executive Director and Chief Investment Officer »;

b) par substitution, aux mots « any Manager, Capital Markets Division », des mots « any Senior Manager, Capital Markets Division ».

Décrets se rapportant à la *Loi de 1993 sur le plan d'investissement*

4. Les paragraphes 3 et 4 des décrets 678/2009 et 975/2009, dans leurs versions successives, sont modifiés :

a) par substitution, aux mots « the Executive Director », des mots « the Executive Director and Chief Investment Officer »;

b) par substitution, aux mots « any Manager, Capital Markets Division », des mots « any Senior Manager, Capital Markets Division ».

Décrets se rapportant à la *Loi de 2011 sur la Société ontarienne des infrastructures et de l'immobilier*

5. Des modifications sont apportées au paragraphe 2 des décrets 631/2014 et 1524/2014, dans leurs versions successives, et aux paragraphes 3, 4 et 7 des décrets 1229/2013 et 632/2014, ainsi modifiés, dans chaque cas :

a) par substitution, aux mots « the Executive Director », des mots « the Executive Director and Chief Investment Officer »;

b) par substitution, aux mots « any Manager, Capital Markets Division », des mots « any Senior Manager, Capital Markets Division ».

6. Le paragraphe 2 du décret 1566/2016 est modifié :

a) par substitution, aux mots « chef de la direction, le directeur général, Division des marchés financiers, chef des finances et de la gestion des risques, Division des finances et de la trésorerie », des mots « le chef de la direction, le directeur général et le directeur des investissements, Division des marchés financiers, le chef des finances et de la gestion des risques »;

b) par substitution, aux mots « tout gestionnaire, Division des marchés financiers », des mots « tout gestionnaire supérieur, Division des marchés financiers ».

Le présent décret entre en vigueur le 1er juillet 2017 ou le jour de la prise du présent décret, selon la dernière de ces deux dates.

Recommended: Minister of Finance
Recommandé par : Le ministre des Finances

Concurred: Chair of Cabinet
Appuyé par : Le président/la présidente du Conseil des ministres

Approved and Ordered:
Approuvé et décrété le : JUN 2 8 2017

Lieutenant Governor
La lieutenante-gouverneure

Ontario

Executive Council
Conseil exécutif

O.C./Décret 928/2012

I hereby certify that the attached is a true copy of an Order made on June 20, 2012 by His Honour the Honourable David C. Onley, Lieutenant Governor of the Province of Ontario in Council.

Deputy Clerk, Executive Council of Ontario

Dated at Toronto,
June 20, 2012

Ontario
Executive Council
Conseil exécutif

Order in Council
Décret

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and concurrence of the Executive Council, orders that:

Sur la recommandation de la personne soussignée, le lieutenant-gouverneur, sur l'avis et avec le consentement du Conseil exécutif, décrète ce qui suit :

WHEREAS sums in the total aggregate amount, as determined in accordance with section 26 of the *Financial Administration Act*, not exceeding Thirty Billion Five Hundred Million Dollars ($30,500,000,000.00) in lawful money of Canada, have been authorized to be borrowed by the issue and sale of treasury bills of Ontario on the credit of the Consolidated Revenue Fund of Ontario under the authority of Order in Council 318/92, as amended, Order in Council 926/92 as amended, Order in Council 3594/92 as amended, Order in Council 1358/93 as amended, Order in Council 1703/95 as amended, Order in Council 561/2000 as amended, Order in Council 1168/2002, as amended, Order in Council 831/2008, as amended, Order in Council 1417/2008, as amended, Order in Council 1043/2009, as amended and Order in Council 1048/2010, as amended, made under the authority of subsection 20(7) of the *Financial Administration Act* and various Loan Acts (referred to herein as "Existing Orders");

AND WHEREAS sums in the total aggregate amount, as determined in accordance with section 26 of the *Financial Administration Act*, not exceeding Eight Billion Five Hundred Million Dollars ($8,500,000,000.00) in lawful money of Canada or the equivalent amount in lawful money of the United States of America, have been authorized to be borrowed by the issue and sale of unsecured short-term promissory notes on the credit of the Consolidated Revenue Fund of Ontario under the authority of Order in Council 79/92 as amended, Order in Council 2096/93 as amended, Order in Council 1044/2009, as amended and Order in Council 600/2012 made under the authority of subsection 20(7) of the *Financial Administration Act* and various Loan Acts (also referred to herein as "Existing Orders");

AND WHEREAS sums in the total aggregate amount, as determined in accordance with section 26 of the *Financial Administration Act*, not exceeding Three Billion Eight Hundred and Fifty-five Million Dollars ($3,855,000,000.00) in lawful money of Canada, have been authorized to be borrowed by way of loan or by the issue and sale of securities of Ontario under the authority of Order in Council 1415/2008, as amended, and Order in Council 1550/2010 made under the authority of section 68 of the *Electricity Act, 1998* and section 20 of the *Financial Administration Act* (also referred to herein as "Existing Orders");

AND WHEREAS sums in the total aggregate amount, as determined in accordance with section 26 of the *Financial Administration Act*, not exceeding Five Billion Four Hundred Million Dollars ($5,400,000,000.00) in lawful money of Canada, have been authorized to be borrowed by way of loan or by the issue and sale of securities of Ontario under the authority

of Order in Council 678/2009, and Order in Council 975/2009 made under the authority of section 21 of the *Capital Investment Plan Act, 1993* and section 20 of the *Financial Administration Act* (also referred to herein as "Existing Orders");

AND WHEREAS sums in the total aggregate amount, as determined in accordance with section 26 of the *Financial Administration Act*, not exceeding One Billion Dollars ($1,000,000,000.00) in lawful money of Canada, have been authorized to be borrowed by way of loan or by the issue and sale of securities of Ontario under the authority of Order in Council 1539/2010 made under the authority of section 16 of the *Ontario Infrastructure Projects Corporation Act, 2006* (now section 23 of the *Ontario Infrastructure and Lands Corporation Act, 2011)* and section 20 of the *Financial Administration Act* (also referred to herein as "Existing Orders");

AND WHEREAS sums in the total aggregate amount, as determined in accordance with section 26 of the *Financial Administration Act*, not exceeding Forty-four Billion Nine Hundred Million Dollars ($44,900,000,000.00) in lawful money of Canada under the authority of Order in Council 1333/2011, as amended, Order in Council 1549/2010 and Order in Council 222/2010 made under the authority of section 20 of the *Financial Administration Act* and various Loan Acts (also referred to herein as "Existing Orders");

AND WHEREAS sums in the total aggregate amount, as determined in accordance with section 26 of the *Financial Administration Act*, not exceeding Eleven Billion Seven Hundred and Seventy-four Million Eight Hundred and Fifty-two Thousand Six Hundred and Fifty-two Dollars and Sixty-seven Cents ($11,774,852,652.67) in lawful money of Canada, the Canadian Dollar equivalent of Eight Billion Seven Hundred and Thirty-two Million Six Hundred Thousand United States Dollars (US$8,732,600,000.00) in the lawful currency of the United States and the Canadian Dollar equivalent of Two Hundred Million Pounds Sterling (£200,000,000.00) in the lawful currency of the United Kingdom, under the authority of Order in Council 253/2012, Order in Council 1410/2011 and Order in Council 251/2011 made under the authority of section 21 of the *Financial Administration Act* (also referred to herein as "Existing Orders");

AND WHEREAS Order in Council 1539/2011 contains references to the *Ontario Infrastructure Projects Corporation Act, 2006* which has now been replaced by the *Ontario Infrastructure and Lands Corporation Act, 2011*;

AND WHEREAS it is considered desirable to amend the Existing Orders in order to update the authorized signing officers and to update the references in Order in Council 1539/2011 to the *Ontario Infrastructure and Lands Corporation Act, 2011*;

THEREFORE:

1. Paragraph 2 of each of Orders in Council 318/92, 926/92, 3594/92, 1358/93, 561/2000, 1168/2002, 1417/2008, 1043/2009, 1048/2010, 79/92, 2096/93 and 1044/2009, and

paragraph 4 of Order in Council 1703/95 and paragraph 3 of Order in Council 831/2008 is deleted and replaced with the following paragraph:

> "Pursuant to subsection 20(6) of the *Financial Administration Act,* as amended, for the purpose of borrowing the sum or sums authorized by this Order, all the powers of the Minister of Finance under subsection 20(1) and subsection 20(7) of the *Financial Administration Act*, are delegated to each of the Deputy Minister of Finance and any solicitor who is an employee of the Crown and seconded to the Legal Services Branch, Ministry of Finance holding office on the date of this Order or on any day thereafter."

2. Paragraph 5 of Order in Council 1703/95, and paragraph 3 of each of Orders in Council 561/2000, 1168/2002, 1417/2008, 1043/2009, 1048/2010, 1044/2009, 600/2012, 1415/2008, 1550/2010, 678/2009, 975/2009, 1539/2010, 1333/2011, 1549/2010 and 222/2010 and paragraph 4 of each of Orders in Council 831/2008, 253/2012, 1410/2011 and 251/2011, is deleted and replaced with the following paragraph, which is also inserted between paragraphs 2 and 3 of each of Orders in Council 318/92, 926/92, 3594/92, 1358/93, 79/92 and 2096/93:

> "Pursuant to subsection 35(1) of the *Capital Investment Plan Act, 1993*, for the purpose of borrowing the sum or sums authorized by this Order, all the powers of the Minister of Finance under subsection 20(1) of the *Financial Administration Act* are delegated to each of the Chief Executive Officer, the Executive Director, Capital Markets Division, the Chief Financial Officer, Finance and Treasury Division, any Director, Finance and Treasury Division, any Director, Capital Markets Division, and any Manager, Capital Markets Division, all of the Ontario Financing Authority, holding office on the date of this Order or on any day thereafter."

3. Paragraph 4 of each of Orders in Council 318/92, 926/92, 3594/92, 1358/93, paragraph 7 of Order in Council 1703/95, and paragraph 5 of each of Orders in Council 561/2000, 1168/2002, 1417/2008, 1043/2009 and 1048/2010, and paragraph 6 of Order in Council 831/2008, are each deleted and replaced with the following:

> "Each of the Treasury Bills issued under the authority of this Order shall be signed by any one of:
>
> (a) the Minister of Finance;
> (b) the Deputy Minister of Finance; or
> (c) the Chief Executive Officer, the Executive Director, Capital Markets Division, the Chief Financial Officer, Finance and Treasury Division, or any Director, Capital Markets Division, all of the Ontario Financing Authority;

holding office on the date of this Order or on any day thereafter, or shall have engraved, lithographed, printed or otherwise mechanically reproduced thereon the signature of the Minister of Finance holding office on the date of this Order or on any day thereafter. Each of the Treasury Bills shall be sealed with the seal of the Minister of Finance which may be engraved, lithographed, printed or otherwise mechanically reproduced thereon, and shall be authenticated by the issuing agent or registrar appointed by Ontario or, where no issuing agent or registrar is appointed, shall be authenticated or countersigned by any one of the Director, the Manager, Settlements, Payments and Fiscal Agency, or the Co-ordinator, Settlements, Payments and Fiscal Agency, all of the Finance and Treasury Division, Ontario Financing Authority, holding office on the date of this Order or on any day thereafter and, when so executed and either authenticated or countersigned, the Treasury Bills shall be binding upon Ontario notwithstanding any change in any of the persons holding the said office between the date when the said signature is affixed and the date of delivery of the Treasury Bills, and notwithstanding that the person whose signature is so affixed may not have held office at the date of the Treasury Bills or at the date of the delivery thereof."

4. Paragraph 4 of each of Orders in Council 79/92 and 2096/93, and paragraph 5 of each of Orders in Council 1044/2009 and 600/2012, are each deleted and replaced with the following:

"Each of the Notes issued under the authority of this Order shall be signed by any one of:

(i) the Minister of Finance;
(ii) the Deputy Minister of Finance; or
(iii) the Chief Executive Officer, the Executive Director, Capital Markets Division, the Chief Financial Officer, Finance and Treasury Division, or any Director, Capital Markets Division, all of the Ontario Financing Authority;

holding office on the date of this Order or on any day thereafter, or shall have engraved, lithographed, printed or otherwise mechanically reproduced thereon the signature of the Minister of Finance holding office on the date of this Order or on any day thereafter. Each of the Notes shall be sealed with the seal of the Minister of Finance which may be engraved, lithographed, printed or otherwise mechanically reproduced thereon, and shall be authenticated by the issuing agent or registrar appointed by Ontario or, where no issuing agent or registrar is appointed, shall be authenticated or countersigned by any one of the Director, the Manager, Settlements, Payments and Fiscal Agency, or the Co-ordinator,

Settlements, Payments and Fiscal Agency, all of the Finance and Treasury Division, Ontario Financing Authority, holding office on the date of this Order or on any day thereafter and, when so executed and either authenticated or countersigned, the Notes shall be binding upon Ontario notwithstanding any change in any of the persons holding the said office between the date when the said signature is affixed and the date of delivery of the Notes, and notwithstanding that the person whose signature is so affixed may not have held office at the date of the Notes or at the date of the delivery thereof."

5. Paragraph 2 of each of Orders in Council 1415/2008, 1550/2010, 678/2009, 975/2009, 1539/2010, 1333/2011, 1549/2010 and 222/2010 and paragraph 3 of each of Orders in Council 1410/2011 and 251/2011 is deleted and replaced with the following paragraph:

"Pursuant to subsection 20(6) of the *Financial Administration Act,* as amended, for the purpose of borrowing the sum or sums authorized by this Order, all the powers of the Minister of Finance under subsection 20(1) of the *Financial Administration Act*, are delegated to each of the Deputy Minister of Finance and any solicitor who is an employee of the Crown and seconded to the Legal Services Branch, Ministry of Finance, holding office on the date of this Order or on any day thereafter."

6. Paragraph 4 of each of Orders in Council 1415/2008, 1550/2010, 678/2009, 975/2009, 1539/2010, 1333/2011, 1549/2010 and 222/2010 and paragraph 5 of each of Orders in Council 253/2012, 1410/2011 and 251/2011 are each deleted and replaced with the following:

"Each of the securities and any interest coupons attached thereto issued under the authority of this Order shall be signed by any one of:

(i) the Minister of Finance;
(ii) the Deputy Minister of Finance; or
(iii) the Chief Executive Officer, the Executive Director, Capital Markets Division, the Chief Financial Officer, Finance and Treasury Division, or any Director, Capital Markets Division, all of the Ontario Financing Authority;

holding office on the date of this Order or on any day thereafter, or shall have engraved, lithographed, printed or otherwise mechanically reproduced thereon the signature of the Minister of Finance holding office on the date of this Order or on any day thereafter. Each of the securities, excluding any interest coupons attached thereto, shall be sealed with the seal of the Minister of Finance which may be engraved, lithographed, printed or otherwise mechanically reproduced thereon, and shall be authenticated by the fiscal agent or registrar appointed by

Ontario or, where no fiscal agent or registrar is appointed, shall be authenticated or countersigned by any one of the Director, the Manager, Settlements, Payments and Fiscal Agency, or the Co-ordinator, Settlements, Payments and Fiscal Agency, all of the Finance and Treasury Division, Ontario Financing Authority, holding office on the date of this Order or on any day thereafter and, when so executed and either authenticated or countersigned, the securities and any interest coupons attached thereto are binding upon Ontario notwithstanding any change in any of the persons holding the said office between the date when the said signature is affixed and the date of delivery of the securities, and notwithstanding that the person whose signature is so affixed may not have held office at the date of the securities or at the date of the delivery thereof."

7. Paragraph 6 of Order in Council 1415/2008 and paragraph 7 of Order in Council 1550/2010, are each deleted and replaced with the following:

"Pursuant to section 70 of the *Electricity Act, 1998*, the powers of the Minister of Finance under section 68 of the *Electricity Act, 1998* to determine the terms and conditions of advances to the Financial Corporation by way of loan or the purchase of securities of the Financial Corporation are delegated to each of the Chief Executive Officer, the Executive Director, Capital Markets Division, the Chief Financial Officer, Finance and Treasury Division, any Director, Finance and Treasury Division, any Director, Capital Markets Division, and any Manager, Capital Markets Division, all of the Ontario Financing Authority, holding office on the date of this Order or on any day thereafter."

8. Paragraph 7 of Order in Council 1539/2010 is deleted and replaced with the following:

"Pursuant to subsection 23(4) of the *Ontario Infrastructure and Lands Corporation Act, 2011*, the powers of the Minister of Finance under subsection 23(1) of the *Ontario Infrastructure and Lands Corporation Act, 2011* to determine the terms and conditions of advances to the Corporation by way of loan or the purchase of securities of the Corporation are delegated to each of the Chief Executive Officer, the Executive Director, Capital Markets Division, the Chief Financial Officer, Finance and Treasury Division, any Director, Finance and Treasury Division, any Director, Capital Markets Division, and any Manager, Capital Markets Division, all of the Ontario Financing Authority, holding office on the date of this Order or on any day thereafter."

9. All references to section 16 (and any subsections thereof) of the *Ontario Infrastructure Projects Corporation Act, 2006* in Order in Council 1539/2010 shall be replaced with references to the equivalent subsections of section 23 of the *Ontario Infrastructure and Lands Corporation Act, 2011*.

Recommended _____
Minister of Finance

Concurred _____
Chair of Cabinet

Approved
and Ordered JUN 2 0 2012
Date

_____
Lieutenant Governor

168/2016

I hereby certify that the attached is a true copy of an Order made on February 10, 2016, by Her Honour the Honourable Elizabeth Dowdeswell, Lieutenant Governor of the Province of Ontario in Council.

Deputy Clerk, Executive Council of Ontario

Dated at Toronto,
February 12, 2016

Ontario
Executive Council
Conseil exécutif

Order in Council
Décret

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and concurrence of the Executive Council, orders that:

Sur la recommandation de la personne soussignée, le lieutenant-gouverneur, sur l'avis et avec le consentement du Conseil exécutif, décrète ce qui suit :

WHEREAS sums in the total aggregate amount, as determined in accordance with section 26 of the *Financial Administration Act*, not exceeding Thirty-Three Billion Dollars ($33,000,000,000.00) in lawful money of Canada, have been authorized to be borrowed by the issue and sale of treasury bills of Ontario on the credit of the Consolidated Revenue Fund of Ontario under the authority of Order in Council 318/92, as amended, Order in Council 926/92, as amended, Order in Council 3594/92, as amended, Order in Council 1358/93, as amended, Order in Council 1703/95, as amended, Order in Council 561/2000, as amended, Order in Council 1168/2002, as amended, Order in Council 831/2008, as amended, Order in Council 1417/2008, as amended, Order in Council 1043/2009, as amended, Order in Council 1048/2010, as amended, and Order in Council 460/2015 made under the authority of subsection 20(7) of the *Financial Administration Act* and various Loan Acts (referred to herein as "Existing Orders");

AND WHEREAS sums in the total aggregate amount, as determined in accordance with section 26 of the *Financial Administration Act*, not exceeding Fifteen Billion Dollars ($15,000,000,000.00) in lawful money of Canada or the equivalent amount in lawful money of the United States of America, have been authorized to be borrowed by the issue and sale of unsecured short-term promissory notes of Ontario on the credit of the Consolidated Revenue Fund of Ontario under the authority of Order in Council 79/92, as amended, Order in Council 2096/93, as amended, Order in Council 1044/2009, as amended, Order in Council 600/2012, Order in Council 966/2013 and Order in Council 459/2015 made under the authority of subsection 20(7) of the *Financial Administration Act* and various Loan Acts (also referred to herein as "Existing Orders");

AND WHEREAS sums in the total aggregate amount, as determined in accordance with section 26 of the *Financial Administration Act*, not exceeding Five Billion Three Hundred Million Dollars ($5,300,000,000.00) in lawful money of Canada, have been authorized to be borrowed by way of loan or by the issue and sale of securities of Ontario under the authority of Order in Council 967/2013, Order in Council 956/2014 and Order in Council 949/2015 made under the authority of section 68 of the *Electricity Act, 1998* and section 20 of the *Financial Administration Act* (also referred to herein as "Existing Orders");

AND WHEREAS sums in the total aggregate amount, as determined in accordance with section 26 of the *Financial Administration Act*, not exceeding Five Billion Four Hundred Million Dollars ($5,400,000,000.00) in lawful money of Canada, have been authorized

to be borrowed by way of loan or by the issue and sale of securities of Ontario under the authority of Order in Council 678/2009, as amended, and Order in Council 975/2009, as amended, made under the authority of section 21 of the *Capital Investment Plan Act, 1993* and section 20 of the *Financial Administration Act* (also referred to herein as "Existing Orders");

AND WHEREAS sums in the total aggregate amount, as determined in accordance with section 26 of the *Financial Administration Act*, not exceeding One Billion Dollars ($1,000,000,000.00) in lawful money of Canada, have been authorized to be borrowed by way of loan or by the issue and sale of securities of Ontario under the authority of Order in Council 1229/2013 and Order in Council 632/2014 made under the authority of section 23 of the *Ontario Infrastructure and Lands Corporation Act, 2011)* and section 20 of the *Financial Administration Act* (also referred to herein as "Existing Orders");

AND WHEREAS the Minister of Finance has been authorized to purchase securities of or make loans to Ontario Infrastructure and Lands Corporation of sums in the total aggregate amount not exceeding Three Billion Nine Hundred Million Dollars ($3,900,000,000.00) in lawful money of Canada under the authority of Order in Council 631/2014 and Order in Council 1524/2014 made under the authority of subsection 23(2) of the *Ontario Infrastructure and Lands Corporation Act, 2011* (also referred to herein as "Existing Orders");

AND WHEREAS sums in the total aggregate amount, as determined in accordance with section 26 of the *Financial Administration Act*, not exceeding Eighty-One Billion One Hundred Million Dollars ($81,100,000,000.00) in lawful money of Canada, have been authorized to be borrowed by way of loan or by the issue and sale of securities of Ontario under the authority of Order in Council 1549/2010, as amended, Order in Council 1334/2012,Order in Council 965/2013, Order in Council 458/2015 and Order in Council 1241/2015 made under the authority of section 20 of the *Financial Administration Act* and various Loan Acts (also referred to herein as "Existing Orders");

AND WHEREAS sums in the total aggregate amount, as determined in accordance with section 26 of the *Financial Administration Act*, not exceeding Six Billion Eight Hundred and Fifty-Six Million Nine Hundred and Three Thousand Three Hundred and Two Dollars and Thirty cents ($6,856,903,302.30) in lawful money of Canada, the Canadian Dollar equivalent of Thirteen Billion Three Hundred and Fifty Million United States Dollars (13,350,000,000.00) in the lawful currency of the United States, the Canadian Dollar equivalent of One Billion Five Hundred and Fifty Million Hong Kong Dollars in the lawful currency of the Hong Kong Special Administrative Region (1,550,000,000.00), the Canadian Dollar equivalent of Ninety-Five Billion Seven Hundred Million Japanese Yen (95,700,000,000.00) the Canadian Dollar equivalent of Seven Hundred and Eighteen Million Four Hundred and Fifty Thousand New Zealand Dollars in the lawful currency of New Zealand (718, 450,000.00), the Canadian Dollar equivalent of Two Billion One Hundred Million Norwegian Kroner in the lawful currency of Norway (2,100,000,000.00), the Canadian Dollar equivalent of Three Hundred Million South African Rand in the lawful currency of South Africa (300,000,000.00), and the Canadian Dollar

Equivalent of Four Hundred and Twenty-Five Million Swiss Francs (425,000,000) in the lawful currency of Switzerland, have been authorized to be borrowed by way of loan or by the issue and sale of securities of Ontario under the authority of Order in Council 1624/2014, and Order in Council 675/2015 made under the authority of section 21 of the *Financial Administration Act* (also referred to herein as "Existing Orders");

AND WHEREAS it is considered desirable to amend the Existing Orders in order to update the authorized signing officers

THEREFORE:

1. Paragraph 5 of Order in Council 1703/95, and paragraph 3 of each of Orders in Council 561/2000, 1168/2002, 1417/2008, 1043/2009, 1048/2010, 460/2015, 1044/2009, 1549/2010, 600/2012, 1334/2012, 965/2013, 966/2013, 967/2013, 956/2014, 949/2015, 458/2015, 459/2015, 1241/2015, 678/2009, 975/2009, 1229/2013 and 632/2014 and paragraph 4 of each of Orders in Council 831/2008, 1624/2014 and 675/2015 is deleted and replaced with the following paragraph, which is also inserted between paragraphs 2 and 3 of each of Orders in Council 318/92, 926/92, 3594/92, 1358/93, 79/92 and 2096/93:

> "Pursuant to subsection 35(1) of the *Capital Investment Plan Act, 1993*, for the purpose of borrowing the sum or sums authorized by this Order, all the powers of the Minister of Finance under subsection 20(1) of the *Financial Administration Act* are delegated to each of the Chief Executive Officer, the Executive Director, Capital Markets Division, the Chief Financial and Risk Officer, any Director, Capital Markets Division, and any Manager, Capital Markets Division, all of the Ontario Financing Authority, holding office on the date of this Order or on any day thereafter."

2. Paragraph 4 of each of Orders in Council 318/92, 926/92, 3594/92, 1358/93, paragraph 7 of Order in Council 1703/95, and paragraph 5 of each of Orders in Council 561/2000, 1168/2002, 1417/2008, 1043/2009, 1048/2010, and 460/2015, and paragraph 6 of Order in Council 831/2008, are each deleted and replaced with the following:

> "Each of the Treasury Bills issued under the authority of this Order shall be signed by any one of:
>
> (a) the Minister of Finance;
> (b) the Deputy Minister of Finance; or
> (c) the Chief Executive Officer, the Executive Director, Capital Markets Division, the Chief Financial and Risk Officer, or any Director, Capital Markets Division, all of the Ontario Financing Authority;

holding office on the date of this Order or on any day thereafter, or shall have engraved, lithographed, printed or otherwise mechanically reproduced thereon the signature of the Minister of Finance holding office on the date of this Order or on any day thereafter. Each of the Treasury Bills shall be sealed with the seal of the Minister of Finance which may be engraved, lithographed, printed or otherwise mechanically reproduced thereon, and shall be authenticated by the issuing agent or registrar appointed by Ontario or, where no issuing agent or registrar is appointed, shall be authenticated or countersigned by any one of the Manager, Settlements, Payments and Fiscal Agency, or the Co-ordinator, Settlements, Payments and Fiscal Agency, all of the Finance and Treasury Division, Ontario Financing Authority, holding office on the date of this Order or on any day thereafter and, when so executed and either authenticated or countersigned, the Treasury Bills shall be binding upon Ontario notwithstanding any change in any of the persons holding the said office between the date when the said signature is affixed and the date of delivery of the Treasury Bills, and notwithstanding that the person whose signature is so affixed may not have held office at the date of the Treasury Bills or at the date of the delivery thereof."

3. Paragraph 4 of each of Orders in Council 79/92 and 2096/93, and paragraph 5 of each of Orders in Council 1044/2009, 600/2012, 966/2013 and 459/2015 are each deleted and replaced with the following:

"Each of the Notes issued under the authority of this Order shall be signed by any one of:

(i) the Minister of Finance;
(ii) the Deputy Minister of Finance; or
(iii) the Chief Executive Officer, the Executive Director, Capital Markets Division, the Chief Financial and Risk Officer, or any Director, Capital Markets Division, all of the Ontario Financing Authority;

holding office on the date of this Order or on any day thereafter, or shall have engraved, lithographed, printed or otherwise mechanically reproduced thereon the signature of the Minister of Finance holding office on the date of this Order or on any day thereafter. Each of the Notes shall be sealed with the seal of the Minister of Finance which may be engraved, lithographed, printed or otherwise mechanically reproduced thereon, and shall be authenticated by the issuing agent or registrar appointed by Ontario or, where no issuing agent or registrar is appointed, shall be authenticated or countersigned by any one of the Manager, Settlements, Payments and Fiscal Agency, or the Co-ordinator, Settlements, Payments and Fiscal Agency, all of the Finance and Treasury Division, Ontario

Financing Authority, holding office on the date of this Order or on any day thereafter and, when so executed and either authenticated or countersigned, the Notes shall be binding upon Ontario notwithstanding any change in any of the persons holding the said office between the date when the said signature is affixed and the date of delivery of the Notes, and notwithstanding that the person whose signature is so affixed may not have held office at the date of the Notes or at the date of the delivery thereof."

4. Paragraph 4 of each of Orders in Council 967/2013, 956/2014, 949/2015, 1549/2010, 1334/2012, 965/2013, 458/2015, 1241/2015, 678/2009, 975/2009, 1229/2013, 632/2014 and paragraph 5 of each of Orders in Council 1624/2014 and 675/2015 are each deleted and replaced with the following:

"Each of the securities and any interest coupons attached thereto issued under the authority of this Order shall be signed by any one of:

(i) the Minister of Finance;
(ii) the Deputy Minister of Finance; or
(iii) the Chief Executive Officer, the Executive Director, Capital Markets Division, the Chief Financial and Risk Officer, or any Director, Capital Markets Division, all of the Ontario Financing Authority;

holding office on the date of this Order or on any day thereafter, or shall have engraved, lithographed, printed or otherwise mechanically reproduced thereon the signature of the Minister of Finance holding office on the date of this Order or on any day thereafter. Each of the securities, excluding any interest coupons attached thereto, shall be sealed with the seal of the Minister of Finance which may be engraved, lithographed, printed or otherwise mechanically reproduced thereon, and shall be authenticated by the fiscal agent or registrar appointed by Ontario or, where no fiscal agent or registrar is appointed, shall be authenticated or countersigned by any one of the Manager, Settlements, Payments and Fiscal Agency, or the Co-ordinator, Settlements, Payments and Fiscal Agency, all of the Finance and Treasury Division, Ontario Financing Authority, holding office on the date of this Order or on any day thereafter and, when so executed and either authenticated or countersigned, the securities and any interest coupons attached thereto are binding upon Ontario notwithstanding any change in any of the persons holding the said office between the date when the said signature is affixed and the date of delivery of the securities, and notwithstanding that the person whose signature is so affixed may not have held office at the date of the securities or at the date of the delivery thereof."

5. Paragraph 6 of Order in Council 561/2000 and 1168/2002 and paragraph 7 of Order in Council 967/2013, 956/2014 and 949/2015 are each deleted and replaced with the following:

> "Pursuant to section 70 of the *Electricity Act, 1998*, the powers of the Minister of Finance under section 68 of the *Electricity Act, 1998* to determine the terms and conditions of advances to the Financial Corporation by way of loan or the purchase of securities of the Financial Corporation are delegated to each of the Chief Executive Officer, the Executive Director, Capital Markets Division, the Chief Financial and Risk Officer, any Director, Capital Markets Division, and any Manager, Capital Markets Division, all of the Ontario Financing Authority, holding office on the date of this Order or on any day thereafter."

6. Paragraph 7 of Order in Council 1229/2013 and 632/2014 are each deleted and replaced with the following:

> "Pursuant to subsection 23(4) of the *Ontario Infrastructure and Lands Corporation Act, 2011*, the powers of the Minister of Finance under subsection 23(1) of the *Ontario Infrastructure and Lands Corporation Act, 2011* to determine the terms and conditions of advances to the Corporation by way of loan or the purchase of securities of the Corporation are delegated to each of the Chief Executive Officer, the Executive Director, Capital Markets Division, the Chief Financial and Risk Officer, any Director, Capital Markets Division, and any Manager, Capital Markets Division, all of the Ontario Financing Authority, holding office on the date of this Order or on any day thereafter."

7. Paragraph 2 of Orders in Council 631/2014 and 1524/2014 are each deleted and replaced with the following:

> "Pursuant to subsection 23(4) of the *Ontario Infrastructure and Lands Corporation Act, 2011*, the powers of the Minister of Finance under subsection 23(2) of the *Ontario Infrastructure and Lands Corporation Act, 2011* to determine the terms and conditions of advances to the Corporation by way of loan or the purchase of securities of the Corporation are delegated to each of the Chief Executive Officer, the Executive Director, Capital Markets Division, the Chief Financial and Risk Officer, any Director, Capital Markets Division, and any Manager, Capital Markets Division, all of the Ontario Financing Authority, holding office on the date of this Order or on any day thereafter."

Recommended _____
Minister of Finance

Concurred _____
Chair of Cabinet

Approved
and Ordered FEB 1 0 2016
Date

_____
Lieutenant Governor

From: Andrea Dalgarno
To: San Rajaratnam
Cc: Sarah Harris; Siva Nathan
Subject: RE: OIC Total Amount for OFA Loans as of Mar 31, 2018
Date: Wednesday, April 18, 2018 7:06:33 AM
Attachments: Total OIC Amount (March 31, 2018).xlsx
OIC 767-1999(3).pdf
OIC 2154-2008 (Auto Loan Purposes) 19Dec08.pdf
OIC 354-2014.pdf
OIC 844-2008.pdf
OIC1883-2006.pdf
OIC 675-1997.pdf
OIC 975-2009 (Auto Loan Purposes) 29May09.pdf
OIC 163-2012.pdf
OIC 678-2009 (Auto Loan Purposes) 29Apr09.pdf
OIC 2144-2007.pdf
OIC 300-2010.pdf
OIC-1279-2017.pdf
image001.png
OIC 1277-2017 (Mike Manning Title Change).pdf
OIC 928-2012 (change title & division name).pdf
OIC 168-2016 (change title KK CFO to CFRO).pdf

Hi San,
Attached is the file as at March 31, 2018. There were no additional OICs to add as at March 31, 2018
Please note that the amounts reported represent the authority provided by the referenced OIC
For completeness purposes ,I have added three amending OICs at the end (OIC 1277-2017, OIC 928-2012 and OIC 168-2016) – all were to address title changes of Divisions or Positions referenced only. Amounts and dates were not impacted by these.
If needed, specific information regarding loans or transactions are available from Corporate Finance.
Regards,
Andrea

From: San Rajaratnam
Sent: Tuesday, April 17, 2018 4:15 PM
To: Andrea Dalgarno
Cc: Sarah Harris ; Siva Nathan
Subject: OIC Total Amount for OFA Loans as of Mar 31, 2018
Hi Andrea,
For reporting in OFA's Mar 31, 2018 FS, we would like to check with you of any changes to OIC amounts as of Mar 31, 2018.
Thanks,
San

From: Andrea Dalgarno
Sent: Tuesday, February 13, 2018 9:13 AM
To: Ken Kandeepan <Ken.Kandeepan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; San Rajaratnam <San.Rajaratnam@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: OIC Total Amount for OFA Loans as of Dec 31, 2017
Hi Ken,
We are trying to finalize the attached worksheet for Accounting. I believe it is used in the statements to populate the highlighted sentence:

5. TRANSACTIONS WITH PUBLIC BODIES

The OFA provides financing to various public bodies on direction from the Province. As the OFA is directed by the Province to make these loans in furtherance of stated Provincial initiatives, and these loans are included in the Province's consolidated financial statements, these transactions are not reflected in these financial statements.

Funds for these loans are advanced to the OFA by the Province under credit facilities aggregating $16.9 billion expiring from 2036 to 2044. Principal repayments received from public bodies by the OFA are forwarded to the Province. The interest rates charged to public bodies is generally slightly higher than the rate charged by the Province on the advances to fund the loans ("the spread").

We have tentatively added the IESO-OFA FHP OIC to the worksheet but want to ensure this is both expected and acceptable.

We approached Corporate Finance/Corporate Electricity Finance to see if they had any concerns but have yet to hear back.

We are hoping that you may be able to confirm the appropriateness of its inclusion in light of the fact that it will cause a $2 billion jump in the amount reported and push the far date out to 2047.

Regards,

Andrea Dalgarno
Documentation & Analysis Specialist
Ontario Financing Authority
Tel 416-212-7451

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OIC Summary

As At: **31-Mar-18**

Regular Loans	**Total OIC Amount**
Under OIC 675/97 -	
Authorized:	$2,160,000,000
Repayment date:	June 1, 2041
Under OIC 767/99 -	
Authorized:	$656,000,000
Repayment date:	June 1, 2041
IESO FHP Credit Facility	
Under OIC 1279/2017 -	
Authorized:	$2,000,000,000
Repayment date:	December 31, 2047
School Board Loans	**Total OIC Amount**
Under OIC 1883/2006	
Authorized:	$800,000,000
Repayment date:	June 1, 2041
Under OIC 2144/2007	
Authorized:	$2,000,000,000
Repayment date:	June 1, 2041
Under OIC 300/2010	
Authorized:	$1,800,000,000
Repayment date:	May 15, 2036
Under OIC 163/2012	
Authorized:	$1,700,000,000
Repayment date:	Year 2040
Under OIC 354/2014	
Authorized:	$700,000,000
Repayment date:	March 5, 2044
Auto Loans	**Total OIC Amount**
Under OIC 2154/2008	$1,700,000,000
Under OIC 678/2009	$1,100,000,000
Under OIC 975/2009	$4,300,000,000
Total Amount	**$18,916,000,000**

Amount Issued		Remaining Authority	
$	1,700,000,000.00	$	-
$	480,818,602.74	$	619,181,397.26
$	1,983,345,267.75	$	2,316,654,732.25

Ontario
Executive Council
Conseil des ministres

Order in Council
Décret

Min. Finance
Borrowing Bylaw
for the OFA

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and concurrence of the Executive Council, orders that:

Sur la recommandation du soussigné, le lieutenant-gouverneur, sur l'avis et avec le consentement du Conseil des ministres, décrète ce qui suit :

WHEREAS pursuant to subsection 22(1) of the *Capital Investment Plan Act, 1993* (the "Act"), the Minister of Finance may purchase securities of or make loans to corporations established under subsection 2(1) of the Act in such amounts, at such times and on such terms and conditions as the Lieutenant Governor in Council considers expedient;

AND WHEREAS the Ontario Financing Authority (the "OFA") is a corporation established under subsection 2(1) of the Act;

AND WHEREAS pursuant to subsection 6(3) of the Act, the power of a corporation to borrow and issue securities, among other things, may only be exercised under the authority of a by-law that has been approved by the Minister of Finance;

AND WHEREAS the OFA wishes to borrow Six Hundred and Fifty-six Million Dollars from the Minister of Finance and has been authorized to do so by a borrowing by-law in accordance with the Act and approved by the Minister of Finance;

THEREFORE:

Pursuant to subsection 22 (1) of the Act, the Minister of Finance is authorized to lend a maximum of Six Hundred and Fifty-six Million Dollars in lawful money of Canada to the OFA on the following terms and conditions:

(a) the loan may be advanced in such amounts and at such time or times as required by the OFA;

(b) repayment of advances made under the loan plus accrued interest may be made in whole or in part at any time provided that the loan plus accrued interest shall be fully repaid by August 31, 2029;

(c) the OFA shall be entitled to use the loan as a revolving credit facility allowing for successive advances of moneys repaid under the loan, provided that the maximum principal amount of the loan outstanding at any time shall not exceed Six Hundred and Fifty-six Million Dollars;

(d) each advance (an "Advance") made under the loan hereby authorized shall bear interest at a rate which is determined as follows:

(i) from the date of advance to (but excluding) the date of repayment, the Advance shall bear interest at a per annum rate equivalent to the interest rate paid on ninety day Province of Ontario treasury bills (determined as at the auction date immediately preceding the date of the Advance), provided that if an Advance is outstanding for longer than ninety days, the interest rate shall be reset on the last day of each ninety day period (the "Reset Date") to the interest rate paid on ninety day Province of Ontario treasury bills as at the auction date immediately preceding the Reset Date for such ninety day period;

(ii) in the event that moneys included in an Advance are subsequently loaned by the OFA to third parties for the purposes contemplated in the Act, (a "Third Party Loan") the rate of interest payable by the OFA to the Province on the portion of the Advance so loaned may be adjusted at the option of the OFA effective as of the date of the Third Party Loan so that the per annum rate of interest payable by the OFA on such moneys is equivalent to either:

(A) the per annum rate of interest payable to the OFA under the Third Party Loan, or

(B) the per annum rate of interest payable to the OFA under the Third Party Loan less 25 basis points,

until but excluding the date on which the Third Party Loan is repaid, at which time the interest rate set out in subparagraph (i) shall again be applicable to that portion of the Advance; and

(iii) in the event that moneys described in subparagraph (ii), once repaid, are subsequently loaned to third parties again, subparagraph (ii) shall again be applicable in determining the interest rate payable to the Province on that portion of the Advance included in any subsequent loan, and so on, until the Advance shall be repaid to the Province in full;

(e) interest for any period of less than one year shall be payable for the actual number of days included in such period, computed on the basis of a 365-day year;

(f) the loan hereby authorized shall be evidenced by a promissory note in a form acceptable to the Minister of Finance.

Recommended

Minister of Finance

Concurred

Chair of Cabinet

Approved and Ordered

APR 2 1 1999

Date

Lieutenant Governor

Order in Council
Décret

...e Council
Conseil exécutif

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and concurrence of the Executive Council, orders that:

Sur la recommandation de la personne soussignée, le lieutenant-gouverneur, sur l'avis et avec le consentement du Conseil exécutif, décrète ce qui suit :

WHEREAS pursuant to section 21 of the *Capital Investment Plan Act, 1993*, the Lieutenant Governor in Council may raise by way of loan in the manner provided by the *Financial Administration Act* such sums as the Lieutenant Governor in Council considers necessary for the purposes of the *Capital Investment Plan Act, 1993*, and the sums so raised may be used to make advances to a corporation established under subsection 2(1) of the *Capital Investment Plan Act, 1993*, or applied by the Minister of Finance in the purchase of securities issued by such corporation;

AND WHEREAS the Ontario Financing Authority is a corporation established under subsection 2(1) of the *Capital Investment Plan Act, 1993*;

AND WHEREAS, for the purposes of the *Capital Investment Plan Act, 1993*, it is now considered necessary to authorize the borrowing of money, from time to time, in the manner provided by the *Financial Administration Act*, in an aggregate amount, as determined in accordance with section 26 of the *Financial Administration Act*, not exceeding One Billion Seven Hundred Million Dollars in lawful money of Canada by way of loan or by the issue and sale of securities of Ontario;

THEREFORE:

1. Pursuant to section 21 of the *Capital Investment Plan Act, 1993* and section 20 of the *Financial Administration Act*, as amended, the Minister of Finance is authorized to raise money for the purposes of the *Capital Investment Plan Act, 1993* by way of loan on the credit of the Consolidated Revenue Fund of Ontario in an aggregate amount determined in accordance with section 26 of the *Financial Administration Act*, as amended, and not exceeding One Billion Seven Hundred Million Dollars in lawful money of Canada:

(a) by the issue and sale from time to time of securities of Ontario; and

(b) by a loan or loans in the currency of Canada or of any other country or in any authorized composite monetary unit from a bank, corporation, government, person or authority repayable on demand or at a fixed time and raised by way of bank overdraft, loan agreement or the giving of short-term security by Ontario as the Minister of Finance considers advisable and expedient.

O.C./Décret

2154/2008

2. Pursuant to subsection 20(6) of the *Financial Administration Act*, as amended, for the purpose of borrowing the sum authorized by this Order, all of the powers of the Minister of Finance under subsection 20(1) of the *Financial Administration Act*, as amended, are delegated to each of the Deputy Minister of Finance and any solicitor, who is an employee of the Crown and seconded to the Legal Services Branch, Ministry of Finance and Ministry of Revenue, holding office on the date of this Order or on any day thereafter.

3. Pursuant to subsection 35(1) of the *Capital Investment Plan Act, 1993*, for the purpose of borrowing the sum authorized by this Order, all of the powers of the Minister of Finance under subsection 20(1) of the *Financial Administration Act*, as amended, are delegated to each of the Chief Executive Officer, the Executive Director, Capital Markets Division, the Director, Finance and Reporting Division, any Director, Capital Markets Division and any Manager, Capital Markets Division, all of the Ontario Financing Authority, holding office on the date of this Order or any day thereafter.

4. Each of the securities and any interest coupons attached thereto issued under the authority of this Order shall be signed by any one of:

(a) the Minister of Finance;
(b) the Deputy Minister of Finance; or
(c) the Chief Executive Officer, the Executive Director, Capital Markets Division, or any Director, Capital Markets Division, all of the Ontario Financing Authority;

holding office on the date of this Order or on any day thereafter, or shall have engraved, lithographed, printed or otherwise mechanically reproduced thereon the signature of the Minister of Finance holding office on the date of this Order or on any day thereafter. Each of the securities, excluding any interest coupons attached thereto, shall be sealed with the seal of the Minister of Finance which may be engraved, lithographed, printed or otherwise mechanically reproduced thereon, and shall be authenticated by the fiscal agent or registrar appointed by Ontario or, where no fiscal agent or registrar is appointed, shall be authenticated or countersigned by any one of the Director, the Manager, Settlements, Payments and Fiscal Agency, or the Co-ordinator, Settlements, Payments and Fiscal Agency, all of the Finance and Reporting Division, Ontario Financing Authority, holding office on the date of this Order or on any day thereafter and, when so executed and either authenticated or countersigned, the securities and any interest coupons attached thereto are binding upon Ontario notwithstanding any change in any of the persons holding the said office between the date when the said signature is affixed and the date of delivery of the securities, and notwithstanding that the person whose signature is so affixed may not have held office at the date of the securities or at the date of the delivery thereof.

5. Any one of the Minister of Finance or any authorized officer named in subparagraphs 4(b) and (c) of this Order may certify in writing the amount that may be borrowed under the authority of this Order as of each date securities are issued and sold or money is borrowed by way of bank overdraft, loan agreement or the giving of short-term security hereunder and it is declared that such certificate shall be conclusive evidence of the amount that may be

borrowed and shall be binding on Ontario in respect of each borrowing made in accordance with this Order and such certificate.

6. Each delegation made in this Order extends to each person from time to time holding an acting appointment to a position whose regular occupant is entitled to exercise the delegated authority.

7. The principal amount of and any interest on any security issued under this Order and the principal amount of and any interest on all money raised by way of loan under this Order shall be a charge on and payable out of the Consolidated Revenue Fund.

Recommended

Minister of Finance

Concurred

Chair of Cabinet

Approved and Ordered

DEC 19 2008

Date

Lieutenant Governor

Ontario
Executive Council
Conseil exécutif

Order in Council
Décret

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and concurrence of the Executive Council, orders that:

Sur la recommandation de la personne soussignée, le lieutenant-gouverneur, sur l'avis et avec le consentement du Conseil exécutif, décrète ce qui suit :

WHEREAS pursuant to subsection 22(1) of the *Capital Investment Plan Act, 1993* (the "Act"), the Minister of Finance may purchase securities of or make loans to corporations established under subsection 2(1) of the Act in such amounts, at such times and on such terms and conditions as the Lieutenant Governor in Council considers expedient;

AND WHEREAS the Ontario Financing Authority (the "OFA") is a corporation established under subsection 2(1) of the Act;

AND WHEREAS pursuant to subsection 6(3) of the Act, the power of a corporation established under subsection 2(1) of the Act to borrow and issue securities, among other things, may only be exercised under the authority of a by-law that has been approved by the Minister of Finance;

AND WHEREAS the OFA wishes to borrow up to Seven Hundred Million Dollars in lawful money of Canada from the Minister of Finance and has been authorized to do so by a borrowing by-law approved in accordance with the Act;

THEREFORE:

Pursuant to subsection 22 (1) of the Act, the Minister of Finance is authorized to lend a maximum of Seven Hundred Million Dollars in lawful money of Canada to the OFA on the following terms and conditions:

(a) the loan may be advanced in such amounts and at such time or times as required by the OFA;

(b) repayment of advances made under the loan plus accrued interest may be made in whole or in part at any time provided that the loan plus any accrued interest shall be fully repaid by March 5, 2044;

(c) each advance (an "Advance") made under the loan hereby authorized shall bear interest at a rate which is determined as follows:

(i) from the date of the Advance to (but excluding) the date of repayment the Advance shall bear interest at a per annum rate equivalent to the yield earned on ninety day Province of Ontario treasury bills on the date before the Advance Date as determined by the Province, provided that if an Advance is outstanding for longer than ninety days, the interest rate shall be reset on the last day of each ninety day period (the "Reset Date") to the yield earned on ninety day Province of Ontario treasury bills immediately preceding the Reset Date for such ninety day period as determined by the Province;

(ii) in the event that moneys included in an Advance are used by the OFA for the purpose of funding loans to third parties (a "Third Party Loan"), the rate of interest payable by the OFA to the Province on the portion of the Advance so used shall be adjusted effective as of the date that the portion of the Advance is used to fund the Third Party Loan so that the per annum rate of interest payable by the OFA on such moneys is equivalent to the per annum rate of interest payable to the OFA under the Third Party Loan less an amount as may be determined by the Minister of Finance in respect of such Third Party Loan or a class of such Third Party Loans, until but excluding the date on which the Third Party Loan is repaid, at which time the interest rate set out in subparagraph (i) shall again be applicable to that portion of the Advance;

(iii) in the event that moneys described in subparagraph (ii), once repaid, are subsequently used to fund loans to third parties, subparagraph (ii) shall again be applicable in determining the interest rate payable to the Province on that portion of the Advance used to fund such loan, and so on, until the Advance shall be repaid to the Province in full; and

(iv) despite subparagraphs (ii) and (iii), in the event that no interest is payable to the OFA under a Third Party Loan, no interest shall be payable by the OFA on the portion of the Advance so used and to the extent that the terms of a Third Party Loan provide for the deferral of the payment of accrued interest for a period, the interest payment terms of an Advance or portion thereof shall also be deferred for a similar period.

(d) interest for any period of less than one year shall be payable for the actual number of days included in such period, computed on the basis of a 365-day year;

(e) despite paragraph (b) of this Order, interest on any portion of an Advance made to the OFA under the loan that is used by the OFA to fund a Third Party Loan shall accrue on the basis stated above but shall become payable only to the extent the OFA receives payment of interest under the relevant Third Party Loan;

(f) despite paragraph (b) of this Order, any portion of the principal of an Advance made to the OFA under the loan that is used by the OFA to fund a Third Party Loan shall become payable only to the extent the OFA receives repayment of principal under the relevant Third Party Loan; and

(g) the loan hereby authorized shall be evidenced by a promissory note.

Recommended _____ Concurred _____

Minister of Finance Chair of Cabinet

Approved and Ordered MAR 0 5 2014

Date

_____

Lieutenant Governor

Ontario
Executive Council
Conseil exécutif

Order in Council
Décret

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and concurrence of the Executive Council, orders that:

Sur la recommandation de la personne soussignée, le lieutenant-gouverneur, sur l'avis et avec le consentement du Conseil exécutif, décrète ce qui suit :

WHEREAS pursuant to Order in Council 675/97 made under subsection 22(1) of the *Capital Investment Plan Act, 1993*, the Minister of Finance is authorized to lend Two Billion One Hundred and Sixty Million Dollars in lawful money of Canada to the Ontario Financing Authority (the "OFA");

AND WHEREAS pursuant to Order in Council 767/99 made under subsection 22(1) of the *Capital Investment Plan Act, 1993*, the Minister of Finance is authorized to lend Six Hundred and Fifty-six Million Dollars in lawful money of Canada to the OFA;

AND WHEREAS pursuant to Order in Council 1883/2006 made under subsection 22(1) of the *Capital Investment Plan Act, 1993*, the Minister of Finance is authorized to lend Eight Hundred Million Dollars in lawful money of Canada to the OFA;

AND WHEREAS pursuant to Order in Council 2144/2007 made under subsection 22(1) of the *Capital Investment Plan Act, 1993*, the Minister of Finance is authorized to lend Two Billion Dollars in lawful money of Canada to the OFA;

AND WHEREAS the Province considers it expedient to amend Order in Council 675/97, Order in Council 767/99, Order in Council 1883/2006 and Order in Council 2144/2007 to allow for loans from the Minister of Finance to the OFA which shall be fully repaid by the OFA by June 1, 2041 and to allow the OFA to retain up to 40 basis points on advances made by the Minister of Finance to the OFA where the OFA subsequently loans those moneys to public bodies;

THEREFORE:

1. Order in Council 675/97, as amended by Order in Council 1709/98, is hereby amended by:

(i) deleting "August 31, 2027" in paragraph (b) thereof and replacing said date with June 1, 2041;

(ii) deleting subparagraph (d)(i) and replacing said subparagraph with the following subparagraph:

"from the date of Advance to (but excluding) the date of repayment, the Advance shall bear interest at a per annum rate equivalent to the yield on ninety day Province of Ontario treasury bills on the Advance Date as determined by the Province, provided that if an Advance is outstanding for longer than ninety days, the interest rate shall be reset on the last day of each ninety day period (the "Reset Date") to the yield on ninety day Province of Ontario treasury bills on the Reset Date as determined by the Province."

(ii) deleting subsubparagraph (d)(ii)(B) and replacing said subsubparagraph with the following subsubparagraph:

"(B) the per annum rate of interest payable to the OFA under the Third Party Loan less an amount not exceeding 40 basis points, "

2. Order in Council 767/99, is hereby amended by:

(i) deleting "August 31, 2029" in paragraph (b) thereof and replacing said date with June 1, 2041;

(ii) deleting subparagraph (d)(i) and replacing said subparagraph with the following subparagraph:

"from the date of Advance to (but excluding) the date of repayment, the Advance shall bear interest at a per annum rate equivalent to the yield on ninety day Province of Ontario treasury bills on the Advance Date as determined by the Province, provided that if an Advance is outstanding for longer than ninety days, the interest rate shall be reset on the last day of each ninety day period (the "Reset Date") to the yield on ninety day Province of Ontario treasury bills on the Reset Date as determined by the Province."

(iii) deleting subsubparagraph (d)(ii)(B) and replacing said subsubparagraph with the following subsubparagraph:

"(B) the per annum rate of interest payable to the OFA under the Third Party Loan less an amount not exceeding 40 basis points,"

3. Order in Council 1883/2006 is hereby amended by:

(i) deleting "November 1, 2032" in paragraph (b) thereof and replacing said date with June 1, 2041;

(ii) deleting subparagraph (c)(i) and replacing said subparagraph with the following subparagraph:

> "from the date of Advance to (but excluding) the date of repayment, the Advance shall bear interest at a per annum rate equivalent to the yield on ninety day Province of Ontario treasury bills on the Advance Date as determined by the Province, provided that if an Advance is outstanding for longer than ninety days, the interest rate shall be reset on the last day of each ninety day period (the "Reset Date") to the yield on ninety day Province of Ontario treasury bills on the Reset Date as determined by the Province."

(iii) deleting subsubparagraph (c)(ii)(B) and replacing said subsubparagraph with the following subsubparagraph:

> "(B) the per annum rate of interest payable to the OFA under the Third Party Loan less an amount not exceeding 40 basis points,
>
> until but excluding the date on which the Third Party Loan is repaid, at which time the interest rate set out in subparagraph (i) shall again be applicable to that portion of the Advance; and"

4. Order in Council 2144/2007 is hereby amended by:

(i) deleting "December 1, 2037" in paragraph (b) thereof and replacing said date with June 1, 2041;

(ii) deleting subparagraph (c)(i) and replacing said subparagraph with the following subparagraph:

> "from the date of Advance to (but excluding) the date of repayment, the Advance shall bear interest at a per annum rate equivalent to the yield on ninety day Province of Ontario treasury bills on the Advance Date as determined by the Province, provided that if an Advance is outstanding for longer than ninety days, the interest rate shall be reset on the last day of each ninety day period (the "Reset Date") to the yield on ninety day Province of Ontario treasury bills on the Reset Date as determined by the Province."

(ii) deleting subsubparagraph (c)(ii)(B) and replacing said subsubparagraph with the following subsubparagraph:

> "(B) the per annum rate of interest payable to the OFA under the Third Party Loan less an amount not exceeding 40 basis points,

until but excluding the date on which the Third Party Loan is repaid, at which time the interest rate set out in subparagraph (i) shall again be applicable to that portion of the Advance; and"

5. The forms of promissory note which evidence the loans pursuant to Order in Council 675/97, Order in Council 767/99, Order in Council 1883/2006 and Order in Council 2144/2007 are hereby amended to reflect the above changes to the Orders in Council in respect of all amounts advanced to the OFA on or after the date of this Order.

Recommended _____ Minister of Finance

Concurred _____ Chair of Cabinet

Approved and Ordered JUN 0 4 2008 Date

_____ Lieutenant Governor

Ontario

Executive Council
Conseil exécutif

O.C./Décret 1883/2006

I hereby certify that the attached is a true copy of an Order made on September 27, 2006, by His Lordship the Honourable Brian W. Lennox, Chief Justice of the Ontario Court of Justice, Administrator of the Government of the Province of Ontario in Council.

Deputy Clerk, Executive Council of Ontario

Dated at Toronto,
September 28, 2006

Ontario
Executive Council
Conseil exécutif

Order in Council
Décret

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and concurrence of the Executive Council, orders that:

Sur la recommandation de la personne soussignée, le lieutenant-gouverneur, sur l'avis et avec le consentement du Conseil exécutif, décrète ce qui suit :

WHEREAS pursuant to subsection 22(1) of the *Capital Investment Plan Act, 1993* (the "Act"), the Minister of Finance may purchase securities of or make loans to corporations established under subsection 2(1) of the Act in such amounts, at such times and on such terms and conditions as the Lieutenant Governor in Council considers expedient:

AND WHEREAS the Ontario Financing Authority (the "OFA") is a corporation established under subsection 2(1) of the Act:

AND WHEREAS pursuant to subsection 6(3) of the Act, the power of a corporation established under subsection 2(1) of the Act to borrow and issue certificates, among other things, may only be exercised under the authority of a by-law that has been approved by the Minister of Finance:

AND WHEREAS the OFA wishes to borrow up to Eight Hundred Million Dollars from the Minister of Finance and has been authorized to do so by a borrowing by-law approved in accordance with the Act:

THEREFORE:

Pursuant to subsection 22 (1) of the Act, the Minister of Finance is authorized to lend a maximum of Eight Hundred Million Dollars in lawful money of Canada to the OFA on the following terms and conditions:

(a) the loan may be advanced in such amounts and at such time or times as required by the OFA;

(b) repayment of advances made under the loan plus accrued interest may be made in whole or in part at any time provided that the loan plus accrued interest shall be fully repaid by November 1, 2032;

(c) each advance (an "Advance") made under the loan hereby authorized shall bear interest at a rate which is determined as follows:

(i) from the date of advance to (but excluding) the date of repayment the Advance shall bear interest at a per annum rate equivalent to the yield earned on ninety day Province of Ontario treasury bills (determined as at the auction date immediately preceding the date of the Advance), provided that if an Advance is outstanding for longer than ninety days, the interest rate shall be reset on the last day of each ninety day period (the "Reset Date") to the yield earned on ninety day Province of Ontario treasury bills as at the auction date immediately preceding the Reset Date for such ninety day period;

(ii) in the event that moneys included in an Advance are subsequently loaned by the OFA to third parties for the purposes contemplated in the Act, (a "Third Party Loan") the rate of interest payable by the OFA to the Province on the portion of the Advance so loaned may be adjusted at the option of the OFA effective as of the date of the Third Party Loan so that the per annum rate of interest payable by the OFA on such moneys is equivalent to either:

(A) the per annum rate of interest payable to the OFA under the Third Party Loan, or

(B) the per annum rate of interest payable to the OFA under the Third Party Loan less an amount not exceeding 25 basis points, until but excluding the date on which the Third Party Loan is repaid, at which time the interest rate set out in subparagraph (i) shall again be applicable to that portion of the Advance; and

(iii) in the event that moneys described in subparagraph (ii) , once repaid, are subsequently loaned to third parties again, subparagraph (ii) shall again be applicable in determining the interest rate payable to the Province on that portion of the Advance included in any subsequent loan, and so on, until the Advance shall be repaid to the Province in full;

(d) interest for any period of less than one year shall be payable for the actual number of days included in such period, computed on the basis of a 365-day year;

(e) the loan hereby authorized shall be evidenced by a promissory note in a form acceptable to the Minister of Finance.

Recommended _____ Concurred _____
Minister of Finance Chair of Cabinet

Approved and Ordered SEP 27 2006
Date

Administrator of the Government

OFA Loan

Ontario

Executive Council
Conseil exécutif

O.C./Décret 675/97

I hereby certify that the attached is a true copy of an Order made on April 2nd, 1997, by Her Honour the Honourable Hilary M. Weston, Lieutenant Governor of the Province of Ontario in Council.

Deputy Clerk, Executive Council of Ontario

Dated at Toronto,
April 3rd, 1997

Ontario
Executive Council
Conseil des ministres

Order in Council
Décret

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and concurrence of the Executive Council, orders that:

Sur la recommandation du soussigné, le lieutenant-gouverneur, sur l'avis et avec le consentement du Conseil des ministres, décrète ce qui suit :

WHEREAS pursuant to subsection 22(1) of the *Capital Investment Plan Act, 1993* (the "Act"), the Minister of Finance may purchase securities of or make loans to corporations established under subsection 2(1) of the Act in such amounts, at such times and on such terms and conditions as the Lieutenant Governor in Council considers expedient;

AND WHEREAS the Ontario Financing Authority (the "OFA") is a corporation established under subsection 2(1) of the Act;

AND WHEREAS pursuant to subsection 6(3) of the Act, the power of a corporation to borrow and issue securities, among other things, may only be exercised under the authority of a by-law that has been approved by the Minister of Finance;

AND WHEREAS the OFA wishes to borrow Two Billion One Hundred and Sixty Million Dollars from the Minister of Finance and has been authorized to do so by a borrowing by-law approved in accordance with the Act;

THEREFORE:

Pursuant to subsection 22 (1) of the Act, the Minister of Finance is authorized to lend a maximum of Two Billion One Hundred and Sixty Million Dollars in lawful money of Canada to the OFA on the following terms and conditions:

(a) the loan may be advanced in such amounts and at such time or times as required by the OFA;

(b) repayment of advances made under the loan plus accrued interest may be made in whole or in part at any time provided that the loan plus accrued interest shall be fully repaid by August 31, 2027;

(c) the OFA shall be entitled to use the loan as a revolving credit facility allowing for successive advances of moneys repaid under the loan; provided that the maximum principal amount of the loan outstanding at any time shall not exceed Two Billion One Hundred and Sixty Million Dollars;

(d) each advance (an "Advance") made under the loan hereby authorized shall bear interest at a rate which is determined as follows:

(i) from the date of advance to (but excluding) the date of repayment the Advance shall bear interest at a per annum rate equivalent to the yield earned on ninety day Province of Ontario treasury bills (determined as at the auction date immediately preceding the date of the Advance), provided that if an Advance is outstanding for longer than ninety days, the interest rate shall be reset on the last day of each ninety day period (the "Reset Date") to the yield earned on ninety day Province of Ontario treasury bills as at the auction date immediately preceding the Reset Date for such ninety day period;

(ii) in the event that moneys included in an Advance are subsequently loaned by the OFA to third parties for the purposes contemplated in the Act, (a "Third Party Loan") the rate of interest payable by the OFA to the Province on the portion of the Advance so loaned may be adjusted at the option of the OFA effective as of the date of the Third Party Loan so that the per annum rate of interest payable by the OFA on such moneys is equivalent to either:

(A) the per annum rate of interest payable to the OFA under the Third Party Loan, or

(B) the per annum rate of interest payable to the OFA under the Third Party Loan less 25 basis points,

until but excluding the date on which the Third Party Loan is repaid, at which time the interest rate set out in subparagraph (i) shall again be applicable to that portion of the Advance; and

(iii) in the event that moneys described in subparagraph (ii), once repaid, are subsequently loaned to third parties again, subparagraph (ii) shall again be applicable in determining the interest rate payable to the Province on that portion of the Advance included in any subsequent loan, and so on, until the Advance shall be repaid to the Province in full;

(e) interest for any period of less than one year shall be payable for the actual number of days included in such period, computed on the basis of a 365-day year;

(f) the loan hereby authorized shall be evidenced by a promissory note in a form acceptable to the Minister of Finance.

Recommended
Minister of Finance

Concurred
Chair of Cabinet

Approved and Ordered
APR - 2 1997
Date

Lieutenant Governor

Ontario
Executive Council
Conseil exécutif

Order in Council
Décret

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and concurrence of the Executive Council, orders that:

Sur la recommandation de la personne soussignée, le lieutenant-gouverneur, sur l'avis et avec le consentement du Conseil exécutif, décrète ce qui suit :

WHEREAS pursuant to section 21 of the *Capital Investment Plan Act, 1993*, the Lieutenant Governor in Council may raise by way of loan in the manner provided by the *Financial Administration Act* such sums as the Lieutenant Governor in Council considers necessary for the purposes of the *Capital Investment Plan Act, 1993*, and the sums so raised may be used to make advances to a corporation established under subsection 2(1) of the *Capital Investment Plan Act, 1993*, or applied by the Minister of Finance in the purchase of securities issued by such corporation;

AND WHEREAS the Ontario Financing Authority is a corporation established under subsection 2(1) of the *Capital Investment Plan Act, 1993*;

AND WHEREAS, for the purposes of the *Capital Investment Plan Act, 1993*, it is now considered necessary to authorize the borrowing of money, from time to time, in the manner provided by the *Financial Administration Act*, in an aggregate amount, as determined in accordance with section 26 of the *Financial Administration Act*, not exceeding Four Billion Three Hundred Million Dollars in lawful money of Canada by way of loan or by the issue and sale of securities of Ontario;

THEREFORE:

1. Pursuant to section 21 of the *Capital Investment Plan Act, 1993* and section 20 of the *Financial Administration Act*, as amended, the Minister of Finance is authorized to raise money for the purposes of the *Capital Investment Plan Act, 1993* by way of loan on the credit of the Consolidated Revenue Fund of Ontario in an aggregate amount determined in accordance with section 26 of the *Financial Administration Act*, as amended, and not exceeding Four Billion Three Hundred Million Dollars in lawful money of Canada:

(a) by the issue and sale from time to time of securities of Ontario; and

(b) by a loan or loans in the currency of Canada or of any other country or in any authorized composite monetary unit from a bank, corporation, government, person or authority repayable on demand or at a fixed time and raised by way of bank

overdraft, loan agreement or the giving of short-term security by Ontario as the Minister of Finance considers advisable and expedient.

2. Pursuant to subsection 20(6) of the *Financial Administration Act*, as amended, for the purpose of borrowing the sum authorized by this Order, all of the powers of the Minister of Finance under subsection 20(1) of the *Financial Administration Act*, as amended, are delegated to each of the Deputy Minister of Finance and any solicitor, who is an employee of the Crown and seconded to the Legal Services Branch, Ministry of Finance and Ministry of Revenue, holding office on the date of this Order or on any day thereafter.

3. Pursuant to subsection 35(1) of the *Capital Investment Plan Act, 1993*, for the purpose of borrowing the sum authorized by this Order, all of the powers of the Minister of Finance under subsection 20(1) of the *Financial Administration Act*, as amended, are delegated to each of the Chief Executive Officer, the Executive Director, Capital Markets Division, the Director, Finance and Reporting Division, any Director, Capital Markets Division and any Manager, Capital Markets Division, all of the Ontario Financing Authority, holding office on the date of this Order or any day thereafter.

4. Each of the securities and any interest coupons attached thereto issued under the authority of this Order shall be signed by any one of:

(a) the Minister of Finance;
(b) the Deputy Minister of Finance; or
(c) the Chief Executive Officer, the Executive Director, Capital Markets Division, or any Director, Capital Markets Division, all of the Ontario Financing Authority;

holding office on the date of this Order or on any day thereafter, or shall have engraved, lithographed, printed or otherwise mechanically reproduced thereon the signature of the Minister of Finance holding office on the date of this Order or on any day thereafter. Each of the securities, excluding any interest coupons attached thereto, shall be sealed with the seal of the Minister of Finance which may be engraved, lithographed, printed or otherwise mechanically reproduced thereon, and shall be authenticated by the fiscal agent or registrar appointed by Ontario or, where no fiscal agent or registrar is appointed, shall be authenticated or countersigned by any one of the Director, the Manager, Settlements, Payments and Fiscal Agency, or the Co-ordinator, Settlements, Payments and Fiscal Agency, all of the Finance and Reporting Division, Ontario Financing Authority, holding office on the date of this Order or on any day thereafter and, when so executed and either authenticated or countersigned, the securities and any interest coupons attached thereto are binding upon Ontario notwithstanding any change in any of the persons holding the said office between the date when the said signature is affixed and the date of delivery of the securities, and notwithstanding that the person whose signature is so affixed may not have held office at the date of the securities or at the date of the delivery thereof.

5. Where required by the terms of the securities in addition to being signed, sealed and authenticated as described in the previous paragraph, the securities shall also be effectuated by the signature of such person authorized by the Province of Ontario to act for such purpose, and when so executed and either authenticated or countersigned, and, if required, effectuated, the securities and any interest coupons attached thereto are binding upon Ontario notwithstanding any change in any of the persons holding the said offices between the date when the said signature is affixed and the date of delivery of the securities, and notwithstanding that the person whose signature is so affixed may not have held office at the date of the securities or at the date of the delivery thereof.

6. Any one of the Minister of Finance or any authorized officer named in subparagraphs 4(b) and (c) of this Order may certify in writing the amount that may be borrowed under the authority of this Order as of each date securities are issued and sold or money is borrowed by way of bank overdraft, loan agreement or the giving of short-term security hereunder and it is declared that such certificate shall be conclusive evidence of the amount that may be borrowed and shall be binding on Ontario in respect of each borrowing made in accordance with this Order and such certificate.

7. Each delegation made in this Order extends to each person from time to time holding an acting appointment to a position whose regular occupant is entitled to exercise the delegated authority.

8. The principal amount of and any interest on any security issued under this Order and the principal amount of and any interest on all money raised by way of loan under this Order shall be a charge on and payable out of the Consolidated Revenue Fund.

Recommended

Minister of Finance

Concurred

Chair of Cabinet

Approved and Ordered

MAY 2 9 2009

Date

Lieutenant Governor

Ontario
Executive Council
Conseil exécutif

Order in Council
Décret

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and concurrence of the Executive Council, orders that:

Sur la recommandation de la personne soussignée, le lieutenant-gouverneur, sur l'avis et avec le consentement du Conseil exécutif, décrète ce qui suit :

WHEREAS pursuant to subsection 22(1) of the *Capital Investment Plan Act, 1993* (the "Act"), the Minister of Finance may purchase securities of or make loans to corporations established under subsection 2(1) of the Act in such amounts, at such times and on such terms and conditions as the Lieutenant Governor in Council considers expedient;

AND WHEREAS the Ontario Financing Authority (the "OFA") is a corporation established under subsection 2(1) of the Act;

AND WHEREAS pursuant to subsection 6(3) of the Act, the power of a corporation established under subsection 2(1) of the Act to borrow and issue securities, among other things, may only be exercised under the authority of a by-law that has been approved by the Minister of Finance;

AND WHEREAS the OFA wishes to borrow up to One Billion Seven Hundred Million Dollars in lawful money of Canada from the Minister of Finance and has been authorized to do so by a borrowing by-law approved in accordance with the Act;

THEREFORE:

Pursuant to subsection 22 (1) of the Act, the Minister of Finance is authorized to lend a maximum of One Billion Seven Hundred Million Dollars in lawful money of Canada to the OFA on the following terms and conditions:

(a) the loan may be advanced in such amounts and at such time or times as required by the OFA;

(b) repayment of advances made under the loan plus accrued interest may be made in whole or in part at any time provided that the loan plus any accrued interest shall be fully repaid by 2040;

(c) each advance (an "Advance") made under the loan hereby authorized shall bear interest at a rate which is determined as follows:

O.C./Décret 163/2012

Certified to be a true copy
Deputy Clerk, Executive Council

(i) from the date of the Advance to (but excluding) the date of repayment the Advance shall bear interest at a per annum rate equivalent to the yield earned on ninety day Province of Ontario treasury bills on the date before the Advance Date as determined by the Province, provided that if an Advance is outstanding for longer than ninety days, the interest rate shall be reset on the last day of each ninety day period (the "Reset Date") to the yield earned on ninety day Province of Ontario treasury bills immediately preceding the Reset Date for such ninety day period as determined by the Province;

(ii) in the event that moneys included in an Advance are used by the OFA for the purpose of funding loans to third parties (a "Third Party Loan"), the rate of interest payable by the OFA to the Province on the portion of the Advance so used shall be adjusted at the option of the OFA effective as of the date that the portion of the Advance is used to fund the Third Party Loan so that the per annum rate of interest payable by the OFA on such moneys is equivalent to either:

(A) the per annum rate of interest payable to the OFA under the Third Party Loan, or

(B) the per annum rate of interest payable to the OFA under the Third Party Loan less an amount not exceeding 53 basis points, until but excluding the date on which the Third Party Loan is repaid, at which time the interest rate set out in subparagraph (i) shall again be applicable to that portion of the Advance; and

(iii) in the event that moneys described in subparagraph (ii), once repaid, are subsequently used to fund loans to third parties, subparagraph (ii) shall again be applicable in determining the interest rate payable to the Province on that portion of the Advance used to fund such loan, and so on, until the Advance shall be repaid to the Province in full;

(iv) despite subparagraphs (ii) and (iii), in the event that no interest is payable to the OFA under a Third Party Loan, no interest shall be payable by the OFA on the portion of the Advance so used and to the extent that the terms of a Third Party Loan provide for the deferral of the payment of accrued interest for a period, the interest payment terms of an Advance or portion thereof shall also be deferred for a similar period.

(d) interest for any period of less than one year shall be payable for the actual number of days included in such period, computed on the basis of a 365-day year;

(e) despite paragraph (b) of this Order, interest on any portion of an Advance made to the OFA under the loan that is used by the OFA to fund a Third Party Loan shall accrue on the basis stated above but shall become payable only to the extent the OFA receives payment of interest under the relevant Third Party Loan;

(f) despite paragraph (b) of this Order, any portion of the principal of an Advance made to the OFA under the loan that is used by the OFA to fund a Third Party Loan shall become payable only to the extent the OFA receives repayment of principal under the relevant Third Party Loan; and

(g) the loan hereby authorized shall be evidenced by a promissory note.

Recommended _____
Minister of Finance

Concurred _____
Chair of Cabinet

Approved and Ordered

FEB 14 2012
Date

_____
Lieutenant Governor

Ontario

Executive Council
Conseil exécutif

O.C./Décret 678/2009

I hereby certify that the attached is a true copy of an Order made on April 29, 2009, by His Honour the Honourable David C. Onley, Lieutenant Governor of the Province of Ontario in Council.

Deputy Clerk, Executive Council of Ontario

Dated at Toronto,
June 4, 2009

Ontario
Executive Council
Conseil exécutif

Order in Council
Décret

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and concurrence of the Executive Council, orders that:

Sur la recommandation de la personne soussignée, le lieutenant-gouverneur, sur l'avis et avec le consentement du Conseil exécutif, décrète ce qui suit :

WHEREAS pursuant to section 21 of the *Capital Investment Plan Act, 1993*, the Lieutenant Governor in Council may raise by way of loan in the manner provided by the *Financial Administration Act* such sums as the Lieutenant Governor in Council considers necessary for the purposes of the *Capital Investment Plan Act, 1993*, and the sums so raised may be used to make advances to a corporation established under subsection 2(1) of the *Capital Investment Plan Act, 1993*, or applied by the Minister of Finance in the purchase of securities issued by such corporation;

AND WHEREAS the Ontario Financing Authority is a corporation established under subsection 2(1) of the *Capital Investment Plan Act, 1993*;

AND WHEREAS, for the purposes of the *Capital Investment Plan Act, 1993*, it is now considered necessary to authorize the borrowing of money, from time to time, in the manner provided by the *Financial Administration Act*, in an aggregate amount, as determined in accordance with section 26 of the *Financial Administration Act*, not exceeding One Billion One Hundred Million Dollars in lawful money of Canada by way of loan or by the issue and sale of securities of Ontario;

THEREFORE:

1. Pursuant to section 21 of the *Capital Investment Plan Act, 1993* and section 20 of the *Financial Administration Act*, as amended, the Minister of Finance is authorized to raise money for the purposes of the *Capital Investment Plan Act, 1993* by way of loan on the credit of the Consolidated Revenue Fund of Ontario in an aggregate amount determined in accordance with section 26 of the *Financial Administration Act*, as amended, and not exceeding One Billion One Hundred Million Dollars in lawful money of Canada:

(a) by the issue and sale from time to time of securities of Ontario; and

(b) by a loan or loans in the currency of Canada or of any other country or in any authorized composite monetary unit from a bank, corporation, government, person or authority repayable on demand or at a fixed time and raised by way of bank overdraft, loan agreement or the giving of short-term security by Ontario as the Minister of Finance considers advisable and expedient.

O.C./Décret 678/2009

2. Pursuant to subsection 20(6) of the *Financial Administration Act*, as amended, for the purpose of borrowing the sum authorized by this Order, all of the powers of the Minister of Finance under subsection 20(1) of the *Financial Administration Act*, as amended, are delegated to each of the Deputy Minister of Finance and any solicitor, who is an employee of the Crown and seconded to the Legal Services Branch, Ministry of Finance and Ministry of Revenue, holding office on the date of this Order or on any day thereafter.

3. Pursuant to subsection 35(1) of the *Capital Investment Plan Act, 1993*, for the purpose of borrowing the sum authorized by this Order, all of the powers of the Minister of Finance under subsection 20(1) of the *Financial Administration Act*, as amended, are delegated to each of the Chief Executive Officer, the Executive Director, Capital Markets Division, the Director, Finance and Reporting Division, any Director, Capital Markets Division and any Manager, Capital Markets Division, all of the Ontario Financing Authority, holding office on the date of this Order or any day thereafter.

4. Each of the securities and any interest coupons attached thereto issued under the authority of this Order shall be signed by any one of:

(a) the Minister of Finance;
(b) the Deputy Minister of Finance; or
(c) the Chief Executive Officer, the Executive Director, Capital Markets Division, or any Director, Capital Markets Division, all of the Ontario Financing Authority;

holding office on the date of this Order or on any day thereafter, or shall have engraved, lithographed, printed or otherwise mechanically reproduced thereon the signature of the Minister of Finance holding office on the date of this Order or on any day thereafter. Each of the securities, excluding any interest coupons attached thereto, shall be sealed with the seal of the Minister of Finance which may be engraved, lithographed, printed or otherwise mechanically reproduced thereon, and shall be authenticated by the fiscal agent or registrar appointed by Ontario or, where no fiscal agent or registrar is appointed, shall be authenticated or countersigned by any one of the Director, the Manager, Settlements, Payments and Fiscal Agency, or the Co-ordinator, Settlements, Payments and Fiscal Agency, all of the Finance and Reporting Division, Ontario Financing Authority, holding office on the date of this Order or on any day thereafter and, when so executed and either authenticated or countersigned, the securities and any interest coupons attached thereto are binding upon Ontario notwithstanding any change in any of the persons holding the said office between the date when the said signature is affixed and the date of delivery of the securities, and notwithstanding that the person whose signature is so affixed may not have held office at the date of the securities or at the date of the delivery thereof.

5. Any one of the Minister of Finance or any authorized officer named in subparagraphs 4(b) and (c) of this Order may certify in writing the amount that may be borrowed under the authority of this Order as of each date securities are issued and sold or money is borrowed by way of bank overdraft, loan agreement or the giving of short-term security hereunder and it is declared that such certificate shall be conclusive evidence of the amount that may be

borrowed and shall be binding on Ontario in respect of each borrowing made in accordance with this Order and such certificate.

6. Each delegation made in this Order extends to each person from time to time holding an acting appointment to a position whose regular occupant is entitled to exercise the delegated authority.

7. The principal amount of and any interest on any security issued under this Order and the principal amount of and any interest on all money raised by way of loan under this Order shall be a charge on and payable out of the Consolidated Revenue Fund.

Recommended

Minister of Finance

Concurred

Chair of Cabinet

Approved and Ordered

APR 2 9 2009

Date

Lieutenant Governor

Ontario

Executive Council
Conseil exécutif

O.C./Décret 2144/2007

I hereby certify that the attached is a true copy of an Order made on December 19, 2007, by His Honour the Honourable David C. Onley, Lieutenant Governor of the Province of Ontario in Council.

Deputy Clerk, Executive Council of Ontario

Dated at Toronto,
December 20, 2007

Ontario
Executive Council
Conseil exécutif

Order in Council
Décret

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and concurrence of the Executive Council, orders that:

Sur la recommandation de la personne soussignée, le lieutenant-gouverneur, sur l'avis et avec le consentement du Conseil exécutif, décrète ce qui suit :

WHEREAS pursuant to subsection 22(1) of the *Capital Investment Plan Act, 1993* (the "Act"), the Minister of Finance may purchase securities of or make loans to corporations established under subsection 2(1) of the Act in such amounts, at such times and on such terms and conditions as the Lieutenant Governor in Council considers expedient:

AND WHEREAS the Ontario Financing Authority (the "OFA") is a corporation established under subsection 2(1) of the Act:

AND WHEREAS pursuant to subsection 6(3) of the Act, the power of a corporation established under subsection 2(1) of the Act to borrow and issue certificates, among other things, may only be exercised under the authority of a by-law that has been approved by the Minister of Finance:

AND WHEREAS the OFA wishes to borrow up to $2.0 billion from the Minister of Finance and has been authorized to do so by a borrowing by-law approved in accordance with the Act:

THEREFORE:

Pursuant to subsection 22 (1) of the Act, the Minister of Finance is authorized to lend a maximum of $2.0 billion in lawful money of Canada to the OFA on the following terms and conditions:

(a) the loan may be advanced in such amounts and at such time or times as required by the OFA;

(b) repayment of advances made under the loan plus accrued interest may be made in whole or in part at any time provided that the loan plus accrued interest shall be fully repaid by December 1, 2037;

(c) each advance (an "Advance") made under the loan hereby authorized shall bear interest at a rate which is determined as follows:

(i) from the date of Advance to (but excluding) the date of repayment the Advance shall bear interest at a per annum rate equivalent to the yield earned on ninety day Province of Ontario treasury bills as determined by the Province, provided

that if an Advance is outstanding for longer than ninety days, the interest rate shall be reset on the last day of each ninety day period (the "Reset Date") to the yield earned on ninety day Province of Ontario treasury bills as determined by the Province immediately preceding the Reset Date for such ninety day period;

(ii) in the event that moneys included in an Advance are subsequently loaned by the OFA to third parties for the purposes contemplated in the Act, (a "Third Party Loan") the rate of interest payable by the OFA to the Province on the portion of the Advance so loaned shall be adjusted at the option of the OFA effective as of the date of the Third Party Loan so that the per annum rate of interest payable by the OFA on such moneys is equivalent to either:

(A) the per annum rate of interest payable to the OFA under the Third Party Loan, or

(B) the per annum rate of interest payable to the OFA under the Third Party Loan less an amount not exceeding **25** basis points, until but excluding the date on which the Third Party Loan is repaid, at which time the interest rate set out in subparagraph (i) shall again be applicable to that portion of the Advance; and

(iii) in the event that moneys described in subparagraph (ii), once repaid, are subsequently loaned to third parties again, subparagraph (ii) shall again be applicable in determining the interest rate payable to the Province on that portion of the Advance included in any subsequent loan, and so on, until the Advance shall be repaid to the Province in full;

(d) interest for any period of less than one year shall be payable for the actual number of days included in such period, computed on the basis of a 365-day year;

(e) the loan hereby authorized shall be evidenced by a promissory note in a form acceptable to the Minister of Finance.

Recommended _____ Minister of Finance

Concurred _____ Chair of Cabinet

Approved and Ordered DEC 19 2007 Date

_____ Lieutenant Governor

Ontario
Executive Council
Conseil exécutif

Order in Council
Décret

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and concurrence of the Executive Council, orders that:

Sur la recommandation de la personne soussignée, le lieutenant-gouverneur, sur l'avis et avec le consentement du Conseil exécutif, décrète ce qui suit :

WHEREAS pursuant to subsection 22(1) of the *Capital Investment Plan Act, 1993* (the "Act"), the Minister of Finance may purchase securities of or make loans to corporations established under subsection 2(1) of the Act in such amounts, at such times and on such terms and conditions as the Lieutenant Governor in Council considers expedient;

AND WHEREAS the Ontario Financing Authority (the "OFA") is a corporation established under subsection 2(1) of the Act;

AND WHEREAS pursuant to subsection 6(3) of the Act, the power of a corporation established under subsection 2(1) of the Act to borrow and issue securities, among other things, may only be exercised under the authority of a by-law that has been approved by the Minister of Finance;

AND WHEREAS the OFA wishes to borrow up to One Billion Eight Hundred Million Dollars in lawful money of Canada from the Minister of Finance and has been authorized to do so by a borrowing by-law approved in accordance with the Act;

THEREFORE:

Pursuant to subsection 22 (1) of the Act, the Minister of Finance is authorized to lend a maximum of One Billion Eight Hundred Million Dollars in lawful money of Canada to the OFA on the following terms and conditions:

(a) the loan may be advanced in such amounts and at such time or times as required by the OFA;

(b) repayment of advances made under the loan plus accrued interest may be made in whole or in part at any time provided that the loan plus any accrued interest shall be fully repaid by May 15, 2036;

(c) each advance (an "Advance") made under the loan hereby authorized shall bear interest at a rate which is determined as follows:

Certified to be a true copy
Deputy Clerk, Executive Council

O.C./Décret 300/2010

(i) from the date of the Advance to (but excluding) the date of repayment the Advance shall bear interest at a per annum rate equivalent to the yield earned on ninety day Province of Ontario treasury bills on the date before the Advance Date as determined by the Province, provided that if an Advance is outstanding for longer than ninety days, the interest rate shall be reset on the last day of each ninety day period (the "Reset Date") to the yield earned on ninety day Province of Ontario treasury bills immediately preceding the Reset Date for such ninety day period as determined by the Province;

(ii) in the event that moneys included in an Advance are used by the OFA for the purpose of funding loans to third parties (a "Third Party Loan"), the rate of interest payable by the OFA to the Province on the portion of the Advance so used shall be adjusted at the option of the OFA effective as of the date that the portion of the Advance is used to fund the Third Party Loan so that the per annum rate of interest payable by the OFA on such moneys is equivalent to either:

(A) the per annum rate of interest payable to the OFA under the Third Party Loan, or

(B) the per annum rate of interest payable to the OFA under the Third Party Loan less an amount not exceeding 45 basis points, until but excluding the date on which the Third Party Loan is repaid, at which time the interest rate set out in subparagraph (i) shall again be applicable to that portion of the Advance; and

(iii) in the event that moneys described in subparagraph (ii), once repaid, are subsequently used to fund loans to third parties, subparagraph (ii) shall again be applicable in determining the interest rate payable to the Province on that portion of the Advance used to fund such loan, and so on, until the Advance shall be repaid to the Province in full;

(iv) despite subparagraphs (ii) and (iii), in the event that no interest is payable to the OFA under a Third Party Loan, no interest shall be payable by the OFA on the portion of the Advance so used and to the extent that the terms of a Third Party Loan provide for the deferral of the payment of accrued interest for a period, the interest payment terms of an Advance or portion thereof shall also be deferred for a similar period.

(d) interest for any period of less than one year shall be payable for the actual number of days included in such period, computed on the basis of a 365-day year;

(e) despite paragraph (b) of this Order, interest on any portion of an Advance made to the OFA under the loan that is used by the OFA to fund a Third Party Loan shall accrue on the basis stated above but shall become payable only to the extent the OFA receives payment of interest under the relevant Third Party Loan;

(f) despite paragraph (b) of this Order, any portion of the principal of an Advance made to the OFA under the loan that is used by the OFA to fund a Third Party Loan shall become payable only to the extent the OFA receives repayment of principal under the relevant Third Party Loan; and

(g) the loan hereby authorized shall be evidenced by a promissory note.

Recommended _____
Minister of Finance

Concurred _____
Chair of Cabinet

Approved and Ordered

MAR 1 0 2010
Date

_____
Administrator of the Government

Executive Council of Ontario/Conseil exécutif de l'Ontario **[Bilingual]**

Ontario

Order in Council
Décret

On the recommendation of the undersigned, the Lieutenant Governor of Ontario, by and with the advice and concurrence of the Executive Council of Ontario, orders that:

Sur la recommandation de la personne soussignée, la lieutenante-gouverneure de l'Ontario, sur l'avis et avec le consentement du Conseil exécutif de l'Ontario, décrète ce qui suit :

WHEREAS pursuant to subsection 22(1) of the *Capital Investment Plan Act, 1993* (the "Act"), the Minister of Finance may purchase securities of or make loans to corporations established under subsection 2(1) of the Act in such amounts, at such times and on such terms and conditions as the Lieutenant Governor in Council considers expedient;

AND WHEREAS the Ontario Financing Authority (the "OFA") is a corporation established under subsection 2(1) of the Act;

AND WHEREAS pursuant to subsection 6(3) of the Act, the power of a corporation established under subsection 2(1) of the Act to borrow and issue securities, among other things, may only be exercised under the authority of a by-law that has been approved by the Minister of Finance;

AND WHEREAS the OFA wishes to borrow up to Two Billion Dollars in lawful money of Canada from the Minister of Finance and has been authorized to do so by a borrowing by-law approved in accordance with the Act;

THEREFORE:

Pursuant to subsection 22 (1) of the Act, the Minister of Finance is authorized to lend a maximum of Two Billion Dollars in lawful money of Canada to the OFA on the following terms and conditions:

(a) the loan may be advanced in such amounts and at such time or times as required by the OFA;

(b) repayment of advances made under the loan plus accrued interest may be made in whole or in part at any time provided that the loan plus any accrued interest shall be fully repaid by December 31, 2047;

(c) each advance (an "Advance") made under the loan hereby authorized shall bear interest at a rate which is determined as follows:

(i) from the date of the Advance to (but excluding) the date of repayment the Advance shall bear interest at a per annum rate equivalent to the yield earned on

ninety day Province of Ontario treasury bills on the date before the Advance Date as determined by the Province, provided that if an Advance is outstanding for longer than ninety days, the interest rate shall be reset on the last day of each ninety day period (the "Reset Date") to the yield earned on ninety day Province of Ontario treasury bills immediately preceding the Reset Date for such ninety day period as determined by the Province;

(ii) in the event that moneys included in an Advance are used by the OFA for the purpose of funding loans to third parties (a "Third Party Loan"), the rate of interest payable by the OFA to the Province on the portion of the Advance so used shall be adjusted effective as of the date that the portion of the Advance is used to fund the Third Party Loan so that the per annum rate of interest payable by the OFA on such moneys is equivalent to the per annum rate of interest payable to the OFA under the Third Party Loan less an amount as may be determined by the Minister of Finance in respect of such Third Party Loan or a class of such Third Party Loans, until but excluding the date on which the Third Party Loan is repaid, at which time the interest rate set out in subparagraph (i) shall again be applicable to that portion of the Advance; and

(iii) in the event that moneys described in subparagraph (ii), once repaid, are subsequently used to fund loans to third parties, subparagraph (ii) shall again be applicable in determining the interest rate payable to the Province on that portion of the Advance used to fund such loan, and so on, until the Advance shall be repaid to the Province in full;

(iv) despite subparagraphs (ii) and (iii), in the event that no interest is payable to the OFA under a Third Party Loan, no interest shall be payable by the OFA on the portion of the Advance so used and to the extent that the terms of a Third Party Loan provide for the deferral of the payment of accrued interest for a period, the interest payment terms of an Advance or portion thereof shall also be deferred for a similar period.

(d) interest for any period of less than one year shall be payable for the actual number of days included in such period, computed on the basis of a 365-day year;

(e) despite paragraph (b) of this Order, interest on any portion of an Advance made to the OFA under the loan that is used by the OFA to fund a Third Party Loan shall accrue on the basis stated above but shall become payable only to the extent the OFA receives payment of interest under the relevant Third Party Loan;

(f) despite paragraph (b) of this Order, any portion of the principal of an Advance made to the OFA under the loan that is used by the OFA to fund a Third Party Loan shall become payable only to the extent the OFA receives repayment of principal under the relevant Third Party Loan; and

(g) the loan hereby authorized shall be evidenced by a promissory note.

ATTENDU QUE le ministre des Finances peut, en vertu du paragraphe 22 (1) de la *Loi de 1993 sur le plan d'investissement* (la « Loi »), acheter des valeurs mobilières des personnes morales

créées en vertu du paragraphe 2 (1) de la Loi ou leur consentir des prêts selon les montants, aux moments et aux conditions que le lieutenant-gouverneur en conseil estime opportuns;

ATTENDU QUE l'Office ontarien de financement (l'« OOF ») est une personne morale créée en vertu du paragraphe 2 (1) de la Loi;

ATTENDU QUE, conformément au paragraphe 6 (3) de la Loi, le pouvoir qu'ont les personnes morales créées en vertu du paragraphe 2 (1) de la Loi de contracter des emprunts et d'émettre des valeurs mobilières, entre autres, ne peut être exercé qu'aux termes d'un règlement administratif approuvé par le ministre des Finances;

ATTENDU QUE l'OOF souhaite emprunter jusqu'à concurrence de deux milliards de dollars en monnaie légale du Canada du ministre des Finances et qu'il a été autorisé à le faire par un règlement administratif d'emprunt approuvé conformément à la Loi;

PAR CONSÉQUENT :

en vertu du paragraphe 22 (1) de la Loi, le ministre des Finances est autorisé à prêter un montant maximal de deux milliards de dollars en monnaie légale du Canada à l'OOF, aux conditions suivantes :

a) le prêt peut être consenti selon les montants et aux moments qui conviennent à l'OOF;

b) le remboursement des avances consenties au titre du prêt, plus les intérêts courus, peut à tout moment être effectué en totalité ou en partie, pourvu que le prêt et les intérêts courus soient entièrement remboursés au plus tard le 31 décembre 2047;

c) chaque avance (« avance ») faite au titre du prêt autorisé par les présentes portera intérêt au taux est fixé comme suit :

(i) de la date où elle a été faite jusqu'à la date (non comprise) de son remboursement, l'avance portera intérêt à un taux annuel équivalant au rendement gagné sur des bons du Trésor de la province de l'Ontario de quatre-vingt-dix jours à la date précédant la date de l'avance fixée par la province, pourvu que ce taux d'intérêt soit rajusté le dernier jour de chaque période de quatre-vingt-dix jours (« date de rajustement ») selon le rendement gagné sur de tels bons du Trésor immédiatement avant la date de rajustement pour une période de quatre-vingt-dix jours décidée par la province, si l'avance est impayée pendant plus de quatre-vingt-dix jours;

(ii) dans l'éventualité où l'OOF se servirait de sommes comprises dans une avance pour financer des prêts à des tiers, le taux d'intérêt à payer par l'OOF à la province sur la partie de l'avance ainsi utilisée sera rajusté à la date à laquelle la partie de l'avance sera utilisée pour le financement du prêt à un tiers de façon que le taux d'intérêt annuel à payer par l'OOF sur de telles sommes soit équivalent à ce dernier taux moins un montant que pourra fixer le ministre des Finances à l'égard d'un tel prêt ou d'une telle catégorie de prêt, jusqu'à la date (non comprise) à laquelle le prêt à un tiers sera remboursé, date à laquelle le taux d'intérêt établi au sous-alinéa (i) s'appliquera de nouveau à cette partie de l'avance;

(iii) dans l'éventualité où les sommes décrites au sous-alinéa (ii), une fois remboursées, seraient ultérieurement utilisées pour le financement de prêts à des tiers, le sous-alinéa (ii) s'appliquera de nouveau dans l'établissement du taux d'intérêt à payer à la province sur la partie de l'avance utilisée à cette fin, et ainsi de suite, jusqu'à ce que l'avance ait été remboursée intégralement à la province;

(iv) malgré les sous-alinéas (ii) et (iii), dans l'éventualité où aucun intérêt ne serait payable à l'OOF au titre d'un prêt à un tiers, aucun intérêt ne sera à payer par l'OOF sur la partie de l'avance ainsi utilisée et dans la mesure où les conditions du prêt à un tiers prévoient le report du paiement d'intérêts courus pour une période, le paiement d'intérêts au titre d'une avance ou d'une partie d'une avance sera également reporté pour une période d'égale durée;

d) l'intérêt payable relativement à toute période de moins d'un an sera calculé en fonction du nombre de jours réellement compris dans cette période, par rapport à une année comptant 365 jours;

e) par dérogation à l'alinéa a) ci-dessus, l'intérêt sur toute partie d'une avance consentie à l'OOF dans le cadre du prêt que cette dernière utilise pour financer un prêt à un tiers est calculé comme il est indiqué ci-dessus, mais cet intérêt devient payable uniquement dans la mesure où l'OOF reçoit un paiement d'intérêts au titre du prêt à un tiers;

f) par dérogation à l'alinéa b) ci-dessus, toute partie du capital d'une avance consentie à l'OOF dans le cadre du prêt que cette dernière utilise pour financer un prêt à un tiers devient payable uniquement dans la mesure où l'OOF reçoit un remboursement du capital au titre du prêt à un tiers

g) le prêt autorisé en vertu des présentes sera attesté par un billet à ordre.

Recommended: Minister of Finance
Recommandé par : Le ministre des Finances

Deb Matthews

Concurred: Chair of Cabinet
Appuyé par : Le président/la présidente du Conseil des ministres

Approved and Ordered:
Approuvé et décrété le : JUN 28 2017

Lieutenant Governor
La lieutenante-gouverneure

5. TRANSACTIONS WITH PUBLIC BODIES

The OFA provides financing to various public bodies on direction from the Province. As the OFA is directed by the Province to make these loans in furtherance of stated Provincial initiatives, and these loans are included in the Province's consolidated financial statements, these transactions are not reflected in these financial statements.

Funds for these loans are advanced to the OFA by the Province under credit facilities aggregating $16.9 billion expiring from 2036 to 2044. Principal repayments received from public bodies by the OFA are forwarded to the Province. The interest rates charged to public bodies is generally slightly higher than the rate charged by the Province on the advances to fund the loans ("the spread").

Ontario

Executive Council
Conseil exécutif

O.C./Décret 1277/2017

I hereby certify that the attached is a true copy of an Order made on June 28, 2017 by Her Honour the Honourable Elizabeth Dowdeswell, Lieutenant Governor of the Province of Ontario in Council.

Deputy Clerk, Executive Council of Ontario

Dated at Toronto,
June 29, 2017

Ontario

Executive Council of Ontario
Order in Council

On the recommendation of the undersigned, the Lieutenant Governor of Ontario, by and with the advice and concurrence of the Executive Council of Ontario, orders that:

Conseil exécutif de l'Ontario
Décret

Sur la recommandation de la personne soussignée, la lieutenante-gouverneure de l'Ontario, sur l'avis et avec le consentement du Conseil exécutif de l'Ontario, décrète ce qui suit :

WHEREAS certain Orders in Council made under the *Financial Administration Act* and various Ontario Loan Acts authorize borrowing by the issue and sale of treasury bills and unsecured short-term promissory notes and by way of loan or by issue and sale of securities of Ontario on the credit of the Consolidated Revenue Fund of Ontario;

AND WHEREAS Order in Council 521/2017 made under section 21 of the *Financial Administration Act* authorizes borrowing for the purpose of the payment, renewal, repayment or replacement of various loans and securities;

AND WHEREAS certain Orders in Council made under the *Financial Administration Act* and section 68 of the *Electricity Act, 1998,* section 21 of the *Capital Investment Plan Act, 1993,* or subsection 23(1) of the *Ontario Infrastructure and Lands Corporation Act, 2011* authorize borrowing by way of loan or the issue and sale of securities of Ontario;

AND WHEREAS certain Orders in Council made under subsection 23(2) of the *Ontario Infrastructure and Lands Corporation Act, 2011* authorize the Minister of Finance to purchase securities of or make loans to Ontario Infrastructure and Lands Corporation;

AND WHEREAS it is desirable to amend the aforementioned existing Orders in Council to update certain authorized signing officers;

THEREFORE:

O.C./Décret: 1277/2017

Orders made under the *Financial Administration Act* and Ontario Loan Acts

1. Amendments are made to the paragraphs immediately following paragraph 2 and paragraph 4 of Orders in Council 79/92, 318/92, 926/92, 3594/92, 1358/93, and 2096/93, each as amended, paragraphs 3 and 4 of Orders in Council 1549/2010, 1334/2012, 965/2013, 458/2015, 1241/2015, each as amended, paragraphs 3 and 4 of Order in Council 1164/2016, paragraph 3 and 5 of Orders in Council 1417/2008, 1043/2009, 1044/2009, 1048/2010, 600/2012, 966/2013, 459/2015, 460/2015, each as amended, paragraphs 4 and 6 of Order in Council 831/2008 as amended, and paragraphs 5 and 7 of Order in Council 1703/95 as amended, in each case by:

a) deleting the words "the Executive Director" and substituting "the Executive Director and Chief Investment Officer"; and

b) deleting the words "any Manager, Capital Markets Division" and substituting "any Senior Manager, Capital Markets Division".

Order made under section 21 of the *Financial Administration Act*

2. Paragraphs 4 and 5 of Order in Council 521/2017 are each amended by:

a) deleting the words "the Executive Director" and substituting "the Executive Director and Chief Investment Officer"; and

b) deleting the words "any Manager, Capital Markets Division" and substituting "any Senior Manager, Capital Markets Division".

Orders relating to the *Electricity Act, 1998*

3. Amendments are made to paragraphs 3, 5 and 6 of Order in Council 561/2000 as amended, paragraphs 3, 5 and 6 of Order in Council 1168/2002 as amended, and paragraphs 3, 4 and 7 of Orders in Council 967/2013, 956/2014 and 949/2015, each as amended, in each case by:

a) deleting the words "the Executive Director" and substituting "the Executive Director and Chief Investment Officer"; and

b) deleting the words "any Manager, Capital Markets Division" and substituting "any Senior Manager, Capital Markets Division".

Orders relating to the *Capital Investment Plan Act, 1993*

4. Paragraphs 3 and 4 of Orders in Council 678/2009 and 975/2009, each as amended, are amended by:

a) deleting the words "the Executive Director" and substituting "the Executive Director and Chief Investment Officer"; and

b) deleting the words "any Manager, Capital Markets Division" and substituting "any Senior Manager, Capital Markets Division".

Orders relating to the *Ontario Infrastructure and Lands Corporation Act, 2011*

5. Amendments are made to paragraph 2 of Orders in Council 631/2014 and 1524/2014, each as amended, and paragraphs 3, 4 and 7 of Orders in Council 1229/2013 and 632/2014 as amended, in each case by:

a) deleting the words "the Executive Director" and substituting "the Executive Director and Chief Investment Officer"; and

b) deleting the words "any Manager, Capital Markets Division" and substituting "any Senior Manager, Capital Markets Division".

6. Paragraph 2 of Order in Council 1566/2016 is amended by:

a) deleting the words "the Executive Director, Capital Markets Division, the Chief Financial and Risk Officer, Finance and Treasury Division" and substituting "the Executive Director and Chief Investment Officer, Capital Markets Division, the Chief Financial and Risk Officer";

b) deleting the words "any Manager, Capital Markets Division" and substituting "any Senior Manager, Capital Markets Division".

AND THAT this Order in Council is effective on the later of July 1, 2017 and the date this Order in Council is made.

ATTENDU QUE certains décrets pris en vertu de la *Loi sur l'administration financière* et de diverses lois sur les emprunts de l'Ontario autorisent des emprunts par l'émission et la vente de bons du Trésor et de billets à ordre à court terme non garantis et par voie de prêt ou par l'émission et la vente de valeurs mobilières de l'Ontario sur le crédit du Trésor de l'Ontario;

ET ATTENDU QUE le décret 521/2017 pris en vertu de l'article 21 de la *Loi sur l'administration financière* autorise des emprunts aux fins du paiement, du renouvellement, du remboursement ou du remplacement de divers prêts et valeurs mobilières;

ET ATTENDU QUE certains décrets pris en vertu de la *Loi sur l'administration financière* et de l'article 68 de la *Loi de 1998 sur l'électricité*, de l'article 21 de la *Loi de 1993 sur le plan d'investissement* ou du paragraphe 23 (1) de la *Loi de 2011 sur la Société ontarienne des infrastructures et de l'immobilier* autorisent des emprunts par voie de prêt ou par l'émission et la vente de valeurs mobilières de l'Ontario;

ET ATTENDU QUE certains décrets pris en vertu du paragraphe 23 (2) de la *Loi de 2011 sur la Société ontarienne des infrastructures et de l'immobilier* autorisent le ministre des Finances à acheter des valeurs mobilières de la Société ontarienne des infrastructures et de l'immobilier ou à lui consentir des prêts;

ET ATTENDU QU'il est souhaitable de modifier les décrets existants susmentionnés pour effectuer une mise à jour concernant certains signataires autorisés;

PAR CONSÉQUENT :

Décrets pris en vertu de la *Loi sur l'administration financière* et des lois sur les emprunts de l'Ontario

1. Des modifications sont apportées aux paragraphes suivant immédiatement le paragraphe 2 et le paragraphe 4 des décrets 79/92, 318/92, 926/92, 3594/92, 1358/93 et 2096/93, dans leurs versions

successives, aux paragraphes 3 et 4 des décrets 1549/2010, 1334/2012, 965/2013, 458/2015 et 1241/2015, dans leurs versions successives, aux paragraphes 3 et 4 du décret 1164/2016, aux paragraphes 3 et 5 des décrets 1417/2008, 1043/2009, 1044/2009, 1048/2010, 600/2012, 966/2013, 459/2015 et 460/2015, dans leurs versions successives, aux paragraphes 4 et 6 du décret 831/2008, ainsi modifié, et aux paragraphes 5 et 7 du décret 1703/95, ainsi modifié, dans chaque cas :

a) par substitution, aux mots « the Executive Director », des mots « the Executive Director and Chief Investment Officer »;

b) par substitution, aux mots « any Manager, Capital Markets Division », des mots « any Senior Manager, Capital Markets Division ».

Décret pris en vertu de l'article 21 de la *Loi sur l'administration financière*

2. Les paragraphes 4 et 5 du décret 521/2017 sont chacun modifiés :

a) par substitution, aux mots « au directeur général », des mots « au directeur général et au directeur des investissements »;

b) par substitution, aux mots « tout chef, Division des marchés financiers », des mots « tout gestionnaire supérieur, Division des marchés financiers ».

Décrets se rapportant à la *Loi de 1998 sur l'électricité*

3. Des modifications sont apportées aux paragraphes 3, 5 et 6 du décret 561/2000, ainsi modifié, aux paragraphes 3, 5 et 6 du décret 1168/2002, ainsi modifié, et aux paragraphes 3, 4 et 7 des décrets 967/2013, 956/2014 et 949/2015, dans leurs versions successives, dans chaque cas :

a) par substitution, aux mots « the Executive Director », des mots « the Executive Director and Chief Investment Officer »;

b) par substitution, aux mots « any Manager, Capital Markets Division », des mots « any Senior Manager, Capital Markets Division ».

Décrets se rapportant à la *Loi de 1993 sur le plan d'investissement*

4. Les paragraphes 3 et 4 des décrets 678/2009 et 975/2009, dans leurs versions successives, sont modifiés :

a) par substitution, aux mots « the Executive Director », des mots « the Executive Director and Chief Investment Officer »;

b) par substitution, aux mots « any Manager, Capital Markets Division », des mots « any Senior Manager, Capital Markets Division ».

Décrets se rapportant à la *Loi de 2011 sur la Société ontarienne des infrastructures et de l'immobilier*

5. Des modifications sont apportées au paragraphe 2 des décrets 631/2014 et 1524/2014, dans leurs versions successives, et aux paragraphes 3, 4 et 7 des décrets 1229/2013 et 632/2014, ainsi modifiés, dans chaque cas :

a) par substitution, aux mots « the Executive Director », des mots « the Executive Director and Chief Investment Officer »;

b) par substitution, aux mots « any Manager, Capital Markets Division », des mots « any Senior Manager, Capital Markets Division ».

6. Le paragraphe 2 du décret 1566/2016 est modifié :

a) par substitution, aux mots « chef de la direction, le directeur général, Division des marchés financiers, chef des finances et de la gestion des risques, Division des finances et de la trésorerie », des mots « le chef de la direction, le directeur général et le directeur des investissements, Division des marchés financiers, le chef des finances et de la gestion des risques »;

b) par substitution, aux mots « tout gestionnaire, Division des marchés financiers », des mots « tout gestionnaire supérieur, Division des marchés financiers ».

Le présent décret entre en vigueur le 1er juillet 2017 ou le jour de la prise du présent décret, selon la dernière de ces deux dates.

Recommended: Minister of Finance
Recommandé par : Le ministre des Finances

Concurred: Chair of Cabinet
Appuyé par : Le président/la présidente du Conseil des ministres

Approved and Ordered:
Approuvé et décrété le : JUN 2 8 2017

Lieutenant Governor
La lieutenante-gouverneure

Ontario

Executive Council
Conseil exécutif

O.C./Décret 928/2012

I hereby certify that the attached is a true copy of an Order made on June 20, 2012 by His Honour the Honourable David C. Onley, Lieutenant Governor of the Province of Ontario in Council.

Deputy Clerk, Executive Council of Ontario

Dated at Toronto,
June 20, 2012

Ontario
Executive Council
Conseil exécutif

Order in Council
Décret

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and concurrence of the Executive Council, orders that:

Sur la recommandation de la personne soussignée, le lieutenant-gouverneur, sur l'avis et avec le consentement du Conseil exécutif, décrète ce qui suit :

WHEREAS sums in the total aggregate amount, as determined in accordance with section 26 of the *Financial Administration Act*, not exceeding Thirty Billion Five Hundred Million Dollars ($30,500,000,000.00) in lawful money of Canada, have been authorized to be borrowed by the issue and sale of treasury bills of Ontario on the credit of the Consolidated Revenue Fund of Ontario under the authority of Order in Council 318/92, as amended, Order in Council 926/92 as amended, Order in Council 3594/92 as amended, Order in Council 1358/93 as amended, Order in Council 1703/95 as amended, Order in Council 561/2000 as amended, Order in Council 1168/2002, as amended, Order in Council 831/2008, as amended, Order in Council 1417/2008, as amended, Order in Council 1043/2009, as amended and Order in Council 1048/2010, as amended, made under the authority of subsection 20(7) of the *Financial Administration Act* and various Loan Acts (referred to herein as "Existing Orders");

AND WHEREAS sums in the total aggregate amount, as determined in accordance with section 26 of the *Financial Administration Act*, not exceeding Eight Billion Five Hundred Million Dollars ($8,500,000,000.00) in lawful money of Canada or the equivalent amount in lawful money of the United States of America, have been authorized to be borrowed by the issue and sale of unsecured short-term promissory notes on the credit of the Consolidated Revenue Fund of Ontario under the authority of Order in Council 79/92 as amended, Order in Council 2096/93 as amended, Order in Council 1044/2009, as amended and Order in Council 600/2012 made under the authority of subsection 20(7) of the *Financial Administration Act* and various Loan Acts (also referred to herein as "Existing Orders");

AND WHEREAS sums in the total aggregate amount, as determined in accordance with section 26 of the *Financial Administration Act*, not exceeding Three Billion Eight Hundred and Fifty-five Million Dollars ($3,855,000,000.00) in lawful money of Canada, have been authorized to be borrowed by way of loan or by the issue and sale of securities of Ontario under the authority of Order in Council 1415/2008, as amended, and Order in Council 1550/2010 made under the authority of section 68 of the *Electricity Act, 1998* and section 20 of the *Financial Administration Act* (also referred to herein as "Existing Orders");

AND WHEREAS sums in the total aggregate amount, as determined in accordance with section 26 of the *Financial Administration Act*, not exceeding Five Billion Four Hundred Million Dollars ($5,400,000,000.00) in lawful money of Canada, have been authorized to be borrowed by way of loan or by the issue and sale of securities of Ontario under the authority

of Order in Council 678/2009, and Order in Council 975/2009 made under the authority of section 21 of the *Capital Investment Plan Act, 1993* and section 20 of the *Financial Administration Act* (also referred to herein as "Existing Orders");

AND WHEREAS sums in the total aggregate amount, as determined in accordance with section 26 of the *Financial Administration Act*, not exceeding One Billion Dollars ($1,000,000,000.00) in lawful money of Canada, have been authorized to be borrowed by way of loan or by the issue and sale of securities of Ontario under the authority of Order in Council 1539/2010 made under the authority of section 16 of the *Ontario Infrastructure Projects Corporation Act, 2006* (now section 23 of the *Ontario Infrastructure and Lands Corporation Act, 2011)* and section 20 of the *Financial Administration Act* (also referred to herein as "Existing Orders");

AND WHEREAS sums in the total aggregate amount, as determined in accordance with section 26 of the *Financial Administration Act*, not exceeding Forty-four Billion Nine Hundred Million Dollars ($44,900,000,000.00) in lawful money of Canada under the authority of Order in Council 1333/2011, as amended, Order in Council 1549/2010 and Order in Council 222/2010 made under the authority of section 20 of the *Financial Administration Act* and various Loan Acts (also referred to herein as "Existing Orders");

AND WHEREAS sums in the total aggregate amount, as determined in accordance with section 26 of the *Financial Administration Act*, not exceeding Eleven Billion Seven Hundred and Seventy-four Million Eight Hundred and Fifty-two Thousand Six Hundred and Fifty-two Dollars and Sixty-seven Cents ($11,774,852,652.67) in lawful money of Canada, the Canadian Dollar equivalent of Eight Billion Seven Hundred and Thirty-two Million Six Hundred Thousand United States Dollars (US$8,732,600,000.00) in the lawful currency of the United States and the Canadian Dollar equivalent of Two Hundred Million Pounds Sterling (£200,000,000.00) in the lawful currency of the United Kingdom, under the authority of Order in Council 253/2012, Order in Council 1410/2011 and Order in Council 251/2011 made under the authority of section 21 of the *Financial Administration Act* (also referred to herein as "Existing Orders");

AND WHEREAS Order in Council 1539/2011 contains references to the *Ontario Infrastructure Projects Corporation Act, 2006* which has now been replaced by the *Ontario Infrastructure and Lands Corporation Act, 2011*;

AND WHEREAS it is considered desirable to amend the Existing Orders in order to update the authorized signing officers and to update the references in Order in Council 1539/2011 to the *Ontario Infrastructure and Lands Corporation Act, 2011*;

THEREFORE:

1. Paragraph 2 of each of Orders in Council 318/92, 926/92, 3594/92, 1358/93, 561/2000, 1168/2002, 1417/2008, 1043/2009, 1048/2010, 79/92, 2096/93 and 1044/2009, and

paragraph 4 of Order in Council 1703/95 and paragraph 3 of Order in Council 831/2008 is deleted and replaced with the following paragraph:

> "Pursuant to subsection 20(6) of the *Financial Administration Act,* as amended, for the purpose of borrowing the sum or sums authorized by this Order, all the powers of the Minister of Finance under subsection 20(1) and subsection 20(7) of the *Financial Administration Act*, are delegated to each of the Deputy Minister of Finance and any solicitor who is an employee of the Crown and seconded to the Legal Services Branch, Ministry of Finance holding office on the date of this Order or on any day thereafter."

2. Paragraph 5 of Order in Council 1703/95, and paragraph 3 of each of Orders in Council 561/2000, 1168/2002, 1417/2008, 1043/2009, 1048/2010, 1044/2009, 600/2012, 1415/2008, 1550/2010, 678/2009, 975/2009, 1539/2010, 1333/2011, 1549/2010 and 222/2010 and paragraph 4 of each of Orders in Council 831/2008, 253/2012, 1410/2011 and 251/2011, is deleted and replaced with the following paragraph, which is also inserted between paragraphs 2 and 3 of each of Orders in Council 318/92, 926/92, 3594/92, 1358/93, 79/92 and 2096/93:

> "Pursuant to subsection 35(1) of the *Capital Investment Plan Act, 1993*, for the purpose of borrowing the sum or sums authorized by this Order, all the powers of the Minister of Finance under subsection 20(1) of the *Financial Administration Act* are delegated to each of the Chief Executive Officer, the Executive Director, Capital Markets Division, the Chief Financial Officer, Finance and Treasury Division, any Director, Finance and Treasury Division, any Director, Capital Markets Division, and any Manager, Capital Markets Division, all of the Ontario Financing Authority, holding office on the date of this Order or on any day thereafter."

3. Paragraph 4 of each of Orders in Council 318/92, 926/92, 3594/92, 1358/93, paragraph 7 of Order in Council 1703/95, and paragraph 5 of each of Orders in Council 561/2000, 1168/2002, 1417/2008, 1043/2009 and 1048/2010, and paragraph 6 of Order in Council 831/2008, are each deleted and replaced with the following:

> "Each of the Treasury Bills issued under the authority of this Order shall be signed by any one of:
>
> (a) the Minister of Finance;
> (b) the Deputy Minister of Finance; or
> (c) the Chief Executive Officer, the Executive Director, Capital Markets Division, the Chief Financial Officer, Finance and Treasury Division, or any Director, Capital Markets Division, all of the Ontario Financing Authority;

holding office on the date of this Order or on any day thereafter, or shall have engraved, lithographed, printed or otherwise mechanically reproduced thereon the signature of the Minister of Finance holding office on the date of this Order or on any day thereafter. Each of the Treasury Bills shall be sealed with the seal of the Minister of Finance which may be engraved, lithographed, printed or otherwise mechanically reproduced thereon, and shall be authenticated by the issuing agent or registrar appointed by Ontario or, where no issuing agent or registrar is appointed, shall be authenticated or countersigned by any one of the Director, the Manager, Settlements, Payments and Fiscal Agency, or the Co-ordinator, Settlements, Payments and Fiscal Agency, all of the Finance and Treasury Division, Ontario Financing Authority, holding office on the date of this Order or on any day thereafter and, when so executed and either authenticated or countersigned, the Treasury Bills shall be binding upon Ontario notwithstanding any change in any of the persons holding the said office between the date when the said signature is affixed and the date of delivery of the Treasury Bills, and notwithstanding that the person whose signature is so affixed may not have held office at the date of the Treasury Bills or at the date of the delivery thereof."

4. Paragraph 4 of each of Orders in Council 79/92 and 2096/93, and paragraph 5 of each of Orders in Council 1044/2009 and 600/2012, are each deleted and replaced with the following:

"Each of the Notes issued under the authority of this Order shall be signed by any one of:

(i) the Minister of Finance;
(ii) the Deputy Minister of Finance; or
(iii) the Chief Executive Officer, the Executive Director, Capital Markets Division, the Chief Financial Officer, Finance and Treasury Division, or any Director, Capital Markets Division, all of the Ontario Financing Authority;

holding office on the date of this Order or on any day thereafter, or shall have engraved, lithographed, printed or otherwise mechanically reproduced thereon the signature of the Minister of Finance holding office on the date of this Order or on any day thereafter. Each of the Notes shall be sealed with the seal of the Minister of Finance which may be engraved, lithographed, printed or otherwise mechanically reproduced thereon, and shall be authenticated by the issuing agent or registrar appointed by Ontario or, where no issuing agent or registrar is appointed, shall be authenticated or countersigned by any one of the Director, the Manager, Settlements, Payments and Fiscal Agency, or the Co-ordinator,

Settlements, Payments and Fiscal Agency, all of the Finance and Treasury Division, Ontario Financing Authority, holding office on the date of this Order or on any day thereafter and, when so executed and either authenticated or countersigned, the Notes shall be binding upon Ontario notwithstanding any change in any of the persons holding the said office between the date when the said signature is affixed and the date of delivery of the Notes, and notwithstanding that the person whose signature is so affixed may not have held office at the date of the Notes or at the date of the delivery thereof."

5. Paragraph 2 of each of Orders in Council 1415/2008, 1550/2010, 678/2009, 975/2009, 1539/2010, 1333/2011, 1549/2010 and 222/2010 and paragraph 3 of each of Orders in Council 1410/2011 and 251/2011 is deleted and replaced with the following paragraph:

"Pursuant to subsection 20(6) of the *Financial Administration Act,* as amended, for the purpose of borrowing the sum or sums authorized by this Order, all the powers of the Minister of Finance under subsection 20(1) of the *Financial Administration Act*, are delegated to each of the Deputy Minister of Finance and any solicitor who is an employee of the Crown and seconded to the Legal Services Branch, Ministry of Finance, holding office on the date of this Order or on any day thereafter."

6. Paragraph 4 of each of Orders in Council 1415/2008, 1550/2010, 678/2009, 975/2009, 1539/2010, 1333/2011, 1549/2010 and 222/2010 and paragraph 5 of each of Orders in Council 253/2012, 1410/2011 and 251/2011 are each deleted and replaced with the following:

"Each of the securities and any interest coupons attached thereto issued under the authority of this Order shall be signed by any one of:

(i) the Minister of Finance;
(ii) the Deputy Minister of Finance; or
(iii) the Chief Executive Officer, the Executive Director, Capital Markets Division, the Chief Financial Officer, Finance and Treasury Division, or any Director, Capital Markets Division, all of the Ontario Financing Authority;

holding office on the date of this Order or on any day thereafter, or shall have engraved, lithographed, printed or otherwise mechanically reproduced thereon the signature of the Minister of Finance holding office on the date of this Order or on any day thereafter. Each of the securities, excluding any interest coupons attached thereto, shall be sealed with the seal of the Minister of Finance which may be engraved, lithographed, printed or otherwise mechanically reproduced thereon, and shall be authenticated by the fiscal agent or registrar appointed by

Ontario or, where no fiscal agent or registrar is appointed, shall be authenticated or countersigned by any one of the Director, the Manager, Settlements, Payments and Fiscal Agency, or the Co-ordinator, Settlements, Payments and Fiscal Agency, all of the Finance and Treasury Division, Ontario Financing Authority, holding office on the date of this Order or on any day thereafter and, when so executed and either authenticated or countersigned, the securities and any interest coupons attached thereto are binding upon Ontario notwithstanding any change in any of the persons holding the said office between the date when the said signature is affixed and the date of delivery of the securities, and notwithstanding that the person whose signature is so affixed may not have held office at the date of the securities or at the date of the delivery thereof."

7. Paragraph 6 of Order in Council 1415/2008 and paragraph 7 of Order in Council 1550/2010, are each deleted and replaced with the following:

"Pursuant to section 70 of the *Electricity Act, 1998*, the powers of the Minister of Finance under section 68 of the *Electricity Act, 1998* to determine the terms and conditions of advances to the Financial Corporation by way of loan or the purchase of securities of the Financial Corporation are delegated to each of the Chief Executive Officer, the Executive Director, Capital Markets Division, the Chief Financial Officer, Finance and Treasury Division, any Director, Finance and Treasury Division, any Director, Capital Markets Division, and any Manager, Capital Markets Division, all of the Ontario Financing Authority, holding office on the date of this Order or on any day thereafter."

8. Paragraph 7 of Order in Council 1539/2010 is deleted and replaced with the following:

"Pursuant to subsection 23(4) of the *Ontario Infrastructure and Lands Corporation Act, 2011*, the powers of the Minister of Finance under subsection 23(1) of the *Ontario Infrastructure and Lands Corporation Act, 2011* to determine the terms and conditions of advances to the Corporation by way of loan or the purchase of securities of the Corporation are delegated to each of the Chief Executive Officer, the Executive Director, Capital Markets Division, the Chief Financial Officer, Finance and Treasury Division, any Director, Finance and Treasury Division, any Director, Capital Markets Division, and any Manager, Capital Markets Division, all of the Ontario Financing Authority, holding office on the date of this Order or on any day thereafter."

9. All references to section 16 (and any subsections thereof) of the *Ontario Infrastructure Projects Corporation Act, 2006* in Order in Council 1539/2010 shall be replaced with references to the equivalent subsections of section 23 of the *Ontario Infrastructure and Lands Corporation Act, 2011*.

Recommended _____
Minister of Finance

Concurred _____
Chair of Cabinet

Approved
and Ordered JUN 2 0 2012
Date

_____
Lieutenant Governor

168/2016

I hereby certify that the attached is a true copy of an Order made on February 10, 2016, by Her Honour the Honourable Elizabeth Dowdeswell, Lieutenant Governor of the Province of Ontario in Council.

Deputy Clerk, Executive Council of Ontario

Dated at Toronto,
February 12, 2016

Ontario
Executive Council
Conseil exécutif

Order in Council
Décret

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and concurrence of the Executive Council, orders that:

Sur la recommandation de la personne soussignée, le lieutenant-gouverneur, sur l'avis et avec le consentement du Conseil exécutif, décrète ce qui suit :

WHEREAS sums in the total aggregate amount, as determined in accordance with section 26 of the *Financial Administration Act*, not exceeding Thirty-Three Billion Dollars ($33,000,000,000.00) in lawful money of Canada, have been authorized to be borrowed by the issue and sale of treasury bills of Ontario on the credit of the Consolidated Revenue Fund of Ontario under the authority of Order in Council 318/92, as amended, Order in Council 926/92, as amended, Order in Council 3594/92, as amended, Order in Council 1358/93, as amended, Order in Council 1703/95, as amended, Order in Council 561/2000, as amended, Order in Council 1168/2002, as amended, Order in Council 831/2008, as amended, Order in Council 1417/2008, as amended, Order in Council 1043/2009, as amended, Order in Council 1048/2010, as amended, and Order in Council 460/2015 made under the authority of subsection 20(7) of the *Financial Administration Act* and various Loan Acts (referred to herein as "Existing Orders");

AND WHEREAS sums in the total aggregate amount, as determined in accordance with section 26 of the *Financial Administration Act*, not exceeding Fifteen Billion Dollars ($15,000,000,000.00) in lawful money of Canada or the equivalent amount in lawful money of the United States of America, have been authorized to be borrowed by the issue and sale of unsecured short-term promissory notes of Ontario on the credit of the Consolidated Revenue Fund of Ontario under the authority of Order in Council 79/92, as amended, Order in Council 2096/93, as amended, Order in Council 1044/2009, as amended, Order in Council 600/2012, Order in Council 966/2013 and Order in Council 459/2015 made under the authority of subsection 20(7) of the *Financial Administration Act* and various Loan Acts (also referred to herein as "Existing Orders");

AND WHEREAS sums in the total aggregate amount, as determined in accordance with section 26 of the *Financial Administration Act*, not exceeding Five Billion Three Hundred Million Dollars ($5,300,000,000.00) in lawful money of Canada, have been authorized to be borrowed by way of loan or by the issue and sale of securities of Ontario under the authority of Order in Council 967/2013, Order in Council 956/2014 and Order in Council 949/2015 made under the authority of section 68 of the *Electricity Act, 1998* and section 20 of the *Financial Administration Act* (also referred to herein as "Existing Orders");

AND WHEREAS sums in the total aggregate amount, as determined in accordance with section 26 of the *Financial Administration Act*, not exceeding Five Billion Four Hundred Million Dollars ($5,400,000,000.00) in lawful money of Canada, have been authorized

to be borrowed by way of loan or by the issue and sale of securities of Ontario under the authority of Order in Council 678/2009, as amended, and Order in Council 975/2009, as amended, made under the authority of section 21 of the *Capital Investment Plan Act, 1993* and section 20 of the *Financial Administration Act* (also referred to herein as "Existing Orders");

AND WHEREAS sums in the total aggregate amount, as determined in accordance with section 26 of the *Financial Administration Act*, not exceeding One Billion Dollars ($1,000,000,000.00) in lawful money of Canada, have been authorized to be borrowed by way of loan or by the issue and sale of securities of Ontario under the authority of Order in Council 1229/2013 and Order in Council 632/2014 made under the authority of section 23 of the *Ontario Infrastructure and Lands Corporation Act, 2011)* and section 20 of the *Financial Administration Act* (also referred to herein as "Existing Orders");

AND WHEREAS the Minister of Finance has been authorized to purchase securities of or make loans to Ontario Infrastructure and Lands Corporation of sums in the total aggregate amount not exceeding Three Billion Nine Hundred Million Dollars ($3,900,000,000.00) in lawful money of Canada under the authority of Order in Council 631/2014 and Order in Council 1524/2014 made under the authority of subsection 23(2) of the *Ontario Infrastructure and Lands Corporation Act, 2011* (also referred to herein as "Existing Orders");

AND WHEREAS sums in the total aggregate amount, as determined in accordance with section 26 of the *Financial Administration Act*, not exceeding Eighty-One Billion One Hundred Million Dollars ($81,100,000,000.00) in lawful money of Canada, have been authorized to be borrowed by way of loan or by the issue and sale of securities of Ontario under the authority of Order in Council 1549/2010, as amended, Order in Council 1334/2012,Order in Council 965/2013, Order in Council 458/2015 and Order in Council 1241/2015 made under the authority of section 20 of the *Financial Administration Act* and various Loan Acts (also referred to herein as "Existing Orders");

AND WHEREAS sums in the total aggregate amount, as determined in accordance with section 26 of the *Financial Administration Act*, not exceeding Six Billion Eight Hundred and Fifty-Six Million Nine Hundred and Three Thousand Three Hundred and Two Dollars and Thirty cents ($6,856,903,302.30) in lawful money of Canada, the Canadian Dollar equivalent of Thirteen Billion Three Hundred and Fifty Million United States Dollars (13,350,000,000.00) in the lawful currency of the United States, the Canadian Dollar equivalent of One Billion Five Hundred and Fifty Million Hong Kong Dollars in the lawful currency of the Hong Kong Special Administrative Region (1,550,000,000.00), the Canadian Dollar equivalent of Ninety-Five Billion Seven Hundred Million Japanese Yen (95,700,000,000.00) the Canadian Dollar equivalent of Seven Hundred and Eighteen Million Four Hundred and Fifty Thousand New Zealand Dollars in the lawful currency of New Zealand (718, 450,000.00), the Canadian Dollar equivalent of Two Billion One Hundred Million Norwegian Kroner in the lawful currency of Norway (2,100,000,000.00), the Canadian Dollar equivalent of Three Hundred Million South African Rand in the lawful currency of South Africa (300,000,000.00), and the Canadian Dollar

Equivalent of Four Hundred and Twenty-Five Million Swiss Francs (425,000,000) in the lawful currency of Switzerland, have been authorized to be borrowed by way of loan or by the issue and sale of securities of Ontario under the authority of Order in Council 1624/2014, and Order in Council 675/2015 made under the authority of section 21 of the *Financial Administration Act* (also referred to herein as "Existing Orders");

AND WHEREAS it is considered desirable to amend the Existing Orders in order to update the authorized signing officers

THEREFORE:

1. Paragraph 5 of Order in Council 1703/95, and paragraph 3 of each of Orders in Council 561/2000, 1168/2002, 1417/2008, 1043/2009, 1048/2010, 460/2015, 1044/2009, 1549/2010, 600/2012, 1334/2012, 965/2013, 966/2013, 967/2013, 956/2014, 949/2015, 458/2015, 459/2015, 1241/2015, 678/2009, 975/2009, 1229/2013 and 632/2014 and paragraph 4 of each of Orders in Council 831/2008, 1624/2014 and 675/2015 is deleted and replaced with the following paragraph, which is also inserted between paragraphs 2 and 3 of each of Orders in Council 318/92, 926/92, 3594/92, 1358/93, 79/92 and 2096/93:

> "Pursuant to subsection 35(1) of the *Capital Investment Plan Act, 1993*, for the purpose of borrowing the sum or sums authorized by this Order, all the powers of the Minister of Finance under subsection 20(1) of the *Financial Administration Act* are delegated to each of the Chief Executive Officer, the Executive Director, Capital Markets Division, the Chief Financial and Risk Officer, any Director, Capital Markets Division, and any Manager, Capital Markets Division, all of the Ontario Financing Authority, holding office on the date of this Order or on any day thereafter."

2. Paragraph 4 of each of Orders in Council 318/92, 926/92, 3594/92, 1358/93, paragraph 7 of Order in Council 1703/95, and paragraph 5 of each of Orders in Council 561/2000, 1168/2002, 1417/2008, 1043/2009, 1048/2010, and 460/2015, and paragraph 6 of Order in Council 831/2008, are each deleted and replaced with the following:

> "Each of the Treasury Bills issued under the authority of this Order shall be signed by any one of:
>
> (a) the Minister of Finance;
> (b) the Deputy Minister of Finance; or
> (c) the Chief Executive Officer, the Executive Director, Capital Markets Division, the Chief Financial and Risk Officer, or any Director, Capital Markets Division, all of the Ontario Financing Authority;

holding office on the date of this Order or on any day thereafter, or shall have engraved, lithographed, printed or otherwise mechanically reproduced thereon the signature of the Minister of Finance holding office on the date of this Order or on any day thereafter. Each of the Treasury Bills shall be sealed with the seal of the Minister of Finance which may be engraved, lithographed, printed or otherwise mechanically reproduced thereon, and shall be authenticated by the issuing agent or registrar appointed by Ontario or, where no issuing agent or registrar is appointed, shall be authenticated or countersigned by any one of the Manager, Settlements, Payments and Fiscal Agency, or the Co-ordinator, Settlements, Payments and Fiscal Agency, all of the Finance and Treasury Division, Ontario Financing Authority, holding office on the date of this Order or on any day thereafter and, when so executed and either authenticated or countersigned, the Treasury Bills shall be binding upon Ontario notwithstanding any change in any of the persons holding the said office between the date when the said signature is affixed and the date of delivery of the Treasury Bills, and notwithstanding that the person whose signature is so affixed may not have held office at the date of the Treasury Bills or at the date of the delivery thereof."

3. Paragraph 4 of each of Orders in Council 79/92 and 2096/93, and paragraph 5 of each of Orders in Council 1044/2009, 600/2012, 966/2013 and 459/2015 are each deleted and replaced with the following:

"Each of the Notes issued under the authority of this Order shall be signed by any one of:

(i) the Minister of Finance;
(ii) the Deputy Minister of Finance; or
(iii) the Chief Executive Officer, the Executive Director, Capital Markets Division, the Chief Financial and Risk Officer, or any Director, Capital Markets Division, all of the Ontario Financing Authority;

holding office on the date of this Order or on any day thereafter, or shall have engraved, lithographed, printed or otherwise mechanically reproduced thereon the signature of the Minister of Finance holding office on the date of this Order or on any day thereafter. Each of the Notes shall be sealed with the seal of the Minister of Finance which may be engraved, lithographed, printed or otherwise mechanically reproduced thereon, and shall be authenticated by the issuing agent or registrar appointed by Ontario or, where no issuing agent or registrar is appointed, shall be authenticated or countersigned by any one of the Manager, Settlements, Payments and Fiscal Agency, or the Co-ordinator, Settlements, Payments and Fiscal Agency, all of the Finance and Treasury Division, Ontario

Financing Authority, holding office on the date of this Order or on any day thereafter and, when so executed and either authenticated or countersigned, the Notes shall be binding upon Ontario notwithstanding any change in any of the persons holding the said office between the date when the said signature is affixed and the date of delivery of the Notes, and notwithstanding that the person whose signature is so affixed may not have held office at the date of the Notes or at the date of the delivery thereof."

4. Paragraph 4 of each of Orders in Council 967/2013, 956/2014, 949/2015, 1549/2010, 1334/2012, 965/2013, 458/2015, 1241/2015, 678/2009, 975/2009, 1229/2013, 632/2014 and paragraph 5 of each of Orders in Council 1624/2014 and 675/2015 are each deleted and replaced with the following:

"Each of the securities and any interest coupons attached thereto issued under the authority of this Order shall be signed by any one of:

(i) the Minister of Finance;
(ii) the Deputy Minister of Finance; or
(iii) the Chief Executive Officer, the Executive Director, Capital Markets Division, the Chief Financial and Risk Officer, or any Director, Capital Markets Division, all of the Ontario Financing Authority;

holding office on the date of this Order or on any day thereafter, or shall have engraved, lithographed, printed or otherwise mechanically reproduced thereon the signature of the Minister of Finance holding office on the date of this Order or on any day thereafter. Each of the securities, excluding any interest coupons attached thereto, shall be sealed with the seal of the Minister of Finance which may be engraved, lithographed, printed or otherwise mechanically reproduced thereon, and shall be authenticated by the fiscal agent or registrar appointed by Ontario or, where no fiscal agent or registrar is appointed, shall be authenticated or countersigned by any one of the Manager, Settlements, Payments and Fiscal Agency, or the Co-ordinator, Settlements, Payments and Fiscal Agency, all of the Finance and Treasury Division, Ontario Financing Authority, holding office on the date of this Order or on any day thereafter and, when so executed and either authenticated or countersigned, the securities and any interest coupons attached thereto are binding upon Ontario notwithstanding any change in any of the persons holding the said office between the date when the said signature is affixed and the date of delivery of the securities, and notwithstanding that the person whose signature is so affixed may not have held office at the date of the securities or at the date of the delivery thereof."

5. Paragraph 6 of Order in Council 561/2000 and 1168/2002 and paragraph 7 of Order in Council 967/2013, 956/2014 and 949/2015 are each deleted and replaced with the following:

> "Pursuant to section 70 of the *Electricity Act, 1998*, the powers of the Minister of Finance under section 68 of the *Electricity Act, 1998* to determine the terms and conditions of advances to the Financial Corporation by way of loan or the purchase of securities of the Financial Corporation are delegated to each of the Chief Executive Officer, the Executive Director, Capital Markets Division, the Chief Financial and Risk Officer, any Director, Capital Markets Division, and any Manager, Capital Markets Division, all of the Ontario Financing Authority, holding office on the date of this Order or on any day thereafter."

6. Paragraph 7 of Order in Council 1229/2013 and 632/2014 are each deleted and replaced with the following:

> "Pursuant to subsection 23(4) of the *Ontario Infrastructure and Lands Corporation Act, 2011*, the powers of the Minister of Finance under subsection 23(1) of the *Ontario Infrastructure and Lands Corporation Act, 2011* to determine the terms and conditions of advances to the Corporation by way of loan or the purchase of securities of the Corporation are delegated to each of the Chief Executive Officer, the Executive Director, Capital Markets Division, the Chief Financial and Risk Officer, any Director, Capital Markets Division, and any Manager, Capital Markets Division, all of the Ontario Financing Authority, holding office on the date of this Order or on any day thereafter."

7. Paragraph 2 of Orders in Council 631/2014 and 1524/2014 are each deleted and replaced with the following:

> "Pursuant to subsection 23(4) of the *Ontario Infrastructure and Lands Corporation Act, 2011*, the powers of the Minister of Finance under subsection 23(2) of the *Ontario Infrastructure and Lands Corporation Act, 2011* to determine the terms and conditions of advances to the Corporation by way of loan or the purchase of securities of the Corporation are delegated to each of the Chief Executive Officer, the Executive Director, Capital Markets Division, the Chief Financial and Risk Officer, any Director, Capital Markets Division, and any Manager, Capital Markets Division, all of the Ontario Financing Authority, holding office on the date of this Order or on any day thereafter."

Recommended _____
Minister of Finance

Concurred _____
Chair of Cabinet

Approved
and Ordered FEB 1 0 2016
Date

_____
Lieutenant Governor

From: Ryan Blackbyrne
To: Sarah Harris
Subject: RE: OPG Agreement Summaries
Date: Monday, May 07, 2018 2:47:36 PM
Attachments: OPG prom notes yet matured under inactive Agreements.xlsx
image001.png

Hi Sarah,
I updated the spreadsheets as requested.
I also created the attached spreadsheet and saved it in the following folder to organize/manage OPG promissory notes under inactive Agreements:
Z:\Users\CMB\Documentation\Agreement Tracker
It provides the convenience of being searchable by maturity year. I note that the following 8 notes mature in 2018 (5 of which have already matured):

Agreement	Note	Amount	Maturity
Niagara Tunnel Project, September 21, 2005 $1,600,000,000	Jul 22/08 to Jul 22/18 at 5.497% per annum	$ 30,000,000.00	22-Jul-18
Niagara Tunnel Project, September 21, 2005 $1,600,000,000	Apr 22/08 to Apr 22/18 at 5.424% per annum	$ 30,000,000.00	22-Apr-18
Niagara Tunnel Project, September 21, 2005 $1,600,000,000	Jan 22/08 to Jan 22/18 at 5.218% per annum	$ 40,000,000.00	22-Jan-18
Portlands Energy Centre Project December 6, 2006 $400,000,000	Oct 22/08 to Oct 22/18 at 6.325% per annum	$ 20,000,000.00	22-Oct-18
Portlands Energy Centre Project December 6, 2006 $400,000,000	Jul 22/08 to Jul 22/18 at 5.497% per annum	$ 20,000,000.00	22-Jul-18
Portlands Energy Centre Project December 6, 2006 $400,000,000	Apr 22/08 to Apr 22/18 at 5.424% per annum	$ 20,000,000.00	22-Apr-18
Portlands Energy Centre Project December 6, 2006 $400,000,000	Jan 22/08 to Jan 22/18 at 5.218% per annum	$ 35,000,000.00	22-Jan-18
Refinancing Requirmenets Credit Facility Agremeent July 6, 2007 $950,000,000	Mar 24/08 to Mar 22/18 at 5.09% per annum	$ 200,000,000.00	22-Mar-18

I was able to find all Promissory Notes in the vault with the exception of one:
Agreement: Niagara Tunnel Project, September 21, 2005 $1,600,000,000:
Note: July 23/12 to July 22/22 at 2.981% per annum, $45,000,000
I note that it was also missing from the "Inventory in vault as of 12 June 2015" spreadsheet, which suggests it may have been missing for some time.
Happy to discuss further as always.
Thanks,
Ryan

From: Sarah Harris
Sent: Monday, April 16, 2018 11:46 AM
To: Ryan Blackbyrne
Subject: OPG Agreement Summaries
HI Ryan,
I'm trying to provide Opal with updated summaries on active IESO and OPG Agreements, and I'm trying to ensure that they are properly reflected in an agreement tracer that Karin has prepared. I'm going to ask you to handle the OPG agreement summaries.
More specifically, there have been detailed summaries that have been maintained for some OPG agreements (example of attached), and there is the tracker which Karin has prepared that contains the bare material amendments. Could you please provide updated more detailed summaries of any **outstanding OPG agreements** for which we are **actively** using to provide loans (that is, where we have the ability to advance new loans) and ensure that the key material changes are reflected in the cells in the tracker. The tracker contains the most recent 2.35M credit facility, so I think that is the only active one.
However, I also see there are a number of agreements have outstanding prom notes under them that we are not actively using (i.e. they can't take out new loans), but there are still unmatured loans under them. I don't want to do summaries for those loan agreements, but I would separately want to ensure that we update the attached OPG Balances Spreadsheet, and then we actively manage the maturing prom notes in the vault.
We can talk tomorrow about that, as well as the OEFC OIC.
Of course, EMTN is the priority, so primary attention is on that…
Thanks,
Sarah

Agreement
General Corporate Requirments and Darlington December 22, 2014 $800,000,000
General Corporate Requirments and Darlington December 22, 2014 $800,000,000
General Corporate Requirments and Darlington Jun 17, 2016 $700,000,000
General Corporate Requirments and Darlington Jun 17, 2016 $700,000,000
General Corporate Requirments and Darlington Jun 17, 2016 $700,000,000
General Corporate Requirments and Darlington Jun 17, 2016 $700,000,000
General Corporate Requirments and Darlington Jun 17, 2016 $700,000,000
General Corporate Requirments and Darlington Jun 17, 2016 $700,000,000
Lac Seul Generating Station Project December 6, 2006 $50,000,000
Niagara Tunnel Project, September 21, 2005 $1,600,000,000
Niagara Tunnel Project, September 21, 2005 $1,600,000,000
Niagara Tunnel Project, September 21, 2005 $1,600,000,000
Niagara Tunnel Project, September 21, 2005 $1,600,000,000
Niagara Tunnel Project, September 21, 2005 $1,600,000,000
Niagara Tunnel Project, September 21, 2005 $1,600,000,000
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Niagara Tunnel Project, September 21, 2005 $1,600,000,000
Niagara Tunnel Project, September 21, 2005 $1,600,000,000
Niagara Tunnel Project, September 21, 2005 $1,600,000,000
Portlands Energy Centre Project December 6, 2006 $400,000,000
Portlands Energy Centre Project December 6, 2006 $400,000,000
Portlands Energy Centre Project December 6, 2006 $400,000,000
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Portlands Energy Centre Project December 6, 2006 $400,000,000
Portlands Energy Centre Project December 6, 2006 $400,000,000
Portlands Energy Centre Project December 6, 2006 $400,000,000
Portlands Energy Centre Project December 6, 2006 $400,000,000
Refinancing Requirements Credit Facility Agreement March 7, 2011 $375,000,000
Refinancing Requirements Credit Facility Agreement March 7, 2011 $375,000,000
Refinancing Requirements Credit Facility Agreement March 8, 2010 $970,000,000
Refinancing Requirements Credit Facility Agreement March 8, 2010 $970,000,000
Refinancing Requirmenets Credit Facility Agremeent July 6, 2007 $950,000,000
Refinancing Requirmenets Credit Facility Agremeent July 6, 2007 $950,000,000
Refinancing Requirments Credit Facility Agreement April 25, 2012 $400,000,000

Note	Amount	Maturity
Nov. 22/ 16 to Nov 22/ 26 at 3.037%	$ 50,000,000.00	22-Nov-26
Nov. 22/ 16 to Nov 22/ 46 at 4.028%	$ 50,000,000.00	22-Nov-46
Sept. 22, 2017 to Sept. 22, 2047 @ 4.066%	$ 400,000,000.00	22-Sep-47
August 22, 2017 to Aug. 22, 2047 @ 3.858%	$ 100,000,000.00	22-Aug-47
June 22, 2017 to June 22, 2047 @ 3.648%	$ 100,000,000.00	22-Jun-47
Feb. 22, 2017 to Feb. 22, 2047 @ 4.1220%	$ 200,000,000.00	22-Feb-47
Jan 22, 2018 to January 22, 2048 @ 3.874%	$ 200,000,000.00	22-Jan-48
March 22, 2018 to March 22, 2048 @ 3.997%	$ 400,000,000.00	22-Mar-48
Apr 22/09 to Apr 22/19 at 5.635% per annum	$ 30,000,000.00	22-Apr-19
Apr 22/13 to Apr 22/23 at 2.961% per annum	$ 20,000,000.00	22-Apr-23
Jan 22/13 to Jan 22/23 at 3.270% per annum	$ 20,000,000.00	22-Jan-23
Oct 22/12 to Oct 22/22 at 3.163% per annum	$ 30,000,000.00	22-Oct-22
July 23/12 to July 22/22 at 2.981% per annum	$ 45,000,000.00	22-Jul-22
Apr 23/12 to Apr 22/22 at 3.521% per annum	$ 35,000,000.00	22-Apr-22
Jan 23/12 to Jan 22/22 at 3.583% per annum	$ 40,000,000.00	22-Jan-22
Oct 24/11 to Oct 22/21 at 3.985% per annum	$ 60,000,000.00	22-Oct-21
Jul 29/11 to Jul 22/21 at 4.152% per annum	$ 50,000,000.00	22-Jul-21
Apr 26/11 to Apr 22/21 at 4.633% per annum	$ 35,000,000.00	22-Apr-21
Jan 24/11 to Jan 22/21 at 4.573% per annum	$ 40,000,000.00	22-Jan-21
Oct 22/10 to Oct 22/20 at 4.094% per annum	$ 50,000,000.00	22-Oct-20
Jul 22/10 to Jul 22/20 at 4.658% per annum	$ 35,000,000.00	22-Jul-20
Apr 22/10 to Apr 22/20 at 4.954% per annum	$ 65,000,000.00	22-Apr-20
Jan 22/10 to Jan 22/20 at 4.618% per annum	$ 50,000,000.00	22-Jan-20
Oct 22/09 to Oct 22/19 at 4.857% per annum	$ 50,000,000.00	22-Oct-19
Jul 22/09 to Jul 22/19 at 5.184% per annum	$ 35,000,000.00	22-Jul-19
Apr 22/09 to Apr 22/19 at 5.635% per annum	$ 35,000,000.00	22-Apr-19
Jan 22/09 to Jan 22/19 at 6.178% per annum	$ 30,000,000.00	22-Jan-19
Jul 22/08 to Jul 22/18 at 5.497% per annum	$ 30,000,000.00	22-Jul-18
Apr 22/08 to Apr 22/18 at 5.424% per annum	$ 30,000,000.00	22-Apr-18
Jan 22/08 to Jan 22/18 at 5.218% per annum	$ 40,000,000.00	22-Jan-18
Oct 22/09 to Oct 22/19 at 4.857% per annum	$ 35,000,000.00	22-Oct-19
Jul 22/09 to Jul 22/19 at 5.184% per annum	$ 30,000,000.00	22-Jul-19
Apr 22/09 to Apr 22/19 at 5.635% per annum	$ 10,000,000.00	22-Apr-19
Jan 22/09 to Jan 22/19 at 6.178% per annum	$ 10,000,000.00	22-Jan-19
Oct 22/08 to Oct 22/18 at 6.325% per annum	$ 20,000,000.00	22-Oct-18
Jul 22/08 to Jul 22/18 at 5.497% per annum	$ 20,000,000.00	22-Jul-18
Apr 22/08 to Apr 22/18 at 5.424% per annum	$ 20,000,000.00	22-Apr-18
Jan 22/08 to Jan 22/18 at 5.218% per annum	$ 35,000,000.00	22-Jan-18
Sep 22/11 to Sep 22/41 at 4.74% per annum	$ 150,000,000.00	22-Sep-41
Mar 22/11 to Mar 22/41 at 5.397% per annum	$ 150,000,000.00	22-Mar-41
Sept 22/10 to Sept 22/20 at 4.391% per annum	$ 230,000,000.00	22-Sep-20
Mar 22/10 to Mar 22/20 at 4.679% per annum	$ 230,000,000.00	22-Mar-20
Mar 23/09 to Mar 22/19 at 5.651% per annum	$ 100,000,000.00	22-Mar-19
Mar 24/08 to Mar 22/18 at 5.09% per annum	$ 200,000,000.00	22-Mar-18
Apr30/12 to Mar22/42 at 4.356% per annum	$ 200,000,000.00	22-Mar-42

Recording in Vault Inventory	Result of looking in Vault
	Found in vault
	Found in vault
	Found in vault
	Found in Vault
	Found in Vault
	Found in Vault
	Found in Vault
	Found in Vault
In vault	Found in Vault
In vault	Found in vault
In vault	Found in vault
In vault	Found in vault
?	?
In vault	Found in vault
In vault	Found in vault
In vault	Found in vault

Agreement	Note	Amount	Maturity
Niagara Tunnel Project, September 21, 2005 $1,600,000,000	Jul 22/08 to Jul 22/18 at 5.497% per annum	$ 30,000,000.00	22-Jul-18
Niagara Tunnel Project, September 21, 2005 $1,600,000,000	Apr 22/08 to Apr 22/18 at 5.424% per annum	$ 30,000,000.00	22-Apr-18
Niagara Tunnel Project, September 21, 2005 $1,600,000,000	Jan 22/08 to Jan 22/18 at 5.218% per annum	$ 40,000,000.00	22-Jan-18
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Refinancing Requirmenets Credit Facility Agremeent July 6, 2007 $950,000,000	Mar 24/08 to Mar 22/18 at 5.09% per annum	$ 200,000,000.00	22-Mar-18

From:	Ryan Blackbyrne
To:	Robert Bozinoski
Cc:	Sarah Harris
Subject:	RE: OPG amending agreement
Date:	Monday, May 07, 2018 11:54:42 AM
Attachments:	Amendment No 3 (executed).pdf Calculations for new OEFC OIC up to fiscal year end 2019-20.doc Calculations for new OEFC OIC up to fiscal year end 2018-2019.doc

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Hi Rob,
Thanks, I will talk to Sarah about possibly increasing the buffer.
Just to confirm, until December 31, 2018 there will be no **new** OPG borrowing that falls outside the scope of the attached credit facility, correct?
Also, do you have a preference of when to seek OIC approval? Given that we have adequate borrowing authority available to bring us to the end of fiscal year 2018-2019, does it make sense to wait until Fall 2018 to seek approval? Linda said the attached OPG credit facility could possibly be amended again this fall (or a new facility could be negotiated) and by waiting our forecasts for fiscal year 2019-20 could be improved. Alternatively, we could seek an OIC to meet borrowing requirements for a shorter window (ie not all the way until the end of fiscal year 2020).
Thank you,
Ryan

From: Robert Bozinoski
Sent: Monday, May 07, 2018 11:04 AM
To: Ryan Blackbyrne
Subject: RE: OPG amending agreement
Hi Ryan,
Looks reasonable, I would note that OPG loans in 2019-20 may be higher than the $365M forecast especially considering that the OPG note maturities are $505M.
Thanks
Rob

From: Ryan Blackbyrne
Sent: Thursday, May 03, 2018 2:45 PM
To: Robert Bozinoski <Robert.Bozinoski@ofina.on.ca>
Subject: RE: OPG amending agreement
Hi Rob,
Based on the OPG borrowing plan forecast provided by Linda (attached), it seems we have more than enough existing borrowing authority to bring us to the end of fiscal year 2018-2019. Based on current projections, if we want to look ahead and include fiscal year 2019-2020 borrowing we would need to request an OIC for an additional $182 Million based on current estimates.
As there is $950M still available in the OPG Credit Facility that expires December 31, 2018 ($2.35 Billion original amount less $1.4 Billion advanced thus far) and the projections only called for $719 in new OPG loans in 2018-2019 I included a contingency buffer of $231M.
Do these figures make sense to you? Please let me know if you have any comments or thoughts.
Thank You,
Ryan

From: Ryan Blackbyrne
Sent: Thursday, April 19, 2018 12:00 PM

To: Robert Bozinoski <Robert.Bozinoski@ofina.on.ca>
Subject: RE: OPG amending agreement

Hi Rob,

Please find attached. If you need anything else please let me know.

Thank You,

Ryan

From: Robert Bozinoski
Sent: Thursday, April 19, 2018 11:54 AM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Subject: OPG amending agreement

Hi Ryan,

Would you have a copy of the second amendment to the OPG credit facility? I have the first and third.

thanks

From: Gavin He
Sent: Wednesday, April 18, 2018 12:58 PM
To: Robert Bozinoski <Robert.Bozinoski@ofina.on.ca>
Subject: RE: OEFC Unaudited Financial Statements - December 31, 2017

Hi Rob,

I reached out to the Documentation to get clarification on this, as we knew there were several amendments since the first agreement signed on June 17, 2016. Please see the attached amended version, where it clarifies that the credit facility is for Jan 1, 2017 – Dec 31, 2017.

Please let me know if you have any further questions.

Regards,

Gavin He

From: Gavin He
Sent: Wednesday, April 18, 2018 11:41 AM
To: Robert Bozinoski <Robert.Bozinoski@ofina.on.ca>
Subject: RE: OEFC Unaudited Financial Statements - December 31, 2017

Hi Rob,

I thought the loan agreement needs to be consistent with the Minister's Directive, isn't that the case? The Directive package signed by the Minister is for 2017 calendar year.

Regards,

Gavin He

From: Robert Bozinoski
Sent: Wednesday, April 18, 2018 11:35 AM
To: Gavin He <Gavin.He@ofina.on.ca>
Subject: RE: OEFC Unaudited Financial Statements - December 31, 2017

I would say the briefing note is not worded properly since the credit facility was from June 2016 to Dec. 2017.

From: Gavin He
Sent: Wednesday, April 18, 2018 11:27 AM
To: Robert Bozinoski <Robert.Bozinoski@ofina.on.ca>
Subject: RE: OEFC Unaudited Financial Statements - December 31, 2017

Hi Rob,
Thanks for providing this, however this has some difference in our understanding. According to the Directive package (1st attachment), in the BN, it mentioned that the $700M credit facility is for 2017 calendar year. Also, there's a joint OPG funding and Liquidity BN (2nd attachment) from CEFD and CMD that talks about the credit facility too. The second bullet under the "Current Status" also said that the $700M is for Jan 1, 2017 – Dec 31, 2017.
Would you be able to get further verification on this?
Regards,
Gavin He

From: Robert Bozinoski
Sent: Wednesday, April 18, 2018 10:23 AM
To: Gavin He <Gavin.He@ofina.on.ca>
Subject: RE: OEFC Unaudited Financial Statements - December 31, 2017
Hi Gavin,
Fyi, the $700M OPG credit facility was for the period June 1, 2016 to Dec. 31, 2017, see attached.
Rob

From: Gavin He
Sent: Wednesday, April 18, 2018 9:45 AM
To: Siva Nathan <Siva.Nathan@ofina.on.ca>
Cc: Usman Zahid <Usman.Zahid@ofina.on.ca>; Robert Bozinoski <Robert.Bozinoski@ofina.on.ca>
Subject: RE: OEFC Unaudited Financial Statements - December 31, 2017
Hi Siva,
Please find attached the comments and edits from CEFD.
Regards,
Gavin He

From: Siva Nathan
Sent: Thursday, April 05, 2018 4:27 PM
To: Usman Zahid <Usman.Zahid@ofina.on.ca>
Cc: John Kim <John.Kim@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>; Robert Bozinoski <Robert.Bozinoski@ofina.on.ca>
Subject: RE: OEFC Unaudited Financial Statements - December 31, 2017
Hi Usman,
Attached is the latest version of the OEFC Unaudited Financial Statements for the nine months ended December 31, 2017 you requested.
Thanks
Siva

From: Usman Zahid
Sent: Thursday, April 05, 2018 4:22 PM
To: Siva Nathan <Siva.Nathan@ofina.on.ca>
Cc: John Kim <John.Kim@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>
Subject: RE: OEFC Unaudited Financial Statements - December 31, 2017
Hi Siva,
Would you be able to share further drafts of the Quarterly Financial Statements?
Thanks,

Usman

From: Siva Nathan
Sent: Monday, March 19, 2018 4:47 PM
To: Gavin He <Gavin.He@ofina.on.ca>
Cc: Usman Zahid <Usman.Zahid@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>; Francisco Chinchon <Francisco.Chinchon@ofina.on.ca>; Ken Kandeepan <Ken.Kandeepan@ofina.on.ca>; Robert Bozinoski <Robert.Bozinoski@ofina.on.ca>; Siva Nathan <Siva.Nathan@ofina.on.ca>
Subject: RE: OEFC Unaudited Financial Statements - December 31, 2017

Thanks Gavin.
Siva

From: Gavin He
Sent: Monday, March 19, 2018 4:42 PM
To: Siva Nathan <Siva.Nathan@ofina.on.ca>
Cc: Usman Zahid <Usman.Zahid@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>; Francisco Chinchon <Francisco.Chinchon@ofina.on.ca>; Ken Kandeepan <Ken.Kandeepan@ofina.on.ca>; Robert Bozinoski <Robert.Bozinoski@ofina.on.ca>
Subject: RE: OEFC Unaudited Financial Statements - December 31, 2017

Hi Siva,
Please find attached the edits from CEFD.
Thanks,
Gavin He

From: Siva Nathan
Sent: Thursday, March 01, 2018 4:45 PM
To: Ronald Kwan <Ronald.Kwan@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>
Cc: Siva Nathan <Siva.Nathan@ofina.on.ca>; Robert Bozinoski <Robert.Bozinoski@ofina.on.ca>
Subject: OEFC Unaudited Financial Statements - December 31, 2017

Hi Ron and John,
Attached is the OEFC Unaudited Financial Statements for the Nine Months Ended December 31, 2017 for your review and edits. Please provide your comments/edits by end of day **Monday, March 19, 2018**.
If you have any questions, please let me know.
Thanks
Siva

AMENDING AGREEMENT NO. 3

This Amending Agreement made as of the 6th day of September, 2017.

BETWEEN: **ONTARIO POWER GENERATION INC. ("OPG")**
As Borrower

AND: **ONTARIO ELECTRICITY FINANCIAL CORPORATION ("OEFC")**
As Lender

WHEREAS OPG and OEFC entered into a Credit Facility Agreement dated June 17, 2016, as amended by Amending Agreement No. 1 dated September 7, 2016, and Amending Agreement No. 2 dated February 2, 2017 (the "Agreement", the terms defined therein being used herein as therein defined), providing for OPG to borrow from OEFC a principal amount of up to Seven Hundred Million Dollars;

AND WHEREAS the Agreement provides that advances under the Agreement only occur during the period starting on January 1, 2017 and ending on December 31, 2017;

AND WHEREAS as of the date hereof, the total principal amount outstanding under the Agreement is $400,000,000.00;

AND WHEREAS OPG and OEFC have now agreed to increase the total commitment amount under the Agreement to an amount of up to Two Billion Three Hundred Fifty Million Dollars, with no more than One Billion Five Hundred Million Dollars to be advanced prior to January 1, 2018;

AND WHEREAS OPG and OEFC now agree to amend the Agreement so that advances under the Agreement may occur during the period starting on January 1, 2017 and ending on December 31, 2018.

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereinafter set out, the parties agree that:

1. The definition of the term "**Commitment**" in Section 1.1 of the Agreement is deleted and replaced with the following :

   "Commitment" means, at any time, an amount equal to the principal amount of Two Billion Three Hundred Fifty Million Dollars;

2. The definition of the term "**General Corporate Requirements**" in Section 1.1 of the Agreement is deleted and replaced with the following :

"General Corporate Requirements" means OPG's general corporate requirements for the period from January 1, 2017 to December 31, 2018, comprised of the Darlington Requirements and the Other General Corporate Requirements;

3. The definition of the term "**Other General Corporate Requirements**" in Section 1.1 of the Agreement is deleted and replaced with the following :

"Other General Corporate Requirements" means OPG's general corporate requirements for the period from January 1, 2017 to December 31, 2018, other than the Darlington Requirements;

4. On or after the date of this Amending Agreement, the definition of the term "**Base Rate**" in Section 1.1 of the Agreement is deleted and replaced with the following :

"**Base Rate**" means an annual rate of interest comprised of the applicable yield for the Benchmark Government of Canada bonds as published by Bloomberg RBCB as of the Business Day immediately preceding the Advance Date for the term specified in the applicable Notice of Borrowing, and includes all costs of borrowing, including applicable fees and commissions. In the event that there are no Benchmark Government of Canada bonds listed at the time of the Advance with the same term, the rate shall be established by interpolating the terms of two Benchmark Government of Canada bonds that are closest to the term of the Advance, one being for a longer term and the other being for a shorter term. Where the OEFC has hedged the Advance, the applicable yield for the Benchmark Government of Canada bonds will be determined as follows:

a) For the principal amount of bonds hedged by the OEFC the weighted average yield of the hedged bonds;

b) For the principal amount of the Advance less the principal amount of the bonds hedged in a), the yield as published by Bloomberg RBCB as of the Business Day immediately preceding the Advance Date for the term specified in the applicable Borrowing Notice.

For purposes of calculating the principal amount hedged in item a) above, OEFC will provide the percentage hedged.

5. Section 3.1 of the Agreement "**Advances**" is deleted and replaced with the following:

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to OPG under the Credit Facility from time to time on any Business Day after January 1, 2017 and prior to January 1, 2019. OPG shall not request Advances more than twelve (12) times per calendar year without first obtaining the prior written consent of OEFC. OPG may request at the same time Advances for the Darlington Requirements and for the Other General Corporate Requirements. It is anticipated that OPG will request these Advances approximately monthly throughout a calendar year. The total of all Advances made prior to January 1, 2018 shall not be more than One Billion Five Hundred Million Dollars.

The Repayment Date of each Proposed Advance to be made in 2017 shall be such that the Repayment Date is no more than 30 years after the date of the Proposed Advance for 2017.

The Repayment Date of each Proposed Advance to be made in 2018 shall be such that the Repayment Date is a) no more than 30 years after the date of the Proposed Advance for no more than 50% of the total amount of such Proposed Advances for 2018, and b) no more than 10 years after the date of the Proposed Advance for the remaining amount of the Proposed Advances for 2018. This requirement may only be modified with the written consent of OEFC.

For greater certainty, no Advances shall be made under this Agreement after December 31, 2018.

5. The definition of the term "**Subsidiary**" in Section 1.1 of the Agreement is deleted and replaced with the following:

"Subsidiary" means:

(a) a corporation with more than 50% of the voting power or the outstanding Voting Shares of which is owned, directly or indirectly, by OPG or by one or more other Subsidiaries or by OPG and one or more other Subsidiaries,

(b) any Person (other than a corporation) in which OPG, or one or more other Subsidiaries, directly or indirectly, has at least a major ownership and power to direct the policies, management and affairs thereof,

(c) notwithstanding sub-sections (a) and (b) above, any Person that is a "financing entity" as defined in the *Ontario Fair Hydro Plan Act, 2017* (Ontario) is deemed not to be a Subsidiary.

6. Section 3.2 of the Agreement is deleted and replaced with the following:

OPG shall provide OEFC with written notice requesting an Advance at least 10 Business Days prior to the date of the Advance. Each such notice (a **"Borrowing Notice"**) shall be substantially in the form of Schedule 1 and shall specify, with respect to each Proposed Advance: (a) the date of the Advance (the **"Advance Date"**); (b) the principal amount of the Advance; (c) the purpose of the Advance, that is, whether it is for Darlington Requirements or Other General Corporate Requirements; (d) the Repayment Date of the Advance; and (e) the Interest Payment Dates. The interest rate that shall apply to such Advance shall be set in accordance with the procedure set forth in Section 3.4.

7. Schedule 1 of the Agreement (Form of Borrowing Notice) is deleted and replaced with the Form of Borrowing Notice attached hereto as Schedule 1.

IN ALL OTHER RESPECTS, the said Agreement is confirmed by the parties as further amended by the terms of this Amending Agreement.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the date first written above.

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By: _____

Name: Michael D. Manning
Title: Chief Operating Officer

I have the authority to bind the corporation.

ONTARIO POWER GENERATION INC.

By: _____

Name: Ken Hartwick
Title: Chief Financial Officer & Senior Vice President - Finance

By: _____

Name: John Lee
Title: Vice President, Treasurer

I have the authority to bind the corporation.

SCHEDULE 1
FORM OF BORROWING NOTICE

Date:

Ontario Electricity Financial Corporation **("OEFC")**
c/o Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A1Y7

Attention: Cash Management
Via e-mail*: CashP@ofina.on.ca

Dear Sirs:

The undersigned, Ontario Power Generation Inc. ("OPG"), refer to the General Corporate Requirements Credit Facility Agreement dated June 17, 2016 (as amended, supplemented or restated from time to time, the **"Agreement"**, the terms defined therein being used herein as therein defined) between OPG and OEFC, and gives you notice pursuant to Section 3.2 of the Agreement that OPG requests the following Advances under the Agreement (each a **"Proposed Advance"**), and, in that connection, sets forth below the information relating to such Proposed Advances as required by Section 3.2 of the Agreement:

Proposed Advance – term up to 30 years:

(a) The date of the Proposed Advance, being a Business Day is •
(b) The principal amount of the Proposed Advance is $•
(c) The purpose of the Proposed Advance is **[Darlington Requirements or, Other General Corporate Requirements]**
(d) The Repayment Date of the Proposed Advance is **[insert repayment date i.e. a date not more than 30 years after the date of the Proposed Advance]**
(e) The Interest Payment Dates are **[insert semi-annual interest payment dates].**

Proposed Advance – term up to 10 years:

(a) The date of the Proposed Advance, being a Business Day is •
(b) The principal amount of the Proposed Advance is $•
(c) The purpose of the Proposed Advance is **[Darlington Requirements or, Other General Corporate Requirements]**

(d) The Repayment Date of the Proposed Advance **is [insert repayment date i.e. a date not more than 10 years after the date of the Proposed Advance]**

(e) The Interest Payment Dates are **[insert semi-annual interest payment dates].**

OPG hereby certifies that:

The representations and warranties of OPG contained in the Agreement are true and correct as at the date hereof.

[NTD: For use in 2018 only] [The Repayment Date of any of the Proposed Advance(s) for 2018 is (a) no more than 30 years after the date of such Proposed Advance for no more than 50% of the total of all Proposed Advances for 2018 and (b) no more than 10 years after the date of the Proposed Advance for the remaining amount of the Proposed Advances for 2018.]

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

OPG has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received previously as Advances under the Agreement have been expended or are being held solely for the purpose for which they were advanced; no part of said funds has been nor any part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

ONTARIO POWER GENERATION INC.

Per: _____
Authorized Signature

*To be confirmed by telephone call to OEFC Cash Management (416) 325-8108

OIC TO INCREASE OEFC'S BORROWING AUTHORITY

Net Estimated loans to OPG	1.484 billion
Contingency Buffer	0.231 billion
Less: long-term borrowing completed to date	(0.400) billion
Borrowing requirement to year – end 2020	**$1.315 billion**

Existing Authority:
$0.275 billion Blanket Authority
$0.758 billion DMTN Program
$0.1 billion EMTN Program

Total existing authority = **$1.133 Billion**

OIC Amount Requested: $182M

OIC TO INCREASE OEFC'S BORROWING AUTHORITY

Net Estimated loans to OPG	1.119 billion
Contingency Buffer	0.231 billion
Less: long-term borrowing completed to date	(0.400) billion
Borrowing requirement to year – end 2019	**$0.950 billion**

Existing Authority:
$0.275 billion Blanket Authority
$0.758 billion DMTN Program
$0.1 billion EMTN Program

Total existing authority = **$1.133 Billion**

OIC Amount Requested: $0

From:	Andrea Dalgarno
To:	Malle Hanslep (MOF); Sarah Neville
Cc:	Sarah Harris; Lisa Stein; Mara Bakic; Daki Proudfoot; Dimitri Markoulakis (MOF)
Subject:	RE: Prom Notes
Date:	Tuesday, March 13, 2018 9:56:02 AM
Attachments:	OFA Promissory Note $2.16 billion 1997.pdf

Hi,
We have located the original Prom Note for attached (2.16 billion) and it is now in the Documentation vault for safekeeping (Settlements had it in their vault).
However, the one for the 656 million (my guess would be it was dated around April 21, 1999) is still missing in action. It may be worth double checking at the OFA legal side?

Regards,
Andrea

From: Hanslep, Malle (MOF) [mailto:Malle.Hanslep@ontario.ca]
Sent: Thursday, March 08, 2018 11:27 AM
To: Andrea Dalgarno
Cc: Sarah Harris ; Lisa Stein ; Mara Bakic ; Daki Proudfoot ; Dimitri Markoulakis (MOF) ; Sarah Neville
Subject: RE: Prom Notes

Here you go.

From: Andrea Dalgarno [mailto:Andrea.Dalgarno@ofina.on.ca]
Sent: March 8, 2018 10:51 AM
To: Hanslep, Malle (MOF)
Cc: Harris, Sarah (OFA); Stein, Lisa (OFA); Bakic, Mara (OFA); Daki Proudfoot; Markoulakis, Dimitri (MOF); Neville, Sarah (OFA)
Subject: RE: Prom Notes

Hi Malle,
All we have in Documentation is a copy of the amending OIC per attached. It refers to the form of the associated Promissory Notes being so amended.
Regards,

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Hi,
Can you send us a scanned copy of the 2.16 billion one? That would be helpful.
I will look at the blanket order angle..
Thank you for investigating.
Regards,
Andrea

From: Hanslep, Malle (MOF) [mailto:Malle.Hanslep@ontario.ca]

Sent: Thursday, March 08, 2018 10:32 AM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>; Sarah Neville <Sarah.Neville@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>; Mara Bakic <Mara.Bakic@ofina.on.ca>; Daki Proudfoot <Daki.Proudfoot@ofina.on.ca>; Dimitri Markoulakis (MOF) <Dimitri.Markoulakis@ontario.ca>
Subject: RE: Prom Notes

We have a signed copy of the one dated April 4, 1997 for $2.16 billion which goes with 675/97.
These OIC's were amended by a blanket Order in 2008 so may be it might be with that file?

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Sent: March 8, 2018 10:12 AM
To: Hanslep, Malle (MOF); Neville, Sarah (OFA)
Cc: Harris, Sarah (OFA); Stein, Lisa (OFA); Bakic, Mara (OFA); Daki Proudfoot; Markoulakis, Dimitri (MOF)
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Hi,
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Regards,
Andrea

From: Hanslep, Malle (MOF) [mailto:Malle.Hanslep@ontario.ca]
Sent: Thursday, March 08, 2018 10:06 AM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>; Sarah Neville <Sarah.Neville@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>; Mara Bakic <Mara.Bakic@ofina.on.ca>; Daki Proudfoot <Daki.Proudfoot@ofina.on.ca>; Dimitri Markoulakis (MOF) <Dimitri.Markoulakis@ontario.ca>
Subject: RE: Prom Notes

I will take a look too, although we wouldn't have the originals, but a copy of a signed one would be good to have.
Are you looking for the promissory notes associated with both of the OIC's identified in this email stream?

From: Andrea Dalgarno [mailto:Andrea.Dalgarno@ofina.on.ca]
Sent: March 8, 2018 10:05 AM
To: Neville, Sarah (OFA)
Cc: Harris, Sarah (OFA); Stein, Lisa (OFA); Bakic, Mara (OFA); Daki Proudfoot; Hanslep, Malle (MOF); Markoulakis, Dimitri (MOF)
Subject: RE: Prom Notes

Hi,
My guess is you are correct in this regard. I tired looking at OFA legal document lists on the portal and could not identify them.
Thank you for double checking though in case.
Regards,
Andrea

From: Sarah Neville
Sent: Thursday, March 08, 2018 9:59 AM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>; Dimitri Markoulakis (MOF) <Dimitri.Markoulakis@ontario.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>; Mara Bakic

<Mara.Bakic@ofina.on.ca>; Daki Proudfoot <Daki.Proudfoot@ofina.on.ca>
Subject: RE: Prom Notes
I am double checking again with Joan, but I think it is unlikely that we would have this in our safe. I'll let you know when I hear anything.
Sarah

From: Andrea Dalgarno
Sent: Thursday, March 08, 2018 9:50 AM
To: Dimitri Markoulakis (MOF) <Dimitri.Markoulakis@ontario.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Sarah Neville <Sarah.Neville@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>; Mara Bakic <Mara.Bakic@ofina.on.ca>; Daki Proudfoot <Daki.Proudfoot@ofina.on.ca>
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Hi,
Documentation is not holding either of the Prom Notes in its vault.
A while back, we reached out to Sarah Neville and Malle to see if they may have them but are unaware if they had any luck locating the notes.
We have an unexecuted copy of the one associated with OIC 675-97 per attached.
For the OIC 767-99 we do not have any record/copy of the Prom note but it would be for 650M with ultimate repayment date of 8/31/2029 an my guess would be it was done around April 21, 1999.
We are unsure which loans were allocated to each OIC but have an aggregate spreadsheet for the two OIC's together. I have asked Daki in CF (somewhat circular given Mara forwarded the request) to check the documentation and their records around the Ottawa Convention Centre (we have no file for OCC at this end) to see if any OIC is specifically mentioned. I will let you know the findings.
Can you double check the Prom Notes (originals) at the LSB side to see if any of them match up to details above and let me know?
Regards,
Andrea

From: Sarah Harris
Sent: Monday, June 12, 2017 1:07 PM
To: Sarah Neville <Sarah.Neville@ofina.on.ca>; Malle Hanslep (MOF) <Malle.Hanslep@ontario.ca>
Subject: RE: Prom Notes
Thank you, Sarah.

From: Sarah Neville
Sent: Monday, June 12, 2017 1:01 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>; Malle Hanslep (MOF) <Malle.Hanslep@ontario.ca>
Subject: RE: Prom Notes
Hi Sarah – I will ask for our file list/original documents list to be searched.
Sarah

From: Sarah Harris
Sent: Monday, June 12, 2017 12:26 PM
To: Malle Hanslep (MOF) <Malle.Hanslep@ontario.ca>; Sarah Neville <Sarah.Neville@ofina.on.ca>
Subject: Prom Notes
Hi Sarah and Malle,
As we have been working on the documents and OIC for the new OFA-IESO FHP credit facility, I was

looking at the existing OFA OIC 675/97 (see page 10 of the attached .pdf) which underpins the existing 975M OFA-IESO credit facility as well as various other OFA loans. While there are no active IESO advances under this loan, there are other active OFA loans to third parties under this OIC. Accompanying the 675/97 (on p. 14 of the attached .pdf) is a form of prom note issued by the OFA to the Minister of Finance on any loans the OFA borrows from the Minister in relation to that OIC. I am trying to locate the executed prom note for this OIC675/97. We have looked in the Documentation safe and it is not in there.
Would you have any record of this prom note having been executed?
Thanks,
Sarah

This message, including any attachments, is meant only for the use of the individual(s) to whom it is intended and may contain information that is privileged/confidential. Any unauthorized use, copying or disclosure is strictly prohibited. If you are not the intended recipient or have received this message in error, please notify us immediately by reply e-mail and permanently delete this message, including any attachments, without reading them, and destroy all copies. Thank you.

Promissory Note

For value received, the Ontario Financing Authority (the "Borrower") promises to pay to Her Majesty the Queen in right of Ontario as represented by the Minister of Finance, Province of Ontario (the "Lender") at the City of Toronto in lawful money of Canada, the lesser of:

(i) Two Billion One Hundred and Sixty Million Dollars; and
(ii) the aggregate unpaid principal balance of all advances made by the Lender as recorded on the reverse of this note or on any attachment described below;

at such time and on such other terms and conditions including the payment of interest as follows;

(a) the Borrower shall be entitled to advances of the loan (an "Advance") in such amounts and at such times as it requires;

(b) the Borrower shall be entitled to repay Advances either in whole or in part and at such time or times as it determines provided that all Advances shall be fully repaid by August 31, 2027;

(c) the Borrower shall be entitled to use the loan as a revolving credit facility allowing for successive advances of moneys repaid under the loan; provided that the maximum principal amount of the loan outstanding at any time shall not exceed Two Billion One Hundred and Fifty-Five Million Dollars;

(d) the Borrower shall pay to the Lender interest on each Advance at a rate which is determined as follows:

(i) from the date of advance to (but excluding) the date of repayment the Borrower shall pay to the Lender interest on the Advance at a per annum rate equivalent to that paid on ninety day Province of Ontario treasury bills (determined as at the auction date immediately preceding the date of the Advance), provided that if an Advance is outstanding for ninety days or longer, the interest rate shall be reset automatically on the last day of each ninety day period (the "Reset Date") to the rate paid on ninety day Province of Ontario treasury bills as at the auction date immediately preceding the Reset Date for such ninety day period;

(ii) in the event that moneys included in an Advance are subsequently loaned by the Borrower to third parties for the purposes contemplated in the Act, (a "Third Party Loan") the rate of interest payable by the Borrower to the Lender on the portion of the Advance "on-loaned" may be adjusted at the option of the Borrower effective as of the date of the Third Party Loan so that the per annum rate of interest payable by the Borrower on such moneys is equivalent to either

(A) the per annum rate of interest payable to the Borrower under the Third Party Loan, or

(B) the per annum rate of interest payable to the Borrower under the Third Party Loan less 25 basis points,

rather than the rate specified in subparagraph (i), until (but excluding) the date on which the Third Party Loan is repaid, at which time the interest rate set out in subparagraph (i) shall again be applicable to that portion of the Advance; and

(iii) in the event that moneys described in subparagraph (ii), once repaid, are subsequently loaned to third parties again, subparagraph (ii) shall again be applicable in determining the interest rate payable to the Lender on that portion of the Advance included in any subsequent loan, and so on, until the Advance shall be repaid to the Province in full;

The undersigned authorizes the Lender to record on the reverse of this note or on any attachment to this note all advances, repayments and prepayments of principal and interest and the unpaid balance of principal from time to time. The undersigned agrees that in the absence of manifest error the record kept by the Lender on this note or any attachment shall be conclusive evidence of the matters recorded, provided that the failure of the Lender to record or correctly record any amount or date shall not affect the obligation of the undersigned to pay the outstanding principal amount of the Advances and interest.

Dated this 4th day of April, 1997.

Ontario Financing Authority

per: _____
Executive Director

From:	Andrea Dalgarno
To:	Malle Hanslep (MOF); Sarah Neville
Cc:	Sarah Harris; Lisa Stein; Mara Bakic; Daki Proudfoot; Dimitri Markoulakis (MOF)
Subject:	RE: Prom Notes
Date:	Tuesday, March 13, 2018 10:25:43 AM
Attachments:	OIC 844-2008.pdf

Hi,
To clarify- the dating may have moved from April 21, 1999 if the 656 million prom note was adjusted for the extended final repayment date (OIC 767/99 repayment extended to June 1, 2041) per the amending OIC attached.
We have not found any evidence of an amended Prom Note for the 2.16 billion which was also pushed out by the amending OIC attached (OIC 675/97 repayment extended to June 1, 2041).
I suspect the prom notes may not have been replaced with ones with extended dates but have been unable to confirm with certainty. Although seems logical given able to locate original for unextended prom note associated with the 2.16B.
Regards,
Andrea

From: Andrea Dalgarno
Sent: Tuesday, March 13, 2018 9:56 AM
To: Malle Hanslep (MOF) ; Sarah Neville
Cc: Sarah Harris ; Lisa Stein ; Mara Bakic ; Daki Proudfoot ; Dimitri Markoulakis (MOF)
Subject: RE: Prom Notes
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Would you have any record of this prom note having been executed?
Thanks,
Sarah

This message, including any attachments, is meant only for the use of the individual(s) to whom it is intended and may contain information that is privileged/confidential. Any unauthorized use, copying or disclosure is strictly prohibited. If you are not the intended recipient or have received this message in error, please notify us immediately by reply e-mail and permanently delete this message, including any attachments, without reading them, and destroy all copies. Thank you.

Ontario
Executive Council
Conseil exécutif

Order in Council
Décret

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and concurrence of the Executive Council, orders that:

Sur la recommandation de la personne soussignée, le lieutenant-gouverneur, sur l'avis et avec le consentement du Conseil exécutif, décrète ce qui suit :

WHEREAS pursuant to Order in Council 675/97 made under subsection 22(1) of the *Capital Investment Plan Act, 1993*, the Minister of Finance is authorized to lend Two Billion One Hundred and Sixty Million Dollars in lawful money of Canada to the Ontario Financing Authority (the "OFA");

AND WHEREAS pursuant to Order in Council 767/99 made under subsection 22(1) of the *Capital Investment Plan Act, 1993*, the Minister of Finance is authorized to lend Six Hundred and Fifty-six Million Dollars in lawful money of Canada to the OFA;

AND WHEREAS pursuant to Order in Council 1883/2006 made under subsection 22(1) of the *Capital Investment Plan Act, 1993*, the Minister of Finance is authorized to lend Eight Hundred Million Dollars in lawful money of Canada to the OFA;

AND WHEREAS pursuant to Order in Council 2144/2007 made under subsection 22(1) of the *Capital Investment Plan Act, 1993*, the Minister of Finance is authorized to lend Two Billion Dollars in lawful money of Canada to the OFA;

AND WHEREAS the Province considers it expedient to amend Order in Council 675/97, Order in Council 767/99, Order in Council 1883/2006 and Order in Council 2144/2007 to allow for loans from the Minister of Finance to the OFA which shall be fully repaid by the OFA by June 1, 2041 and to allow the OFA to retain up to 40 basis points on advances made by the Minister of Finance to the OFA where the OFA subsequently loans those moneys to public bodies;

THEREFORE:

1. Order in Council 675/97, as amended by Order in Council 1709/98, is hereby amended by:

(i) deleting "August 31, 2027" in paragraph (b) thereof and replacing said date with June 1, 2041;

(ii) deleting subparagraph (d)(i) and replacing said subparagraph with the following subparagraph:

"from the date of Advance to (but excluding) the date of repayment, the Advance shall bear interest at a per annum rate equivalent to the yield on ninety day Province of Ontario treasury bills on the Advance Date as determined by the Province, provided that if an Advance is outstanding for longer than ninety days, the interest rate shall be reset on the last day of each ninety day period (the "Reset Date") to the yield on ninety day Province of Ontario treasury bills on the Reset Date as determined by the Province."

(ii) deleting subsubparagraph (d)(ii)(B) and replacing said subsubparagraph with the following subsubparagraph:

"(B) the per annum rate of interest payable to the OFA under the Third Party Loan less an amount not exceeding 40 basis points, "

2. Order in Council 767/99, is hereby amended by:

(i) deleting "August 31, 2029" in paragraph (b) thereof and replacing said date with June 1, 2041;

(ii) deleting subparagraph (d)(i) and replacing said subparagraph with the following subparagraph:

"from the date of Advance to (but excluding) the date of repayment, the Advance shall bear interest at a per annum rate equivalent to the yield on ninety day Province of Ontario treasury bills on the Advance Date as determined by the Province, provided that if an Advance is outstanding for longer than ninety days, the interest rate shall be reset on the last day of each ninety day period (the "Reset Date") to the yield on ninety day Province of Ontario treasury bills on the Reset Date as determined by the Province."

(iii) deleting subsubparagraph (d)(ii)(B) and replacing said subsubparagraph with the following subsubparagraph:

"(B) the per annum rate of interest payable to the OFA under the Third Party Loan less an amount not exceeding 40 basis points,"

3. Order in Council 1883/2006 is hereby amended by:

(i) deleting "November 1, 2032" in paragraph (b) thereof and replacing said date with June 1, 2041;

(ii) deleting subparagraph (c)(i) and replacing said subparagraph with the following subparagraph:

> "from the date of Advance to (but excluding) the date of repayment, the Advance shall bear interest at a per annum rate equivalent to the yield on ninety day Province of Ontario treasury bills on the Advance Date as determined by the Province, provided that if an Advance is outstanding for longer than ninety days, the interest rate shall be reset on the last day of each ninety day period (the "Reset Date") to the yield on ninety day Province of Ontario treasury bills on the Reset Date as determined by the Province."

(iii) deleting subsubparagraph (c)(ii)(B) and replacing said subsubparagraph with the following subsubparagraph:

> "(B) the per annum rate of interest payable to the OFA under the Third Party Loan less an amount not exceeding 40 basis points,
>
> until but excluding the date on which the Third Party Loan is repaid, at which time the interest rate set out in subparagraph (i) shall again be applicable to that portion of the Advance; and"

4. Order in Council 2144/2007 is hereby amended by:

(i) deleting "December 1, 2037" in paragraph (b) thereof and replacing said date with June 1, 2041;

(ii) deleting subparagraph (c)(i) and replacing said subparagraph with the following subparagraph:

> "from the date of Advance to (but excluding) the date of repayment, the Advance shall bear interest at a per annum rate equivalent to the yield on ninety day Province of Ontario treasury bills on the Advance Date as determined by the Province, provided that if an Advance is outstanding for longer than ninety days, the interest rate shall be reset on the last day of each ninety day period (the "Reset Date") to the yield on ninety day Province of Ontario treasury bills on the Reset Date as determined by the Province."

(ii) deleting subsubparagraph (c)(ii)(B) and replacing said subsubparagraph with the following subsubparagraph:

> "(B) the per annum rate of interest payable to the OFA under the Third Party Loan less an amount not exceeding 40 basis points,

until but excluding the date on which the Third Party Loan is repaid, at which time the interest rate set out in subparagraph (i) shall again be applicable to that portion of the Advance; and"

5. The forms of promissory note which evidence the loans pursuant to Order in Council 675/97, Order in Council 767/99, Order in Council 1883/2006 and Order in Council 2144/2007 are hereby amended to reflect the above changes to the Orders in Council in respect of all amounts advanced to the OFA on or after the date of this Order.

Recommended _____ Minister of Finance

Concurred _____ Chair of Cabinet

Approved and Ordered JUN 0 4 2008 Date

_____ Lieutenant Governor

From: Lisa Stein
To: William Tan
Cc: Sarah Harris
Subject: RE: Promissory note between Province of Ontario and OFA for $475M
Date: Monday, November 06, 2017 12:03:41 PM

Hi Will,

I understand from Sarah that the $475M promissory note does not require review. I've reviewed the $2B promissory note as per her request and it is consistent with the OIC – I have no comments.

Thank you,

Lisa

From: William Tan
Sent: Thursday, November 02, 2017 3:18 PM
To: Lisa Stein
Cc: Sarah Harris
Subject: Promissory note between Province of Ontario and OFA for $475M

Hello Lisa,

Please review and comment on the promissory note between the Province of Ontario and the OFA for the new reduced amount of $475M. I've included the previously approved $2B FHP promissory note for comparison purposes.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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From: Lisa Stein
To: William Tan
Cc: Sarah Harris
Subject: RE: Promissory note between Province of Ontario and OFA for $475M
Date: Monday, November 06, 2017 12:03:41 PM

Hi Will,

I understand from Sarah that the $475M promissory note does not require review. I've reviewed the $2B promissory note as per her request and it is consistent with the OIC – I have no comments.

Thank you,

Lisa

From: William Tan
Sent: Thursday, November 02, 2017 3:18 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: Promissory note between Province of Ontario and OFA for $475M

Hello Lisa,

Please review and comment on the promissory note between the Province of Ontario and the OFA for the new reduced amount of $475M. I've included the previously approved $2B FHP promissory note for comparison purposes.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
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From: Joe Pedota
To: Andrea Dalgarno
Cc: Sarah Harris; Risa Thau
Subject: RE: Quest for Original Prom Notes OFA/Province
Date: Tuesday, March 13, 2018 9:19:57 AM

Good morning Andrea,
$2.160B Prom Note – found
656M Prom Note – not found (there is no record of Settlements receiving this note for safekeeping)
How would you like to proceed?
Thanks,
Joe

Joe Pedota
Ontario Financing Authority
Coordinator – Settlements, Payments and Fiscal Agency
Finance & Treasury Division
1 Dundas Street West, Suite 1400
Toronto, ON M7A 1Y7
(416) 325-3851 (Tel)
(416) 204-7933 (Fax)
(647) 282-8442 (Mobile)

From: Andrea Dalgarno
Sent: Monday, March 12, 2018 3:18 PM
To: Risa Thau
Cc: Sarah Harris ; SETTLEMENT
Subject: RE: Quest for Original Prom Notes OFA/Province
Hi,
Have you had the opportunity to check if Settlements has the Prom Notes for safekeeping.
Regards,
Andrea

From: Risa Thau
Sent: Thursday, March 08, 2018 12:37 PM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Quest for Original Prom Notes OFA/Province
Hi Andrea,
I don't think we have the denoted prom notes. We will check tomorrow when one of us, Joe, Nurudin or I are in the office.
Thanks,
Risa Thau

From: Andrea Dalgarno
Sent: Thursday, March 08, 2018 12:06 PM
To: SETTLEMENT <SETTLEMENT@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Quest for Original Prom Notes OFA/Province

See correction

From: Andrea Dalgarno
Sent: Thursday, March 08, 2018 11:39 AM
To: SETTLEMENT <SETTLEMENT@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: Quest for Original Prom Notes OFA/Province

Hi,

We are looking for the original of the attached Prom Note and are wondering if Settlement's has it for safekeeping. Note the date may have be pushed out in (b) to June 1, 2041.

Also, we are looking for another similar Prom Note for 656 million likely dated in April or May 1999 with ultimate repayment date of either Aug 31, 2029 or likewise amended to June 1, 2041.

Can you please check and see if Settlements have either of these in safekeeping?

We are looking for them in association with the Ottawa Congress Centre loan as Corporate Finance is working on an issue with that loan which falls under one of the two Prom Notes.

Regards,

Andrea Dalgarno
Documentation & Analysis Specialist
Ontario Financing Authority
Tel 416-212-7451

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From: Joe Pedota
To: Andrea Dalgarno; Risa Thau
Cc: Sarah Harris; SETTLEMENT
Subject: RE: Quest for Original Prom Notes OFA/Province
Date: Monday, March 12, 2018 3:21:46 PM

Hi Andrea,
I'll be in the office tomorrow and will check.
Thanks,
Joe

Joe Pedota
Ontario Financing Authority
Coordinator – Settlements, Payments and Fiscal Agency
Finance & Treasury Division
1 Dundas Street West, Suite 1400
Toronto, ON M7A 1Y7
(416) 325-3851 (Tel)
(416) 204-7933 (Fax)
(647) 282-8442 (Mobile)

From: Andrea Dalgarno
Sent: Monday, March 12, 2018 3:18 PM
To: Risa Thau
Cc: Sarah Harris ; SETTLEMENT
Subject: RE: Quest for Original Prom Notes OFA/Province

Hi,
Have you had the opportunity to check if Settlements has the Prom Notes for safekeeping.
Regards,
Andrea

From: Risa Thau
Sent: Thursday, March 08, 2018 12:37 PM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Quest for Original Prom Notes OFA/Province

Hi Andrea,
I don't think we have the denoted prom notes. We will check tomorrow when one of us, Joe, Nurudin or I are in the office.
Thanks,
Risa Thau

From: Andrea Dalgarno
Sent: Thursday, March 08, 2018 12:06 PM
To: SETTLEMENT <SETTLEMENT@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Quest for Original Prom Notes OFA/Province

See correction

From: Andrea Dalgarno

Sent: Thursday, March 08, 2018 11:39 AM
To: SETTLEMENT <SETTLEMENT@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: Quest for Original Prom Notes OFA/Province

Hi,

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Andrea Dalgarno
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Tel 416-212-7451

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From: Andrea Dalgarno
To: Risa Thau
Cc: Sarah Harris; SETTLEMENT
Subject: RE: Quest for Original Prom Notes OFA/Province
Date: Monday, March 12, 2018 3:18:02 PM

Hi,
Have you had the opportunity to check if Settlements has the Prom Notes for safekeeping.
Regards,
Andrea

From: Risa Thau
Sent: Thursday, March 08, 2018 12:37 PM
To: Andrea Dalgarno ; SETTLEMENT
Cc: Sarah Harris
Subject: RE: Quest for Original Prom Notes OFA/Province
Hi Andrea,
I don't think we have the denoted prom notes. We will check tomorrow when one of us, Joe, Nurudin or I are in the office.
Thanks,
Risa Thau

From: Andrea Dalgarno
Sent: Thursday, March 08, 2018 12:06 PM
To: SETTLEMENT <SETTLEMENT@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Quest for Original Prom Notes OFA/Province
See correction

From: Andrea Dalgarno
Sent: Thursday, March 08, 2018 11:39 AM
To: SETTLEMENT <SETTLEMENT@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: Quest for Original Prom Notes OFA/Province
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From:	Andrea Dalgarno
To:	Risa Thau; SETTLEMENT
Cc:	Sarah Harris
Subject:	RE: Quest for Original Prom Notes OFA/Province
Date:	Thursday, March 08, 2018 12:40:04 PM

Thank you Risa- just want to cover all the potential places.

From: Risa Thau
Sent: Thursday, March 08, 2018 12:37 PM
To: Andrea Dalgarno ; SETTLEMENT
Cc: Sarah Harris
Subject: RE: Quest for Original Prom Notes OFA/Province

Hi Andrea,

I don't think we have the denoted prom notes. We will check tomorrow when one of us, Joe, Nurudin or I are in the office.

Thanks,

Risa Thau

From: Andrea Dalgarno
Sent: Thursday, March 08, 2018 12:06 PM
To: SETTLEMENT <SETTLEMENT@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Quest for Original Prom Notes OFA/Province

See correction

From: Andrea Dalgarno
Sent: Thursday, March 08, 2018 11:39 AM
To: SETTLEMENT <SETTLEMENT@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: Quest for Original Prom Notes OFA/Province

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mail and permanently delete this message including any attachments, without reading it or making a copy. Thank you

From: Risa Thau
To: Andrea Dalgarno; SETTLEMENT
Cc: Sarah Harris
Subject: RE: Quest for Original Prom Notes OFA/Province
Date: Thursday, March 08, 2018 12:37:07 PM

Hi Andrea,
I don't think we have the denoted prom notes. We will check tomorrow when one of us, Joe, Nurudin or I are in the office.
Thanks,
Risa Thau

From: Andrea Dalgarno
Sent: Thursday, March 08, 2018 12:06 PM
To: SETTLEMENT
Cc: Sarah Harris
Subject: RE: Quest for Original Prom Notes OFA/Province
See correction

From: Andrea Dalgarno
Sent: Thursday, March 08, 2018 11:39 AM
To: SETTLEMENT <SETTLEMENT@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
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Regards,
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Tel 416-212-7451
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From:	Andrea Dalgarno
To:	SETTLEMENT
Cc:	Sarah Harris
Subject:	RE: Quest for Original Prom Notes OFA/Province
Date:	Thursday, March 08, 2018 12:05:36 PM

See correction

From: Andrea Dalgarno
Sent: Thursday, March 08, 2018 11:39 AM
To: SETTLEMENT
Cc: Sarah Harris
Subject: Quest for Original Prom Notes OFA/Province

Hi,

We are looking for the original of the attached Prom Note and are wondering if Settlement's has it for safekeeping. Note the date may have be pushed out in (b) to June 1, 2041.

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Regards,

Andrea Dalgarno
Documentation & Analysis Specialist
Ontario Financing Authority
Tel 416-212-7451

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From:	Andrea Dalgarno
To:	Joe Pedota
Cc:	Sarah Harris; Risa Thau
Subject:	RE: Quest for Original Prom Notes OFA/Province
Date:	Tuesday, March 13, 2018 9:30:08 AM

Thank you Joe.
Documentation would like to take over the safekeeping of it. Not sure what you need in that regard.
Andrea

From: Joe Pedota
Sent: Tuesday, March 13, 2018 9:20 AM
To: Andrea Dalgarno
Cc: Sarah Harris ; Risa Thau
Subject: RE: Quest for Original Prom Notes OFA/Province

Good morning Andrea,
$2.160B Prom Note – found
656M Prom Note – not found (there is no record of Settlements receiving this note for safekeeping)
How would you like to proceed?
Thanks,
Joe

Joe Pedota
Ontario Financing Authority
Coordinator – Settlements, Payments and Fiscal Agency
Finance & Treasury Division
1 Dundas Street West, Suite 1400
Toronto, ON M7A 1Y7
(416) 325-3851 (Tel)
(416) 204-7933 (Fax)
(647) 282-8442 (Mobile)

From: Andrea Dalgarno
Sent: Monday, March 12, 2018 3:18 PM
To: Risa Thau <Risa.Thau@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>
Subject: RE: Quest for Original Prom Notes OFA/Province

Hi,
Have you had the opportunity to check if Settlements has the Prom Notes for safekeeping.
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Andrea

From: Risa Thau
Sent: Thursday, March 08, 2018 12:37 PM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Quest for Original Prom Notes OFA/Province

Hi Andrea,

I don't think we have the denoted prom notes. We will check tomorrow when one of us, Joe, Nurudin or I are in the office.
Thanks,
Risa Thau

From: Andrea Dalgarno
Sent: Thursday, March 08, 2018 12:06 PM
To: SETTLEMENT <SETTLEMENT@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Quest for Original Prom Notes OFA/Province
See correction

From: Andrea Dalgarno
Sent: Thursday, March 08, 2018 11:39 AM
To: SETTLEMENT <SETTLEMENT@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: Quest for Original Prom Notes OFA/Province
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We are looking for them in association with the Ottawa Congress Centre loan as Corporate Finance is working on an issue with that loan which falls under one of the two Prom Notes.
Regards,
Andrea Dalgarno
Documentation & Analysis Specialist
Ontario Financing Authority
Tel 416-212-7451
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From:	Jean-Francois Beaupre
To:	Sarah Harris
Subject:	RE: RE: IESO OEFC Update
Date:	Wednesday, November 08, 2017 9:55:25 AM

LOL

From: Sarah Harris
Sent: Wednesday, November 08, 2017 9:51 AM
To: Jean-Francois Beaupre
Subject: RE: RE: IESO OEFC Update

Hi,
The IESO-OEFC amendments should be in the folder, but since Ryan should be aware of them, I think you can ask him to provide you with the complete sets of each.
Absolutely, copying and pasting won't 'cut it'.
Sarah

From: Jean-Francois Beaupre
Sent: Wednesday, November 08, 2017 9:39 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: RE: IESO OEFC Update

Thanks Sarah, I do not have the most recent executed IESO-OEFC credit facilities Kelly amended. Are these available in the electronic folder?
This being said, I agree that we require some internal direction before we "just copy and paste the salient sections from these agreements" (as Anthony put it) as we would need to ensure this makes sense in the context of OEFC.
Thanks,
JF

From: Sarah Harris
Sent: Wednesday, November 08, 2017 9:26 AM
To: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Subject: FW: RE: IESO OEFC Update

Hi JF,
Just to clarify, Kelly had previously amended the last IESO –OEFC credit facilities, but at the time he left, no further revisions were immediately pending. Ryan requested to 'take over' the IESO facilities, so we (Kelly, Ryan, and I) had a brief hand-off meeting to provide brief background on the facilities, with the understanding that Ryan would take care of any future amendments. IESO had mentioned a short time ago that it might be looking to address any OEFC changes after the OFA facilities were completed, but there were no working drafts, since the nature of the changes were not known.
All that to say, there is currently no OEFC-IESO draft amending agreements for the FHP changes. Ryan will need to draft, but will need to see the FHP lien/negative pledge clauses in the OFA-IESO credit facilities that were just signed.
Thanks,
Sarah

From: Jean-Francois Beaupre
Sent: Wednesday, November 08, 2017 9:11 AM
To: William Tan <William.Tan@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>

Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: RE: IESO OEFC Update

Hi Will,

The title of your email below states "IESO-OEFC Update" yet the agreements you forwarded are the ones for IESO-OFA which we already have. Please advise as I understood from Sarah that Kelly was previously working on these 2 IESO-OEFC credit facility agreements. Did you forward the wrong documents?

An additional question I have is whether OEFC's lending policies permit for the intercept provision to be applied the same way as for the OFA? Also, is the goal of the 2 IESO-OEFC credit facility agreements to incorporate FHP elements or do they serve a separate purpose altogether? Any background you can provide to bring me up to speed would be helpful.

Thanks,

JF

From: William Tan
Sent: Tuesday, November 07, 2017 3:29 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO OEFC Update

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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From:	William Tan
To:	Jean-Francois Beaupre; Ryan Blackbyrne
Cc:	Sarah Harris
Subject:	RE: RE: IESO OEFC Update
Date:	Wednesday, November 08, 2017 9:53:09 AM
Attachments:	RE IESO OEFC - $120MM and $160MM.msg

Hi JF,
Sorry for the confusion. I am getting familiar with task myself. My understanding is IESO requires OEFC agreements for $160M Revolving Credit Facility Agreement and $120M Agreement Providing for Issuance of a Note to reflect most of the provision updates from the FHP Credit Facility. For your reference I included the FHP Agreement.
According to Lisa Stein email attached OEFC is not subject to OFA's lending policies.
Thanks,
Will

From: Jean-Francois Beaupre
Sent: Wednesday, November 08, 2017 9:11 AM
To: William Tan ; Ryan Blackbyrne
Cc: Sarah Harris
Subject: RE: RE: IESO OEFC Update

Hi Will,
The title of your email below states "IESO-OEFC Update" yet the agreements you forwarded are the ones for IESO-OFA which we already have. Please advise as I understood from Sarah that Kelly was previously working on these 2 IESO-OEFC credit facility agreements. Did you forward the wrong documents?
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From: William Tan
Sent: Tuesday, November 07, 2017 3:29 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO OEFC Update

Best regards,
Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca
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From: Lisa Stein []
To: John Kim [John.Kim@ofina.on.ca]; Sarah Harris [Sarah.Harris@ofina.on.ca]
CC: William Tan [William.Tan@ofina.on.ca]; Opal Kandelas [Opal.Kandelas@ofina.on.ca]; Gavin He [Gavin.He@ofina.on.ca]; Sarah Neville [Sarah.Neville@ofina.on.ca]
Subject: RE: IESO / OEFC - $120MM and $160MM
Date: Monday, November 06, 2017 10:43:15

No, I don't think the OFA Lending Policy would apply to these OEFC loans. The OFA Lending Policy addresses lending activities to public bodies undertaken where the OFA is acting as an intermediary on behalf of the Province.

From: John Kim
Sent: Sunday, November 05, 2017 1:55 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>
Subject: Re: IESO / OEFC - $120MM and $160MM

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Sent from my iPhone

On Nov 5, 2017, at 12:06 PM, Sarah Harris <Sarah.Harris@ofina.on.ca> wrote:

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Sent from my iPhone

Begin forwarded message:

From: Anthony Martinello <Anthony.Martinello@ieso.ca>
Date: November 5, 2017 at 11:02:50 AM EST
To: William Tan <William.Tan@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>, Sarah Harris <Sarah.Harris@ofina.on.ca>, Victor Buza <Victor.Buza@ieso.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Will – unless any concerns, will appreciate if you please begin to draft the two OEFC amendments this week – given that the IESO is targeting to sign the OPG / IESO fair hydro agreement by this month's end,….we need to have the two OEFC's done before this.

Regards.

From: Anthony Martinello
Sent: November 01, 2017 12:56 PM
To: 'William Tan'
Cc: 'Lisa Stein'; 'Sarah Harris'; 'John Kim'; Victor Buza
Subject: IESO / OEFC - $120MM and $160MM

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From:	William Tan
To:	Jean-Francois Beaupre; Ryan Blackbyrne
Cc:	Sarah Harris
Subject:	RE: RE: IESO OEFC Update
Date:	Wednesday, November 08, 2017 9:53:09 AM
Attachments:	RE IESO OEFC - $120MM and $160MM.msg

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From: Sarah Harris
To: Jean-Francois Beaupre
Subject: RE: RE: IESO OEFC Update
Date: Wednesday, November 08, 2017 9:51:13 AM

Hi,
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Absolutely, copying and pasting won't 'cut it'.
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Date:	Wednesday, November 08, 2017 9:55:25 AM

LOL

From: Sarah Harris
Sent: Wednesday, November 08, 2017 9:51 AM
To: Jean-Francois Beaupre
Subject: RE: RE: IESO OEFC Update

Hi,
The IESO-OEFC amendments should be in the folder, but since Ryan should be aware of them, I think you can ask him to provide you with the complete sets of each.
Absolutely, copying and pasting won't 'cut it'.
Sarah

From: Jean-Francois Beaupre
Sent: Wednesday, November 08, 2017 9:39 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: RE: IESO OEFC Update

Thanks Sarah, I do not have the most recent executed IESO-OEFC credit facilities Kelly amended. Are these available in the electronic folder?
This being said, I agree that we require some internal direction before we "just copy and paste the salient sections from these agreements" (as Anthony put it) as we would need to ensure this makes sense in the context of OEFC.
Thanks,
JF

From: Sarah Harris
Sent: Wednesday, November 08, 2017 9:26 AM
To: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Subject: FW: RE: IESO OEFC Update

Hi JF,
Just to clarify, Kelly had previously amended the last IESO –OEFC credit facilities, but at the time he left, no further revisions were immediately pending. Ryan requested to 'take over' the IESO facilities, so we (Kelly, Ryan, and I) had a brief hand-off meeting to provide brief background on the facilities, with the understanding that Ryan would take care of any future amendments. IESO had mentioned a short time ago that it might be looking to address any OEFC changes after the OFA facilities were completed, but there were no working drafts, since the nature of the changes were not known.
All that to say, there is currently no OEFC-IESO draft amending agreements for the FHP changes. Ryan will need to draft, but will need to see the FHP lien/negative pledge clauses in the OFA-IESO credit facilities that were just signed.
Thanks,
Sarah

From: Jean-Francois Beaupre
Sent: Wednesday, November 08, 2017 9:11 AM
To: William Tan <William.Tan@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>

Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: RE: IESO OEFC Update

Hi Will,

The title of your email below states "IESO-OEFC Update" yet the agreements you forwarded are the ones for IESO-OFA which we already have. Please advise as I understood from Sarah that Kelly was previously working on these 2 IESO-OEFC credit facility agreements. Did you forward the wrong documents?

An additional question I have is whether OEFC's lending policies permit for the intercept provision to be applied the same way as for the OFA? Also, is the goal of the 2 IESO-OEFC credit facility agreements to incorporate FHP elements or do they serve a separate purpose altogether? Any background you can provide to bring me up to speed would be helpful.

Thanks,

JF

From: William Tan
Sent: Tuesday, November 07, 2017 3:29 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: IESO OEFC Update

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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From: Sarah Harris
To: William Tan
Subject: RE: Redacted FHP Agreement
Date: Tuesday, November 28, 2017 4:42:58 PM

Thanks, Will. I'll take a look.

Sarah

From: William Tan

Sent: Tuesday, November 28, 2017 11:16 AM

To: Sarah Harris

Subject: Redacted FHP Agreement

Hello Sarah,

From the guidance I received yesterday, IESO wishes to share the FHP Agreement with TD Bank. TD Bank wants to ensure that OPG's eventual FHP related debt does not rank ahead of the TD Bank outstanding line of credit with IESO and we are to redact sections of the FHP Agreement that are proprietary.

I am taking a conservative view. I recommend to remove quantitative descriptions, dates and non-standard lien, event default provisions and Intercept Provision. Without the opportunity to compare our agreement against TD Bank's agreement sections on Permitted Liens, Event Default, Covenants of IESO, Negative Pledge etc. we may not know exactly what is proprietary.

Please find he attached FHP Agreement. I have highlighting the areas in yellow that I recommend to redact.

Thanks,

Will

From: Sarah Harris
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Subject: RE: Redacted FHP Agreement
Date: Tuesday, November 28, 2017 4:42:58 PM

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Please find he attached FHP Agreement. I have highlighting the areas in yellow that I recommend to redact.

Thanks,

Will

From: Caroline Swerdlyk
To: Andrea Dalgarno
Cc: Sarah Harris
Subject: RE: Revised Waiver- Some explanation
Date: Monday, March 12, 2018 9:03:23 AM
Attachments: Proposed $400M OPG Advance due March 22 2048.docx
image001.png
image002.png
image003.png
image004.png

Hi Andrea,
I reviewed the letter, and as discussed, I have one small insertion (attached).
Re. Agreement date – that was a good catch. The Agreement date is June 17, 2016.
Other than that, the letter looks fine and I don't have any additional comments.
Thanks,
Caroline

From: Andrea Dalgarno
Sent: Monday, March 12, 2018 8:30 AM
To: Caroline Swerdlyk
Cc: Sarah Harris
Subject: RE: Revised Waiver- Some explanation

Hi Caroline,
Thought this might help ahead of our call.
Section 3.1 of the Agreement as amended (extract is from Amendment#3):

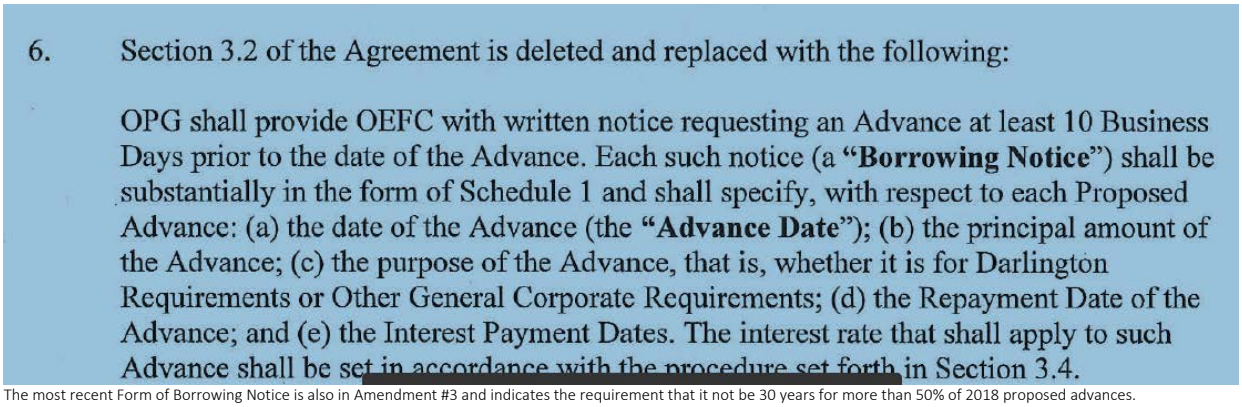
5. Section 3.1 of the Agreement "**Advances**" is deleted and replaced with the following:

> OEFC agrees, on the terms and conditions of this Agreement, to make Advances to OPG under the Credit Facility from time to time on any Business Day after January 1, 2017 and prior to January 1, 2019. OPG shall not request Advances more than twelve (12) times per calendar year without first obtaining the prior written consent of OEFC. OPG may request at the same time Advances for the Darlington Requirements and for the Other General Corporate Requirements. It is anticipated that OPG will request these Advances approximately monthly throughout a calendar year. The total of all Advances made prior to January 1, 2018 shall not be more than One Billion Five Hundred Million Dollars.
>
> The Repayment Date of each Proposed Advance to be made in 2017 shall be such that the Repayment Date is no more than 30 years after the date of the Proposed Advance for 2017.
>
> The Repayment Date of each Proposed Advance to be made in 2018 shall be such that the Repayment Date is a) no more than 30 years after the date of the Proposed Advance for no more than 50% of the total amount of such Proposed Advances for 2018, and b) no more than 10 years after the date of the Proposed Advance for the remaining amount of the Proposed Advances for 2018. This requirement may only be modified with the written consent of OEFC.
>
> For greater certainty, no Advances shall be made under this Agreement after December 31, 2018.

All (100%) Proposed advances in 2018 to date have been for 30 years which is in violation (Unless waived) of the following part of the section above:

> The Repayment Date of each Proposed Advance to be made in 2018 shall be such that the Repayment Date is a) no more than 30 years after the date of the Proposed Advance for no more than 50% of the total amount of such Proposed Advances for 2018, and b) no more than 10 years after the date of the Proposed Advance for the remaining amount of the Proposed Advances for 2018. This requirement may only be modified with the written consent of OEFC.

Most recent Section 3.2 language (Amendment #3):



6. Section 3.2 of the Agreement is deleted and replaced with the following:

OPG shall provide OEFC with written notice requesting an Advance at least 10 Business Days prior to the date of the Advance. Each such notice (a **"Borrowing Notice"**) shall be substantially in the form of Schedule 1 and shall specify, with respect to each Proposed Advance: (a) the date of the Advance (the **"Advance Date"**); (b) the principal amount of the Advance; (c) the purpose of the Advance, that is, whether it is for Darlington Requirements or Other General Corporate Requirements; (d) the Repayment Date of the Advance; and (e) the Interest Payment Dates. The interest rate that shall apply to such Advance shall be set in accordance with the procedure set forth in Section 3.4.

The most recent Form of Borrowing Notice is also in Amendment #3 and indicates the requirement that it not be 30 years for more than 50% of 2018 proposed advances.
All this needs to be waived given all advances to date under the Agreement have been for 30 years in 2018. Specifically, the current one is also 30 years.
Regards,

Andrea

From: Andrea Dalgarno
Sent: Monday, March 12, 2018 8:03 AM
To: Caroline Swerdlyk <Caroline.Swerdlyk@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: Revised Waiver

Hi,

It appears the incorrect Agreement Date was used on the last waiver. Let me know if you agree, I changed 16th to17th.

Regards,

Andrea Dalgarno
Documentation & Analysis Specialist
Ontario Financing Authority
Tel 416-212-7451

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Ontario Electricity Financial Corporation
1 Dundas Street West
Suite 1400
Toronto ON M7A 1Y7
(416) 325-8000

Société financière de l'industrie de l'électricité de l'Ontario
1 rue Dundas ouest
Bureau 1400
Toronto ON M7A 1Y7

March~~January~~ 13~~5~~, 2018

Ken Hartwick
Ontario Power Generation Inc.
700 University Avenue, H18
Toronto, M5G 1X6

Re: **$4~~2~~00,000,000 Proposed Advance under Borrowing Notice Dated March~~January~~ 5~~8~~, 2018**

Dear Ken,

The Ontario Electricity Financial Corporation ("OEFC") is in receipt of the Borrowing Notice provided by Ontario Power Generation ("OPG") to the OFA dated March~~January~~ 5~~8~~, 2018 for the Proposed Advance of $4~~2~~00,000,000 (the "March~~January~~ 5~~8~~, 2018 Borrowing Notice") under the General Corporate Requirements Credit Facility Agreement between OPG and OEFC dated June 1~~7~~6, 2016, as amended (the "Credit Agreement"), the terms defined therein being used herein as therein defined.

For the sole purpose of the March~~January~~ 5~~8~~, 2018 Borrowing Notice, OEFC hereby agrees to modify the requirement set out in section 3.1 of the Credit Agreement that no more than 50% of the Proposed Advances for 2018 shall have a Repayment Date of no more than 30 years. As such, notwithstanding the total amount of Proposed Advances under the Credit Agreement for 2018, OEFC consents to a Repayment Date of 30 years from the date of the Proposed Advance under the March 5, 2018 Borrowing Notice, for the full principal amount of the Proposed Advance.

Accordingly, OEFC waives the requirement as set out in Section 3.2 and Schedule 1 of the Credit Agreement for OPG to provide the following certification in the ~~January~~ March 5~~8~~, 2018 Borrowing Notice:

> "The Repayment Date of any of the Proposed Advance(s) for 2018 is (a) no more than 30 years after the date of such Proposed Advance for no more than 50% of the total of all Proposed Advances for 2018 and (b) no more than 10 years after the date of the Proposed Advance for the remaining amount of the Proposed Advances for 2018."

Subject to the foregoing, section 3.1 of the Credit Agreement applies to all future Proposed Advances.

Best Regards,

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael D. Manning
Title: Chief Operating Officer

5. Section 3.1 of the Agreement "**Advances**" is deleted and replaced with the following:

OEFC agrees, on the terms and conditions of this Agreement, to make Advances to OPG under the Credit Facility from time to time on any Business Day after January 1, 2017 and prior to January 1, 2019. OPG shall not request Advances more than twelve (12) times per calendar year without first obtaining the prior written consent of OEFC. OPG may request at the same time Advances for the Darlington Requirements and for the Other General Corporate Requirements. It is anticipated that OPG will request these Advances approximately monthly throughout a calendar year. The total of all Advances made prior to January 1, 2018 shall not be more than One Billion Five Hundred Million Dollars.

The Repayment Date of each Proposed Advance to be made in 2017 shall be such that the Repayment Date is no more than 30 years after the date of the Proposed Advance for 2017.

The Repayment Date of each Proposed Advance to be made in 2018 shall be such that the Repayment Date is a) no more than 30 years after the date of the Proposed Advance for no more than 50% of the total amount of such Proposed Advances for 2018, and b) no more than 10 years after the date of the Proposed Advance for the remaining amount of the Proposed Advances for 2018. This requirement may only be modified with the written consent of OEFC.

For greater certainty, no Advances shall be made under this Agreement after December 31, 2018.

The Repayment Date of each Proposed Advance to be made in 2018 shall be such that the Repayment Date is a) no more than 30 years after the date of the Proposed Advance for no more than 50% of the total amount of such Proposed Advances for 2018, and b) no more than 10 years after the date of the Proposed Advance for the remaining amount of the Proposed Advances for 2018. This requirement may only be modified with the written consent of OEFC.

6. Section 3.2 of the Agreement is deleted and replaced with the following:

OPG shall provide OEFC with written notice requesting an Advance at least 10 Business Days prior to the date of the Advance. Each such notice (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1 and shall specify, with respect to each Proposed Advance: (a) the date of the Advance (the "**Advance Date**"); (b) the principal amount of the Advance; (c) the purpose of the Advance, that is, whether it is for Darlington Requirements or Other General Corporate Requirements; (d) the Repayment Date of the Advance; and (e) the Interest Payment Dates. The interest rate that shall apply to such Advance shall be set in accordance with the procedure set forth in Section 3.4.

From:	Opal Kandelas
To:	Sarah Harris
Subject:	RE: Signatures for FHP and Amending Agreement No. 10
Date:	Tuesday, November 07, 2017 8:57:15 AM

Congratulations!

From: Sarah Harris
Sent: Monday, November 06, 2017 4:16 PM
To: Opal Kandelas <Opal.Kandelas@ofina.on.ca>
Subject: FW: Signatures for FHP and Amending Agreement No. 10

All done.

Amen.

From: William Tan
Sent: Monday, November 06, 2017 4:14 PM
To: 'Victor Buza' <Victor.Buza@ieso.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>; John Kim <John.Kim@ofina.on.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hello Victor,

Agreed.

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 4:12 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>; John Kim <John.Kim@ofina.on.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Thanks Will – so it appears that, other than housekeeping activities over the next day or two, we are now closed on these two agreements. Agreed ?
Victor

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 4:07 PM
To: Victor Buza
Cc: Lisa Stein; Sarah Harris; Anthony Martinello; John Kim
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hello Victor,

Please find the attached signed FHP Credit Facility Agreement and Amending Agreement #10 to the Jan. 1, 2005 Credit Agreement. Original signature pages will reach you tomorrow or the day after.

Thanks,

Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 3:25 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10
Importance: High

Will,

Please find attached the following documents signed by IESO:

1. Amending Agreement #10 to the Jan. 1, 2005 Credit Agreement;
2. Certified IESO Board Resolution and Incumbency Certificate;
3. Scan of the $2 Billion Grid Note.
4. Intercept Letter Agreement.

I will send the new Revolving Credit Facility Agreement in relation to FHP under a separate email immediately following.

We have already overnighted the original grid note for $2 billion and an original Intercept Letter signed by all parties. Per your request, we will send original agreement signature pages for both agreements as well – can we send those tomorrow or do you need the overnighted too?

Let us know. We look forward to receiving your confirmation of closing.

Victor

Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079

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From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 3:09 PM

To: Victor Buza
Cc: Lisa Stein; Sarah Harris; Anthony Martinello
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hello Victor,

I clarified internally and we would want an original signature page for the FHP Agreement and Amending Agreement No. 10.

Thanks,

Will

From: William Tan
Sent: Monday, November 06, 2017 2:25 PM
To: 'Victor Buza' <Victor.Buza@ieso.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hi Victor,

My apologies. Please scan the separated $2B and $475 MM Grid promissory notes. Forward the $2B promissory note but hold on to the $475MM Grid Promissory Note until November 21.

- Resolution of the Board of Directors
- Incumbency Certificate
- Intercept Letter
- $2 B Grid Promissory Note
- $475 MM Grid Promissory Note

Yes, please forward the documents to myself.

William Tan
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3

Thanks,

Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
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Subject: RE: Signatures for FHP and Amending Agreement No. 10

I will scan and send all documents you listed in their entirety, not just signature pages. Can you confirm, are you saying you want a scan of the $475MM grid note?

Just so I get it right, should I courier the hardcopies of the Intercept Letter and Note to your attention and address, Will? Call me if it's quicker.

Victor
416-969-6079

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 1:57 PM
To: Victor Buza; Anthony Martinello
Cc: Lisa Stein; Sarah Harris
Subject: FW: Signatures for FHP and Amending Agreement No. 10

Hi Victor,

Thank you for the update. When you send the soft copy signatures, would it be possible to include the signatures within the agreements?

You were probably going to include the following signed soft copies anyway but out of caution I have listed them below:

- Resolution of the Board of Directors
- Incumbency Certificate
- Intercept Letter
- $2 B Grid Note
- $475 MM Grid Note

Hardcopy of the Intercept Letter and $2B Grid Note – overnight delivery is fine.

Per s. 16 AA #10 - Anthony and I discussed on Friday that $475MM Grid note would be signed today but held by IESO until November 21. After the borrowing notice and election notices are actioned, OFA will produce the grid notes to evidence payment and advancements. IESO will then send the new $475MM prom note to OFA. Once received OFA will send the $975MM cancelled prom note to IESO.

Thanks,

Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 10:48 AM
To: William Tan <William.Tan@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hi Will – I have a signing meeting scheduled with our signatory at 2:30pm this afternoon – so I will send you counterpart signatures and a scanned version of the Intercept Letter by 3:00pm or possibly earlier.

Hardcopy of Intercept Letter to follow as you prefer – overnight or pickup? We also need to make arrangements re delivery of the $2Bn Grid Note.

Per s.16 of AA#10, the other Note for $475MM is to be delivered following the Effective Time in exchange for the return by OFA of the Nov 30 2016 Note for $975MM.

Victor

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 10:33 AM
To: Anthony Martinello
Cc: Lisa Stein; Victor Buza; Sarah Harris
Subject: Signatures for FHP and Amending Agreement No. 10

Good morning Anthony,

Just checking-in on approximately when we can expect the documents to be executed so I may prepare my signatory.

Thanks,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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From:	William Tan
To:	"Victor Buza"
Cc:	Lisa Stein; Sarah Harris; Anthony Martinello; John Kim
Subject:	RE: Signatures for FHP and Amending Agreement No. 10
Date:	Monday, November 06, 2017 4:14:33 PM

Hello Victor,

Agreed.

From: Victor Buza [mailto:Victor.Buza@ieso.ca]

Sent: Monday, November 06, 2017 4:12 PM

To: William Tan

Cc: Lisa Stein ; Sarah Harris ; Anthony Martinello ; John Kim

Subject: RE: Signatures for FHP and Amending Agreement No. 10

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Victor

Victor Buza | Senior Counsel

Independent Electricity System Operator (IESO) | T: 416-969-6079
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William Tan
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1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3

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Victor
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Subject: FW: Signatures for FHP and Amending Agreement No. 10

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- Resolution of the Board of Directors
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- Intercept Letter
- $2 B Grid Note
- $475 MM Grid Note

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Per s. 16 AA #10 - Anthony and I discussed on Friday that $475MM Grid note would be signed today but held by IESO until November 21. After the borrowing notice and election notices are actioned, OFA will produce the grid notes to evidence payment and advancements. IESO will then send the new $475MM prom note to OFA. Once received OFA will send the $975MM cancelled prom note to IESO.

Thanks,
Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 10:48 AM
To: William Tan <William.Tan@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

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Victor

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 10:33 AM
To: Anthony Martinello
Cc: Lisa Stein; Victor Buza; Sarah Harris
Subject: Signatures for FHP and Amending Agreement No. 10

Good morning Anthony,

Just checking-in on approximately when we can expect the documents to be executed so I may prepare my signatory.

Thanks,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
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william.tan@ofina.on.ca
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From:	William Tan
To:	"Victor Buza"
Cc:	Lisa Stein; Sarah Harris; Anthony Martinello; John Kim
Subject:	RE: Signatures for FHP and Amending Agreement No. 10
Date:	Monday, November 06, 2017 4:14:33 PM

Hello Victor,

Agreed.

From: Victor Buza [mailto:Victor.Buza@ieso.ca]

Sent: Monday, November 06, 2017 4:12 PM

To: William Tan

Cc: Lisa Stein ; Sarah Harris ; Anthony Martinello ; John Kim

Subject: RE: Signatures for FHP and Amending Agreement No. 10

Thanks Will – so it appears that, other than housekeeping activities over the next day or two, we are now closed on these two agreements. Agreed ?

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Importance: High

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Let us know. We look forward to receiving your confirmation of closing.

Victor

Victor Buza | Senior Counsel

Independent Electricity System Operator (IESO) | T: 416-969-6079
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From: William Tan [mailto:William.Tan@ofina.on.ca]
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To: Victor Buza; Anthony Martinello
Cc: Lisa Stein; Sarah Harris
Subject: FW: Signatures for FHP and Amending Agreement No. 10

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Subject: Signatures for FHP and Amending Agreement No. 10

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william.tan@ofina.on.ca
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Cc:	Lisa Stein; Sarah Harris; Anthony Martinello; John Kim
Subject:	RE: Signatures for FHP and Amending Agreement No. 10
Date:	Monday, November 06, 2017 4:06:45 PM
Attachments:	FHP Credit Agreement OFA IESO - Nov 6, 2017 - OFA Signed.pdf OFA IESO Amending Agreement No. to Jan 1, 2005 Credit Facility Nov 6,2017 - OFA signed.pdf

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From: William Tan
Sent: Monday, November 06, 2017 2:25 PM
To: 'Victor Buza' <Victor.Buza@ieso.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hi Victor,

My apologies. Please scan the separated $2B and $475 MM Grid promissory notes. Forward the $2B promissory note but hold on to the $475MM Grid Promissory Note until November 21.

- Resolution of the Board of Directors
- Incumbency Certificate
- Intercept Letter
- $2 B Grid Promissory Note
- $475 MM Grid Promissory Note

Yes, please forward the documents to myself.

William Tan
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3

Thanks,
Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 2:12 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

I will scan and send all documents you listed in their entirety, not just signature pages. Can you confirm, are you saying you want a scan of the $475MM grid note?

Just so I get it right, should I courier the hardcopies of the Intercept Letter and Note to your attention and address, Will? Call me if it's quicker.

Victor
416-969-6079

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 1:57 PM
To: Victor Buza; Anthony Martinello
Cc: Lisa Stein; Sarah Harris
Subject: FW: Signatures for FHP and Amending Agreement No. 10

Hi Victor,

Thank you for the update. When you send the soft copy signatures, would it be possible to include the signatures within the agreements?

You were probably going to include the following signed soft copies anyway but out of caution I have listed them below:

- Resolution of the Board of Directors
- Incumbency Certificate
- Intercept Letter

- $2 B Grid Note
- $475 MM Grid Note

Hardcopy of the Intercept Letter and $2B Grid Note – overnight delivery is fine.
Per s. 16 AA #10 - Anthony and I discussed on Friday that $475MM Grid note would be signed today but held by IESO until November 21. After the borrowing notice and election notices are actioned, OFA will produce the grid notes to evidence payment and advancements. IESO will then send the new $475MM prom note to OFA. Once received OFA will send the $975MM cancelled prom note to IESO.
Thanks,
Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 10:48 AM
To: William Tan <William.Tan@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hi Will – I have a signing meeting scheduled with our signatory at 2:30pm this afternoon – so I will send you counterpart signatures and a scanned version of the Intercept Letter by 3:00pm or possibly earlier.
Hardcopy of Intercept Letter to follow as you prefer – overnight or pickup? We also need to make arrangements re delivery of the $2Bn Grid Note.
Per s.16 of AA#10, the other Note for $475MM is to be delivered following the Effective Time in exchange for the return by OFA of the Nov 30 2016 Note for $975MM.
Victor

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 10:33 AM
To: Anthony Martinello
Cc: Lisa Stein; Victor Buza; Sarah Harris
Subject: Signatures for FHP and Amending Agreement No. 10

Good morning Anthony,
Just checking-in on approximately when we can expect the documents to be executed so I may prepare my signatory.
Thanks,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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INDEPENDENT ELECTRICITY SYSTEM OPERATOR

as Borrower

and

ONTARIO FINANCING AUTHORITY

as Lender

REVOLVING CREDIT FACILITY AGREEMENT

Date: November 6, 2017

REVOLVING CREDIT FACILITY AGREEMENT

THIS AGREEMENT is made as of the 6 day of November 2017,

BETWEEN:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, a statutory corporation without share capital existing under Part II of the *Electricity Act, 1998* (the "**IESO**")
(as Borrower)

AND

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* (the "**OFA**" and together with the IESO, the "**Parties**")
(as Lender)

RECITALS:

WHEREAS the IESO has requested a revolving credit facility for up to a maximum principal amount of $2 billion from the OFA for the purpose of supporting the IESO's role in the implementation and administration of the *Ontario Fair Hydro Plan Act, 2017*.

THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the Parties agree as follows:

ARTICLE 1

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"**Advances**" means advances made by the OFA to the IESO under Article 3 and "Advance" means any one of such advances, and in the case of an election by the IESO under Section 3.3, includes a "Continued Advance", as defined in Section 3.3(1), as applicable.

"Advances Outstanding" means, at any time, an amount equal to the aggregate principal amount of all Advances outstanding at such time.

"Agreement", "herein", "hereby", "hereor', "hereunder" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression "Article" or "Section" followed by a number means the specified Article or Section of this Agreement.

"Borrowing Notice" has the meaning specified in Section 3.2(1).

"Business Day" means any day that is not a day on which banks are generally authorized or required by law or executive order to be closed in the City of Toronto.

"Clean Energy Adjustment" has the same meaning as that term is defined in the OFHP.

"Commitment" means, at any time, an amount equal to $2 billion.

"Consolidated Assets" means, at any time, the book value of the assets of the IESO and the Subsidiaries, determined as of such time on a consolidated basis in accordance with GAAP.

"Continued Advance" has the meaning specified in Section 3.3(1).

"Credit Facility" means the revolving credit facility to be made available to the IESO by the OFA under this Agreement for the purposes specified in Section 2.2.

"Current Repayment Date" has the meaning specified in Section 3.3(2).

"Default" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"Dollars" or **"$"** means lawful currency of Canada.

"Election Notice" has the meaning specified in Section 3.3(2).

"Event of Default" has the meaning specified in Section 5.1.

"First Advance" has the meaning specified in Section 3.2(3).

"GAAP" means accounting policies and standards as established by the Chartered Professional Accountants of Canada, at the relevant time and applied on a consistent basis.

"Grid Note" has the meaning specified in Section 3.2(2).

"Indebtedness" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) every obligation of such Person for borrowed money;

(b) every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments;

(c) every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) every capital lease obligation of such Person;

(f) the Swap Termination Value of each Swap Contract of such Person; and

(g) every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"Lien" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"Material Subsidiary" means, at any time, a Subsidiary which has consolidated assets with a book value of more than $25 million determined in accordance with GAAP.

"**New Repayment Date**" has the meaning specified in Section 3.3(2).

"**OFHP**" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

"Permitted Liens" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) any obligations or duties, affecting the property of the IESO to any municipality or governmental, statutory or public authority, with respect to any franchise, grant, license

or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by the IESO or such Material Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by the IESO or such Material Subsidiary;

(d) any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) the right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) any undetermined or inchoate Liens and charges incidental to the current operations of the IESO or a Material Subsidiary that have not at the time been filed against the IESO or such Material Subsidiary; provided, however, that if any such Lien or charge shall have been filed, the IESO or such Material Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) any Lien the validity of which is being contested at the time by the IESO or a Material Subsidiary in good faith and the enforcement of which has been stayed;

(h) any easements, rights-of-way and servitudes that in the opinion of the IESO will not in the aggregate materially and adversely impair the use or value of the land for the purpose for which it is held or occupied by the IESO or a Material Subsidiary;

(i) any Liens and privileges arising out of judgments or awards with respect to which the IESO or a Material Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall have secured a stay of execution pending such appeal or proceedings for review;

(j) any other Liens of a nature similar to the foregoing which do not in the opinion of the IESO, acting reasonably, materially impair the use of the property subject thereto or the operation of the business of the IESO or any Material Subsidiary or the value of such property for the purpose of any such business; and

(k) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other

lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

"Person" means any individual, corporation, partnership joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"Purchase Money Mortgage" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or part of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"Repayment Date" means, in respect of the repayment of Advances, the repayment date contained in the most recent Borrowing Notice or Election Notice.

"Stated Maturity" when used with respect to any Indebtedness or any installment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such installment of interest is due and payable.

"Subsidiary" means:

(a) a corporation more than 50% of the voting power or the outstanding Voting Shares of which is owned, directly or indirectly, by the IESO or by one or more other Subsidiaries or by the IESO and one or more other Subsidiaries; or

(b) any Person (other than a corporation) in which the IESO, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

"Swap Contract" means any agreement whether or not in writing, relating to any transaction or derivative transaction including a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction currency swap, cross-currency rate swap, swaption, currency option or other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.

"Swap Termination Value" means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap contracts:

(a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and

(b) for any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.

"Voting Shares" of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings.

The division of this Agreement into Articles and Sections and the insertion of headings are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and vice versa and words importing gender may include any gender. In this Agreement, (a) the words "including" and "includes" mean "including (or includes) without limitation", and (b) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" each mean "to but excluding".

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with GAAP.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the next succeeding Business Day.

ARTICLE 2
REVOLVING CREDIT FACILITY

Section 2.1 Availability.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO. The OFA shall make each Advance in Dollars.

Section 2.2 Use of Proceeds.

The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the *Electricity Act, 1998*, as such regulation may be amended or replaced from time to time, subject to the condition that proceeds of Advances may be used only for IESO's financing needs and requirements of any kind arising in connection with the IESO's role with respect to and obligations under the OFHP.

Section 2.3 Credit Facility Limit.

The Advances Outstanding shall not at any time exceed the Commitment. The Credit Facility shall revolve and no payment under the Credit Facility shall reduce the Commitment.

Section 2.4 Mandatory Repayment.

Subject to Sections 2.5 and 5.2, the IESO shall repay each Advance together with the interest accrued thereon on the applicable Repayment Date, and, in any event, shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder on September 30, 2022.

Section 2.5 Prepayments.

The IESO is not entitled to prepay any part of the Advances Outstanding or the interest accrued thereon without the prior written consent of the OFA.

Section 2.6 Payments under this Agreement.

(1) The OFA shall make Advances to the IESO under this Agreement to or to the order of the IESO by wire transfer of immediately available funds in accordance with wire transfer instructions given by the IESO to the OFA from time to time, or in such other manner as the IESO may specify to the OFA from time to time.

(2) The IESO shall make any payment required hereunder to be made by it to the OFA, to or to the order of the OFA, by wire transfer of immediately available funds in accordance with wire transfer instruction given by the OFA to the IESO from time to time, or in such other manner as the OFA may specify to the IESO from time to time. The IESO shall make each such payment in Canadian Dollars.

Section 2.7 Computations of Interest.

(1) All computations of interest shall be made by the OFA taking into account the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest is payable on the basis of a year of 365 days or 366 days, as the case may be.

(2) For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Agreement for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

Section 2.8 Limit on Rate of Interest.

(1) Notwithstanding any provision contained in this Agreement, the IESO shall not be obliged to make any payments of interest or other amounts payable to the OFA hereunder in excess of the amount or rate which would be prohibited by applicable law or would result in the receipt by the OFA of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada)).

(2) In the event that any such payments are limited or prohibited as provided in Section 2.8(1), the OFA shall have no further obligation to make any Advances available hereunder and the Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, shall become immediately due and payable.

Section 2.9 Application of Payments.

All payments made by the IESO under this Agreement shall be applied firstly to the payment of interest payable to the OFA on late payments of principal or interest hereunder, secondly, to the payment of accrued and unpaid interest payable to the OFA hereunder and thirdly, to the payment of the outstanding principal amount of any Advances payable to the OFA.

ARTICLE 3
ADVANCES

Section 3.1 Advances.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO under the Credit Facility from time to time on any Business Day prior to September 23, 2022.

Section 3.2 Procedure for Advances.

(1) Subject to Section 3.3(5), each Advance shall be made subject to two Business Days' prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each notice of an Advance (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1, other than a Borrowing Notice that is included in an Election Notice as permitted by Section 3.3(3). Each Borrowing Notice shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance; (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall not be earlier than 5 days and not later than 95 days after the date of the requested Advance. Each Borrowing Notice shall also certify the use of proceeds of the Advance which shall in any case be in accordance with Section 2.2. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, the IESO shall execute and deliver to the OFA a grid promissory note in respect of Advances substantially in the form of Schedule 3 (the "**Grid Note**"). The IESO authorizes the OFA to record on the Grid Note (a) the date and amount of each Advance or Continued Advance; (b) the applicable rate of interest for each Advance or Continued Advance; (c) the Repayment Date of each Advance or Continued Advance; (d) the date and amount of each payment of interest and each payment of principal or portion thereof in respect of each Advance or Continued Advance; and (e) Advances Outstanding. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such Advances and repayments; provided that the failure of the OFA to record any amount, rate or date shall not affect the obligation of the IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement.

(3) Respecting the first Advance to be made under this Agreement (the "**First Advance**"), a specified portion thereof (the "**Repayment Amount**") shall be used to repay a portion of the IESO's outstanding indebtedness to the OFA under the credit agreement between the Parties dated January 1, 2005, as amended (the "**Existing Credit Facility**"). The amount of the Repayment Amount shall be detailed in the Borrowing Notice issued in respect of the First Advance. Concurrently with the First Advance, OFA shall provide to IESO an updated grid in respect of the grid note issued under the Existing Credit Facility evidencing the repayment of the Repayment Amount thereunder.

Section 3.3 Elections Regarding Advances.

(1) The IESO may elect to continue all or a portion of the principal amount of any Advance and any amount of interest on such Advance (together, the "**Continued Advance**") for a further period of at least 5 days and up to a maximum of 95 days beginning on the then current Repayment Date in accordance with Section 3.3(2).

(2) Each notice to continue an Advance for a further period (an "**Election Notice**") shall be provided by the IESO to the OFA at least two Business Days prior to the Repayment Date of the Advance (the "**Current Repayment Date**"), and in each case, not later than

10:00 a.m. (Toronto time). Each such Election Notice shall be given substantially in the form of Schedule 2 and shall be irrevocable and binding upon the IESO and shall specify: (a) the Current Repayment Date; (b) the new aggregate total amount of the proposed Continued Advance; (c) the amount of interest or principal, if any, to be paid or re-paid by the IESO with respect to such Advance on the Current Repayment Date; and (d) the new Repayment Date of the proposed Continued Advance, which shall be no earlier than 5 days and not later than 95 days after the current Repayment Date (the "**New Repayment Date**"). If the IESO fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date.

(3) An Election Notice with respect to a proposed Continued Advance may include a Borrowing Notice for a further Advance proposed to be made on the Current Repayment Date. The Repayment Date of such further Advance shall be the New Repayment Date of the Continued Advance that is specified in the Election Notice. Such Borrowing Notice shall be given substantially in the form of Schedule 2.

(4) The calculation of interest on a Continued Advance shall be determined in the same manner as an Advance under Section 3.4 and shall be recorded on the Grid Note in accordance with Section 3.2(2).

(5) Any portion of an Advance not continued for a further period in accordance with Section 3.3(2) shall be repayable on the applicable Repayment Date.

(6) The Credit Facility shall at all times rank *pari passu* with all other unsubordinated and unsecured Indebtedness of the IESO, subject to the existence of any Liens that secure Indebtedness, as permitted by subections 4.6 (a) through (e) hereof.

(7) All amounts owing in respect of the Advances shall be paid without exercising any right of set off or counterclaim by the IESO.

Section 3.4 Interest on Advances.

(1) The IESO shall pay interest on the unpaid principal amount of each Advance in accordance with this Section 3.4 from and including the date of such Advance until the principal amount of such Advance is repaid in full.

(2) Interest shall accrue on the principal amount of each Advance from and including the date of the Advance to but excluding the Repayment Date of such Advance, at an annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum, before as well as after the date such principal amount or interest thereon becomes due hereunder and both before and after Default and shall be payable on the Repayment Date for such Advance. Any amount of interest arising hereunder which is not paid when due shall bear interest at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment. The amount of interest payable on an Advance will be calculated by the

OFA by dividing the interest rate applicable to the Advance by 365 or 366, as the case may be, and multiplying the result by the principal amount of the Advance and further multiplying the result by the number of days in the period from the date of the Advance to the Repayment Date of the Advance.

(3) If the IESO elects to continue an Advance in accordance with Section 3.3(2), the OFA shall determine the interest rate applicable after the original Repayment Date of the Advance and endorse the said rate on the grid forming part of the Grid Note in respect of Advances held by it.

Section 3.5 Conditions Precedent

The obligation of the OFA to make the Advances to the IESO pursuant to Section 2.1 is subject to the following conditions being satisfied to the OFA's satisfaction at the time of making each Advance:

(a) that the representations and warranties of the IESO contained in this Agreement are true and correct as at the date of making the Advance;

(b) that no Event of Default has occurred and is continuing;

(c) that there shall, in the reasonable opinion of the OFA, have been no material adverse change in the financial condition of the IESO or a Material Subsidiary; and

(d) that the OFA has received such other documentation which it has reasonably requested to ensure that the IESO is in compliance with the terms and conditions of this Agreement, including certified true copies of any necessary resolutions, a written legal opinion from counsel to the IESO confirming that the borrowing is within the legal powers of the IESO and that the Agreement is a direct, unsecured obligation of the IESO enforceable against the IESO in form satisfactory to the OFA.

ARTICLE 4
COVENANTS OF THE IESO

Section 4.1 Repayment of Advances.

The IESO will duly and punctually pay all amounts owing under this Agreement in accordance with the terms and subject to the conditions of this Agreement.

Section 4.2 IESO will Maintain its Corporate Existence.

The IESO will at all times maintain its corporate existence.

Section 4.3 Maintenance of Properties.

The IESO will cause all property owned by the IESO or any Material Subsidiary to be maintained and kept in good condition, repair and working order, all as in the judgment of the IESO or any Material Subsidiary may be necessary for the proper operation of such property, except as and to the extent that the IESO or any Material Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 4.3 shall prevent the IESO or any Material Subsidiary from discontinuing the maintenance of any such property or decommissioning any such property if such discontinuance or decommissioning is, in the judgment of the IESO or any such Material Subsidiary, desirable in the conduct of its business or the business of any such Material Subsidiary, or has been directly or indirectly requested or required by the Province of Ontario.

Section 4.4 Insurance.

The IESO will cause all property owned by the IESO or any Material Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the mature and to the extent that such property is usually insured by companies operating similar businesses.

Section 4.5 Conduct of Business.

The IESO will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in accordance with good business practice.

Section 4.6 Negative Pledge.

The IESO will not, and will not permit any Material Subsidiary to, create, incur or assume any Lien, charging the interest of the IESO or any Material Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, all amounts owing under this Agreement are secured equally and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) the creation, incurrence or assumption of any Purchase Money Mortgage;

(b) the grant of any Lien in the normal course of business to any banks or financial institutions for present or future Indebtedness of the IESO or any Material Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) any extension, renewal or replacement of any of the Liens referred to in Sections 4.6(a), (b) or (c), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased; and

(e) any Lien charging the interest of the IESO or any Material Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 4.6(a), (b) or (c), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 4.6(e) which is outstanding at such time does not exceed 10% of Consolidated Assets at such time.

Section 4.7 Payment of OFA Expenses

In addition to any liability of the IESO to the OFA under any other provision of this Agreement, the IESO will, on demand, reimburse and indemnify OFA for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OFA in connection with the Agreement (including those services incurred in the preservation of rights under or enforcement of this Agreement at any time during the continuance of a Default or Event of Default and for any reasonable loss or expense incurred by OFA as a result of any failure by the IESO to fulfill any of its obligations under this Agreement). All such costs, charges and expenses shall bear interest at the Province of Ontario's cost of funds plus 0.25 percent per annum (as determined by the OFA) calculated and payable monthly not in advance from in each case from the date on which the OFA incurs the cost, charge or expense until the date on which the IESO reimbursement the OFA therefor. The OFA agrees, acting reasonably, to invoice the IESO for any such costs, charges and expense as they are incurred, together with interest at the aforesaid rate (with interest on overdue interest).

Section 4.8 Reporting.

The IESO will promptly provide to the OFA any reports or supporting documents that the OFA may request from time to time.

Section 4.9 Late Repayment of Advance.

In the event that the IESO fails to repay the principal amount of any Advance and all interest accrued thereon when due, the IESO shall pay interest on the unpaid amount of such Advance at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment.

ARTICLE 5
EVENTS OF DEFAULT AND REMEDIES

Section 5.1 Event of Default.

Wherever used in this Agreement, the term "Event of Default" means any of the following:

(a) the IESO's failure to pay any interest upon any Advance when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) failure to pay the principal amount of any Advance on the applicable Repayment Date or the Advances Outstanding, all interest accrued thereon and all other amounts owing under this Agreement on September 30, 2022;

(c) failure on the part of the IESO to observe or perform its obligations set forth in Section 4.1;

(d) failure on the part of the IESO to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 20 days after the date on which written notice of such failure shall have been given to the IESO by the OFA;

(e) any representation or warranty made by the IESO in this Agreement or in any certificate or other document at any time delivered hereunder to the OFA was incorrect or misleading in any material respect;

(f) one or more breaches by the IESO of its covenants under one or more evidences of Indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $5 million, which breaches:

(i) constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist, or

(ii) have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived or rescinded);

(g) the IESO or any Material Subsidiary:

(i) becomes unable to meet its obligations as they generally become due or has ceased paying its current obligations in the ordinary course of business as they generally become due;

(ii) admits in writing its inability to pay its debts generally or makes a general assignment for the benefit its creditors or files a proposal or other scheme

of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) institutes or has instituted against it any proceeding seeking:

(A) to adjudicate it as bankrupt or insolvent,

(B) liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors, or

(C) the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets,

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismissed or unstayed for a period of 30 days, or any remedy sought in any such proceeding (including the entry of order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

(iv) takes any corporate action to authorize any of the actions in Sections 5.1 (g)(i) to (iii); or

(h) if there shall be rendered against the IESO or any Material Subsidiary a final judgment or judgments for the payment of money in an aggregate amount in excess of $5 million by a court or courts of competent jurisdiction, and the IESO or any Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 5.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case the OFA may at its option, in addition to any other remedy available to the OFA at law, by written notice to the IESO, take any or all of the following actions:

(a) suspend the right of the IESO to request any further Advance until the Event of Default has been cured to the OFA's satisfaction or, if the Event of Default is not

cured within three (3) Business Days after the date on which written notice of such Event of Default shall have been given to the IESO by the OFA, declare all amounts owing hereunder including all interest accrued to be due and payable immediately, by a notice in writing to the IESO, and upon any such declaration all such amounts shall become immediately due and payable.

(b) invoke the Intercept pursuant to section 5.7 of this Agreement to require payment of any amount due and payable under this Agreement.

Section 5.3 Suits for Enforcement by the OFA.

If an Event of Default occurs and is continuing, the OFA may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in the OFA by this Agreement or by law.

Section 5.4 OFA May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of the IESO under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property of the IESO, or if any other judicial proceedings relative to the IESO, its creditors or its property are pending, the OFA shall be entitled and empowered, by intention in such proceeding or otherwise:

(a) to file and prove a claim for all amounts owing under this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of the OFA (including any claim for fees and disbursements of the OFA, its agents and counsel) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claim.

Section 5.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to the OFA is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.6 Delay or Omission not Waiver.

No delay or omission of the OFA to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right or remedy given by this Article 5 or by law to OFA may be exercised from time to time, and as often as may be deemed expedient, by the OFA.

Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of even date herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the *Capital Investment Plan Act, 1993* (the "**Intercept Letter**"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("**Appropriated Funds**"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("**Intercept**").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

(e) The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or

inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail.

ARTICLE 6
REPRESENTATIONS AND WARRANTIES OF IESO

Section 6.1 Representations and Warranties of IESO

The IESO represents and warrants to the OFA that:

(a) the borrowing of money (including principal and accrued interest) by the IESO and the execution, delivery and performance of this Agreement are within the powers and capacities of the IESO and have been duly authorized by all necessary legal action and proper proceedings;

(b) the execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the compliance with the terms and conditions of this Agreement will not conflict with or result in a breach of any of the terms or provisions of the constituting documents or by-laws of the IESO, laws of Ontario, including laws of Canada applicable therein, applicable to the IESO or any contractual or other obligation binding on the IESO;

(c) this Agreement will, when executed and delivered, constitute the legal, valid and binding obligation of the IESO enforceable against it in accordance with its terms; and

(d) the monies advanced under this Agreement shall be used only by the IESO for the purposes set out in Section 2.2.

Section 6.2 Continuation of Representation and Warranties

The representations and warranties set out in Section 6.1 herein shall survive the execution and delivery of this Agreement, the making of each Advance by the OFA, notwithstanding any investigations or examinations which may be made by counsel for the OFA.

ARTICLE 7
GENERAL

Section 7.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy or other means of electronic communication addressed:

If to the IESO, to it at:

Independent Electricity System Operator
120 Adelaide Street West, Suite 1600
Toronto, ON M5H 1T1

Attention: Chief Financial Officer
Telephone: (416)969-6232
Facsimile: (905)403-6913

If to the OFA, to it at:

Ontario Financing Authority 1 Dundas Street West
Suite 1400 Toronto, Ontario M7A 1Y7

Attention: Executive Director & Chief Investment Officer – Capital Markets Division
Telephone: (416)325-8930
Facsimile: (416)860-8346

provided that any Borrowing Notice or Election Notice shall be addressed as indicated on Schedule 1 or Schedule 2 respectively.

Any communication hereunder shall be deemed to have been validly and effectively given if (a) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p.m. (Toronto time), otherwise on the next Business Day, (b) transmitted by facsimile or other means of electronic communication, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice give in accordance with this Section 7.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 7.1.

Section 7.2 Successors and Assigns.

This Agreement shall be binding on and enure to the benefit of the OFA and the IESO and their respective successors and permitted assigns, except that the IESO shall not, without the

prior written consent of the OFA assign, pledge or hypothecate any rights or obligations with respect to this Agreement.

Section 7.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of the Parties.

Section 7.4 Waiver.

(1) No waiver of any provisions of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) of this Agreement nor shall such waiver be binding unless executed in writing by the party to be bound by the waiver.

(2) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude another or further exercise of such right or the exercise of any other right.

Section 7.5 Further Assurances.

Each of the IESO and the OFA shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement

Section 7.6 Severability.

In case any provision in this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement shall not in any way be affected or impaired thereby.

Section 7.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 7.8 Entire Agreement.

This Agreement, including the schedules hereto and any other agreements expressly referred to herein, constitutes the whole agreement between the Parties with respect to the matters dealt with in it, and it supersedes any prior agreement, undertakings, discussions and the like respecting the matters dealt with in this Agreement and entered into by the Parties before the date the OFA signs this Agreement.

Section 7.9 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Agreement.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first written above.

ONTARIO FINANCING AUTHORITY

Per: _____

Name: Michael D. Manning
Title: Executive Director & Chief Investment Officer, Capital Markets Division

I have authority to bind the corporation.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; Treasurer

I have authority to bind the corporation.

SCHEDULE 1

FORM OF BORROWING NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The principal amount of the Proposed Advance is $_____;
(c) The Repayment Date of the Proposed Advance is _____. [Not earlier than 5 days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:

Authorized Signatory

SCHEDULE 2

FORM OF ELECTION NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is _____.

(b) The aggregate amount of the proposed Continued Advance is $_____, which is comprised of:
   i. principal amount (or portion thereof) of Advance which is to be continued $_____; and
   ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date $_____;

(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): $ _____

(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _____. [Insert date not earlier than 5 days and not later than 95 days after the current Repayment Date for the Advance.]

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: $_____
The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Name:

Authorized Signatory

SCHEDULE 3 – FORM OF GRID NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $2,000,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR (the "**IESO**"), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY** ("**OFA**") at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement (as defined below).

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the Revolving Credit Facility Agreement dated **[INSERT DATE]** as amended, supplemented or restated from time to time, between the Borrower and the OFA (the "Agreement"). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:
Authorized Signatory

Revolving Credit Facility Grid Note

Ontario Financing Authority
Line of Credit Grid Note

Entity : Independent Electricity System Operator
Loan Limit:

Project:
Schedule of loan transactions to:
Loan Advanced to:

New Loan and/or Rollover					Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days

AMENDING AGREEMENT NO. 10

This Amending Agreement No. 10 (this "**Amending Agreement**") is made as of the 21st day of November, 2017 (the "**Effective Date**")

BETWEEN:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, a statutory corporation without share capital existing under Part II of the *Electricity Act, 1998* ("**IESO**")

-and-

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* ("**OFA**")

(together, the "**Parties**")

WHEREAS the Ontario Power Authority ("**OPA**") and the OFA entered into a credit agreement dated January 1, 2005 (the "**Original Agreement**");

AND WHEREAS effective January 1, 2015, the OPA and the then existing Independent Electricity System Operator amalgamated and continued as a corporation without share capital under Part II of the *Electricity Act, 1998* with the name "Independent Electricity System Operator" (**"IESO"**), and the obligations of the OPA became obligations of the IESO;

AND WHEREAS pursuant to the amending agreements dated February 14, 2005, October 11, 2005 (titled, "Amending Agreement No. 3"), September 27, 2006 (titled, "Amending Agreement No. 4"), July 13, 2007 (titled, "Amending Agreement No. 5"), November 9, 2010 (titled, "Amending Agreement No. 6"), December 20, 2013 (titled, "Amending Agreement No. 7"), December 19, 2014 (titled, "Amending Agreement No. 8") and November 30, 2016 (titled, "Amending Agreement No. 9"), the OPA or IESO (as applicable) and the OFA amended the Original Agreement (as so amended, the "**Credit Agreement**", the terms defined therein being used herein as therein defined);

AND WHEREAS the Parties have now agreed to: (i) at the request of the IESO, decrease the total principal amount available under the Credit Agreement from $975,000,000 to a total principal amount of up to $475,000,000; (ii) amend the use of proceeds under the Credit Agreement; (iii) amend the Form of Election Notice and related provisions under the Credit Agreement; and (iv) make other amendments required as a consequence of the implementation of the OFHP (as defined below);

AND WHEREAS pursuant to Section 7.3 of the Credit Agreement, the Credit Agreement may only be amended or otherwise modified by written agreement executed by the Parties.

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby

acknowledged, and subject to the terms and conditions hereafter set out, the Parties agree that, as of the Effective Time (as defined below):

1. The definition of "Advances" in Section 1.1 of the Credit Agreement is deleted and replaced by the following:

   "**Advances**" means advances made by the OFA to the IESO under Article 3 and "Advance" means any one of such advances, and in the case of an election by the IESO under Section 3.3, includes a "Continued Advance", as defined in Section 3.3(1), as applicable."

2. The definition of "**Commitment**" in Section 1.1 of the Credit Agreement is amended by deleting "$975,000,000" and substituting "$475,000,000" therefor.

3. The definition of "**Permitted Liens**" is amended by deleting the word "and" at the end of subsection (i); replacing the "." at the end of subsection (j) and replacing it with "; and" ; and adding the following subsection (k):

   "(k) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

4. The following definitions are added to Section 1.1 of the Credit Agreement:

   "Clean Energy Adjustment" has the same meaning as that term is defined in the OFHP.

   "**Continued Advance"** has the meaning specified in Section 3.3(1).

   "**Current Repayment Date**" has the meaning specified in Section 3.3(2).

   "**New Repayment Date**" has the meaning specified in Section 3.3(2).

   "OFHP" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

5. Section 2.3 "Use of Proceeds" of the Credit Agreement is deleted in its entirety (with the exception of the title of the section, which exception also applies regarding the amendments made under sections 6, 7 and 8 hereof) and replaced by the following:

   "The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the *Electricity Act, 1998,* as such regulation may be amended or replaced from time to time, provided that Advances may be used only for liquidity purposes."

6. Section 3.2 "Procedures for Advances" of the Credit Agreement is deleted in its entirety and replaced by the following:

"(1) Subject to Section 3.3(5), each Advance shall be made subject to two Business Days' prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each notice of an Advance (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1, other than a Borrowing Notice that is included in an Election Notice as permitted by Section 3.3(3). Each Borrowing Notice shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance; (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall be no earlier than 28 days and not later than 95 days after the date of the requested Advance. Each Borrowing Notice shall also certify the use of proceeds of the Advance which shall in any case be in accordance with Section 2.3. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, the IESO shall execute and deliver to the OFA a grid promissory note in respect of Advances substantially in the form of Schedule 3 (the **"Grid Note"**). The IESO authorizes the OFA to record on the Grid Note (a) the date and amount of each Advance or Continued Advance; (b) the applicable rate of interest for each Advance or Continued Advance; (c) the Repayment Date of each Advance or Continued Advance; (d) the date and amount of each payment of interest and each payment of principal or portion thereof in respect of each Advance or Continued Advance; and (e) Advances Outstanding. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such Advances and repayments; provided that the failure of the OFA to record any amount, rate or date shall not affect the obligation of the IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement."

7. Section 3.3 "Elections Regarding Advances" of the Credit Agreement is deleted in its entirety and replaced by the following:

"(1) The IESO may elect to continue all or a portion of the principal amount of any Advance and any amount of interest on such Advance (together, the "**Continued Advance**") for a further period of at least 28 days and up to a maximum of 95 days beginning on the then current Repayment Date in accordance with Section 3.3(2).

(2) Each notice to continue an Advance for a further period (an "**Election Notice**") shall be provided by the IESO to the OFA at least two Business Days prior to the Repayment Date of the Advance (the "**Current Repayment Date**"), and in each case, not later than 10:00 a.m. (Toronto time). Each such Election Notice shall be given substantially in the form of Schedule 2 and shall be irrevocable and binding upon the IESO and shall specify: (a) the Current Repayment Date; (b) the new aggregate total amount of the proposed Continued Advance; (c) the amount of interest or principal, if any, to be paid or re-paid by the IESO with respect to such Advance on the Current Repayment Date; and (d) the new Repayment Date of the proposed Continued Advance, which shall be no earlier than 28 days and not later than 95 days after the Current Repayment Date (the "**New Repayment Date**"). If the IESO fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date.

(3) An Election Notice with respect to a proposed Continued Advance may include a Borrowing Notice for a further Advance proposed to be made on the Current Repayment

Date. The Repayment Date of such further Advance shall be the New Repayment Date of the Continued Advance that is specified in the Election Notice. Such Borrowing Notice shall be given substantially in the form of Schedule 2.

(4) The calculation of interest on a Continued Advance shall be determined in the same manner as an Advance under Section 3.4 and shall be recorded on the grid promissory note in respect of Advances in accordance with Section 3.2(2).

(5) Any portion of an Advance not continued for a further period in accordance with Section 3.3(2) shall be repayable on the applicable Repayment Date."

8. Section 5.2 "Acceleration of Maturity; Recission and Annulement" of the Credit Agreement is deleted in its entirety and replaced by the following:

"If an Event of Default occurs and is continuing, then and in every such case the OFA may at its option, in addition to any other remedy available to the OFA at law, by written notice to the IESO, take any or all of the following actions:

(a) suspend the right of the IESO to request any further Advance until the Event of Default has been cured to the OFA's satisfaction or, if the Event of Default is not cured within three (3) Business Days after the date on which written notice of such Event of Default shall have been given to the IESO by the OFA, declare all amounts owing hereunder including all interest accrued to be due and payable immediately, by a notice in writing to the IESO, and upon any such declaration all such amounts shall become immediately due and payable.

(b) invoke the Intercept pursuant to section 5.7 of this Agreement to require payment of any amount due and payable under this Agreement."

9. Section 5.7 "Intercept" is added to the Credit Agreement, stating as follows:

"Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of November 6th , 2017 herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the *Capital Investment Plan Act, 1993* (the "**Intercept Letter**"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("**Appropriated Funds**"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("**Intercept**").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail."

10. Section 7.9 "Entire Agreement' is added to the Credit Agreement, stating as follows:

"Section 7.9 Entire Agreement

This Agreement as amended from time to time and including the schedules hereto and any other agreements expressly referred to herein, constitutes the whole agreement between the Parties with respect to the matters dealt with in it, and it supersedes any prior agreement, undertakings, discussions and the like respecting the matters dealt with in this Agreement and entered into by the Parties before the date the OFA signs this Agreement."

11. Schedule 1 of the Credit Agreement, Form of Borrowing Notice, is deleted in its entirety and replaced by the Form of Borrowing Notice attached hereto as Schedule 1.

12. Schedule 2 of the Credit Agreement, Form of Election Notice, is deleted in its entirety and replaced by the Form of Election Notice attached hereto as Schedule 2.

13. Schedule 3 of the Credit Agreement, IESO Grid Note, is deleted in its entirety and replaced by the Form of Grid Note attached hereto as Schedule 3.

14. For the purposes of this Amending Agreement and its coming into effect:

a. "**Effective Time**" means the time on the Effective Date by which the Transfers of Funds (defined below) have been completed; or such other time as the Parties may subsequently agree to in writing as being the "Effective Time";

b. "**Transfers of Funds**" means those transfers of funds to be completed between the Parties on the Effective Date, being:

   i. the First Advance as defined under section 3.2(3) of the credit agreement between the Parties in relation to the IESO's role in the implementation of the OFHP dated November 6, 2017; and,

   ii. the completion of all Advances described in the Election Notice to be provided by the IESO to the OFA no later than November 17, 2017 (such terms having the meanings defined in the Credit Agreement) that are to be funded under the Credit Agreement on the Effective Date; and,

   iii. the repayment by the IESO of all Advances Outstanding (as defined in the Credit Agreement) exceeding $475 million; and,

   iv. the payment by the IESO to OFA of the interest then owing under the Credit Agreement.

15. The Parties shall endeavour to complete and exchange all usual documentation relating to the Transfers of Funds, and to any other related matters occurring on the Effective Date, prior to 5:00 p.m. on the Effective Date, and in any case no later than the next business day.

16. After the Effective Time, and prior to any further Advances under the Credit Agreement, the IESO shall execute and deliver to the OFA a new grid promissory note in the principal amount of up to $475,000,000 substantially in the form attached hereto as Schedule 3 (the **"Grid Note"**) and indicating a total principal amount of Advances Outstanding as of the Effective Time. Upon receipt of the new Grid Note delivered hereunder, the OFA will cancel and return the grid promissory note dated November 30, 2016 to the IESO.

17. This Amending Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Amending Agreement.

IN ALL OTHER RESPECTS, the Credit Agreement is confirmed by the Parties.

[*signature page follows*]

IN WITNESS WHEREOF the Parties hereto have executed and delivered this Amending Agreement on the dates set out below, which shall come into effect as of the Effective Time as defined herein.

ONTARIO FINANCING AUTHORITY

Per: _____ Date: November 6, 2017.

Name: Michael D. Manning
Title: Executive Director & Chief
Investment Officer
Capital Markets Division

I have authority to bind the corporation.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____ Date: November_____, 2017.

Name: Kimberly Marshall
Title: Vice President, Corporate Services;
Chief Financial Officer; Treasurer

I have authority to bind the corporation.

SCHEDULE 1 TO AMENDING AGREEMENT NO. 10

FORM OF BORROWING NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "**Agreement**", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "**Proposed Advance**"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The principal amount of the Proposed Advance is $_____;
(c) The Repayment Date of the Proposed Advance is _____. [Not earlier than 28 days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:

Authorized Signatory

SCHEDULE 2 TO AMENDING AGREEMENT NO. 10

FORM OF ELECTION NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is _____;

(b) The aggregate amount of the proposed Continued Advance is $_____, which is comprised of:

i. principal amount (or portion thereof) of Advance which is to be continued $_____; and
ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date $_____;

(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): $ _____

(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _____. [Insert date no earlier than 28 days and not later than 95 days after the Current Repayment Date for the Advance.]

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: $_____

The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:
Authorized Signatory

SCHEDULE 3 TO AMENDING AGREEMENT NO. 10

FORM OF GRID NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $475,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICTY SYSTEM OPERATOR (the **"IESO"**), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY ("OFA")** at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Credit Agreement (as defined below). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Credit Agreement.

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the credit agreement dated January 1, 2005 as amended, supplemented or restated from time to time, between the Borrower and the OFA (the **"Credit Agreement"**).

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Credit Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Name:
Authorized Signatory

Line of Credit Grid Note

Entity : Independent Electricity System Operator
Loan Limit: $475,000,000

Project:
Schedule of loan transactions to:
Loan Advanced to:

New Loan and/or Rollover					Actual Repayment					
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days

From:	William Tan
To:	"Victor Buza"
Cc:	Lisa Stein; Sarah Harris; Anthony Martinello; John Kim
Subject:	RE: Signatures for FHP and Amending Agreement No. 10
Date:	Monday, November 06, 2017 4:06:45 PM
Attachments:	FHP Credit Agreement OFA IESO - Nov 6, 2017 - OFA Signed.pdf OFA IESO Amending Agreement No. to Jan 1, 2005 Credit Facility Nov 6,2017 - OFA signed.pdf

Hello Victor,

Please find the attached signed FHP Credit Facility Agreement and Amending Agreement #10 to the Jan. 1, 2005 Credit Agreement. Original signature pages will reach you tomorrow or the day after.

Thanks,

Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 3:25 PM
To: William Tan
Cc: Lisa Stein ; Sarah Harris ; Anthony Martinello
Subject: RE: Signatures for FHP and Amending Agreement No. 10
Importance: High

Will,

Please find attached the following documents signed by IESO:

1. Amending Agreement #10 to the Jan. 1, 2005 Credit Agreement;
2. Certified IESO Board Resolution and Incumbency Certificate;
3. Scan of the $2 Billion Grid Note.
4. Intercept Letter Agreement.

I will send the new Revolving Credit Facility Agreement in relation to FHP under a separate email immediately following.

We have already overnighted the original grid note for $2 billion and an original Intercept Letter signed by all parties. Per your request, we will send original agreement signature pages for both agreements as well – can we send those tomorrow or do you need the overnighted too?

Let us know. We look forward to receiving your confirmation of closing.

Victor

Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079
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From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 3:09 PM
To: Victor Buza
Cc: Lisa Stein; Sarah Harris; Anthony Martinello
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hello Victor,

I clarified internally and we would want an original signature page for the FHP Agreement and Amending Agreement No. 10.

Thanks,

Will

From: William Tan
Sent: Monday, November 06, 2017 2:25 PM
To: 'Victor Buza' <Victor.Buza@ieso.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hi Victor,

My apologies. Please scan the separated $2B and $475 MM Grid promissory notes. Forward the $2B promissory note but hold on to the $475MM Grid Promissory Note until November 21.

- Resolution of the Board of Directors
- Incumbency Certificate
- Intercept Letter
- $2 B Grid Promissory Note
- $475 MM Grid Promissory Note

Yes, please forward the documents to myself.

William Tan
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3

Thanks,
Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 2:12 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

I will scan and send all documents you listed in their entirety, not just signature pages. Can you confirm, are you saying you want a scan of the $475MM grid note?

Just so I get it right, should I courier the hardcopies of the Intercept Letter and Note to your attention and address, Will? Call me if it's quicker.

Victor
416-969-6079

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 1:57 PM
To: Victor Buza; Anthony Martinello
Cc: Lisa Stein; Sarah Harris
Subject: FW: Signatures for FHP and Amending Agreement No. 10

Hi Victor,

Thank you for the update. When you send the soft copy signatures, would it be possible to include the signatures within the agreements?

You were probably going to include the following signed soft copies anyway but out of caution I have listed them below:

- Resolution of the Board of Directors
- Incumbency Certificate
- Intercept Letter

- $2 B Grid Note
- $475 MM Grid Note

Hardcopy of the Intercept Letter and $2B Grid Note – overnight delivery is fine.
Per s. 16 AA #10 - Anthony and I discussed on Friday that $475MM Grid note would be signed today but held by IESO until November 21. After the borrowing notice and election notices are actioned, OFA will produce the grid notes to evidence payment and advancements. IESO will then send the new $475MM prom note to OFA. Once received OFA will send the $975MM cancelled prom note to IESO.
Thanks,
Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 10:48 AM
To: William Tan <William.Tan@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hi Will – I have a signing meeting scheduled with our signatory at 2:30pm this afternoon – so I will send you counterpart signatures and a scanned version of the Intercept Letter by 3:00pm or possibly earlier.
Hardcopy of Intercept Letter to follow as you prefer – overnight or pickup? We also need to make arrangements re delivery of the $2Bn Grid Note.
Per s.16 of AA#10, the other Note for $475MM is to be delivered following the Effective Time in exchange for the return by OFA of the Nov 30 2016 Note for $975MM.
Victor

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 10:33 AM
To: Anthony Martinello
Cc: Lisa Stein; Victor Buza; Sarah Harris
Subject: Signatures for FHP and Amending Agreement No. 10

Good morning Anthony,
Just checking-in on approximately when we can expect the documents to be executed so I may prepare my signatory.
Thanks,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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strictly prohibited. If you have received this message in error, or are not the named recipient(s), please notify the sender immediately and delete this e-mail message.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

as Borrower

and

ONTARIO FINANCING AUTHORITY

as Lender

REVOLVING CREDIT FACILITY AGREEMENT

Date: November 6, 2017

REVOLVING CREDIT FACILITY AGREEMENT

THIS AGREEMENT is made as of the 6 day of November 2017,

BETWEEN:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, a statutory corporation without share capital existing under Part II of the *Electricity Act, 1998* (the "**IESO**")
(as Borrower)

AND

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* (the "**OFA**" and together with the IESO, the "**Parties**")
(as Lender)

RECITALS:

WHEREAS the IESO has requested a revolving credit facility for up to a maximum principal amount of $2 billion from the OFA for the purpose of supporting the IESO's role in the implementation and administration of the *Ontario Fair Hydro Plan Act, 2017*.

THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the Parties agree as follows:

ARTICLE 1

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"**Advances**" means advances made by the OFA to the IESO under Article 3 and "Advance" means any one of such advances, and in the case of an election by the IESO under Section 3.3, includes a "Continued Advance", as defined in Section 3.3(1), as applicable.

"Advances Outstanding" means, at any time, an amount equal to the aggregate principal amount of all Advances outstanding at such time.

"Agreement", "herein", "hereby", "hereor', "hereunder" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression "Article" or "Section" followed by a number means the specified Article or Section of this Agreement.

"Borrowing Notice" has the meaning specified in Section 3.2(1).

"Business Day" means any day that is not a day on which banks are generally authorized or required by law or executive order to be closed in the City of Toronto.

"Clean Energy Adjustment" has the same meaning as that term is defined in the OFHP.

"Commitment" means, at any time, an amount equal to $2 billion.

"Consolidated Assets" means, at any time, the book value of the assets of the IESO and the Subsidiaries, determined as of such time on a consolidated basis in accordance with GAAP.

"Continued Advance" has the meaning specified in Section 3.3(1).

"Credit Facility" means the revolving credit facility to be made available to the IESO by the OFA under this Agreement for the purposes specified in Section 2.2.

"Current Repayment Date" has the meaning specified in Section 3.3(2).

"Default" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"Dollars" or **"$"** means lawful currency of Canada.

"Election Notice" has the meaning specified in Section 3.3(2).

"Event of Default" has the meaning specified in Section 5.1.

"First Advance" has the meaning specified in Section 3.2(3).

"GAAP" means accounting policies and standards as established by the Chartered Professional Accountants of Canada, at the relevant time and applied on a consistent basis.

"Grid Note" has the meaning specified in Section 3.2(2).

"Indebtedness" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) every obligation of such Person for borrowed money;

(b) every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments;

(c) every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) every capital lease obligation of such Person;

(f) the Swap Termination Value of each Swap Contract of such Person; and

(g) every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"Lien" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"Material Subsidiary" means, at any time, a Subsidiary which has consolidated assets with a book value of more than $25 million determined in accordance with GAAP.

"**New Repayment Date**" has the meaning specified in Section 3.3(2).

"**OFHP**" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

"Permitted Liens" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) any obligations or duties, affecting the property of the IESO to any municipality or governmental, statutory or public authority, with respect to any franchise, grant, license

or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by the IESO or such Material Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by the IESO or such Material Subsidiary;

(d) any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) the right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) any undetermined or inchoate Liens and charges incidental to the current operations of the IESO or a Material Subsidiary that have not at the time been filed against the IESO or such Material Subsidiary; provided, however, that if any such Lien or charge shall have been filed, the IESO or such Material Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) any Lien the validity of which is being contested at the time by the IESO or a Material Subsidiary in good faith and the enforcement of which has been stayed;

(h) any easements, rights-of-way and servitudes that in the opinion of the IESO will not in the aggregate materially and adversely impair the use or value of the land for the purpose for which it is held or occupied by the IESO or a Material Subsidiary;

(i) any Liens and privileges arising out of judgments or awards with respect to which the IESO or a Material Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall have secured a stay of execution pending such appeal or proceedings for review;

(j) any other Liens of a nature similar to the foregoing which do not in the opinion of the IESO, acting reasonably, materially impair the use of the property subject thereto or the operation of the business of the IESO or any Material Subsidiary or the value of such property for the purpose of any such business; and

(k) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other

lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

"Person" means any individual, corporation, partnership joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"Purchase Money Mortgage" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or part of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"Repayment Date" means, in respect of the repayment of Advances, the repayment date contained in the most recent Borrowing Notice or Election Notice.

"Stated Maturity" when used with respect to any Indebtedness or any installment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such installment of interest is due and payable.

"Subsidiary" means:

(a) a corporation more than 50% of the voting power or the outstanding Voting Shares of which is owned, directly or indirectly, by the IESO or by one or more other Subsidiaries or by the IESO and one or more other Subsidiaries; or

(b) any Person (other than a corporation) in which the IESO, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

"Swap Contract" means any agreement whether or not in writing, relating to any transaction or derivative transaction including a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction currency swap, cross-currency rate swap, swaption, currency option or other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.

"Swap Termination Value" means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap contracts:

(a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and

(b) for any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.

"Voting Shares" of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings.

The division of this Agreement into Articles and Sections and the insertion of headings are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and vice versa and words importing gender may include any gender. In this Agreement, (a) the words "including" and "includes" mean "including (or includes) without limitation", and (b) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" each mean "to but excluding".

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with GAAP.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the next succeeding Business Day.

ARTICLE 2
REVOLVING CREDIT FACILITY

Section 2.1 Availability.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO. The OFA shall make each Advance in Dollars.

Section 2.2 Use of Proceeds.

The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the *Electricity Act, 1998*, as such regulation may be amended or replaced from time to time, subject to the condition that proceeds of Advances may be used only for IESO's financing needs and requirements of any kind arising in connection with the IESO's role with respect to and obligations under the OFHP.

Section 2.3 Credit Facility Limit.

The Advances Outstanding shall not at any time exceed the Commitment. The Credit Facility shall revolve and no payment under the Credit Facility shall reduce the Commitment.

Section 2.4 Mandatory Repayment.

Subject to Sections 2.5 and 5.2, the IESO shall repay each Advance together with the interest accrued thereon on the applicable Repayment Date, and, in any event, shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder on September 30, 2022.

Section 2.5 Prepayments.

The IESO is not entitled to prepay any part of the Advances Outstanding or the interest accrued thereon without the prior written consent of the OFA.

Section 2.6 Payments under this Agreement.

(1) The OFA shall make Advances to the IESO under this Agreement to or to the order of the IESO by wire transfer of immediately available funds in accordance with wire transfer instructions given by the IESO to the OFA from time to time, or in such other manner as the IESO may specify to the OFA from time to time.

(2) The IESO shall make any payment required hereunder to be made by it to the OFA, to or to the order of the OFA, by wire transfer of immediately available funds in accordance with wire transfer instruction given by the OFA to the IESO from time to time, or in such other manner as the OFA may specify to the IESO from time to time. The IESO shall make each such payment in Canadian Dollars.

Section 2.7 Computations of Interest.

(1) All computations of interest shall be made by the OFA taking into account the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest is payable on the basis of a year of 365 days or 366 days, as the case may be.

(2) For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Agreement for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

Section 2.8 Limit on Rate of Interest.

(1) Notwithstanding any provision contained in this Agreement, the IESO shall not be obliged to make any payments of interest or other amounts payable to the OFA hereunder in excess of the amount or rate which would be prohibited by applicable law or would result in the receipt by the OFA of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada)).

(2) In the event that any such payments are limited or prohibited as provided in Section 2.8(1), the OFA shall have no further obligation to make any Advances available hereunder and the Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, shall become immediately due and payable.

Section 2.9 Application of Payments.

All payments made by the IESO under this Agreement shall be applied firstly to the payment of interest payable to the OFA on late payments of principal or interest hereunder, secondly, to the payment of accrued and unpaid interest payable to the OFA hereunder and thirdly, to the payment of the outstanding principal amount of any Advances payable to the OFA.

ARTICLE 3
ADVANCES

Section 3.1 Advances.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO under the Credit Facility from time to time on any Business Day prior to September 23, 2022.

Section 3.2 Procedure for Advances.

(1) Subject to Section 3.3(5), each Advance shall be made subject to two Business Days' prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each notice of an Advance (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1, other than a Borrowing Notice that is included in an Election Notice as permitted by Section 3.3(3). Each Borrowing Notice shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance; (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall not be earlier than 5 days and not later than 95 days after the date of the requested Advance. Each Borrowing Notice shall also certify the use of proceeds of the Advance which shall in any case be in accordance with Section 2.2. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, the IESO shall execute and deliver to the OFA a grid promissory note in respect of Advances substantially in the form of Schedule 3 (the "**Grid Note**"). The IESO authorizes the OFA to record on the Grid Note (a) the date and amount of each Advance or Continued Advance; (b) the applicable rate of interest for each Advance or Continued Advance; (c) the Repayment Date of each Advance or Continued Advance; (d) the date and amount of each payment of interest and each payment of principal or portion thereof in respect of each Advance or Continued Advance; and (e) Advances Outstanding. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such Advances and repayments; provided that the failure of the OFA to record any amount, rate or date shall not affect the obligation of the IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement.

(3) Respecting the first Advance to be made under this Agreement (the "**First Advance**"), a specified portion thereof (the "**Repayment Amount**") shall be used to repay a portion of the IESO's outstanding indebtedness to the OFA under the credit agreement between the Parties dated January 1, 2005, as amended (the "**Existing Credit Facility**"). The amount of the Repayment Amount shall be detailed in the Borrowing Notice issued in respect of the First Advance. Concurrently with the First Advance, OFA shall provide to IESO an updated grid in respect of the grid note issued under the Existing Credit Facility evidencing the repayment of the Repayment Amount thereunder.

Section 3.3 Elections Regarding Advances.

(1) The IESO may elect to continue all or a portion of the principal amount of any Advance and any amount of interest on such Advance (together, the "**Continued Advance**") for a further period of at least 5 days and up to a maximum of 95 days beginning on the then current Repayment Date in accordance with Section 3.3(2).

(2) Each notice to continue an Advance for a further period (an "**Election Notice**") shall be provided by the IESO to the OFA at least two Business Days prior to the Repayment Date of the Advance (the "**Current Repayment Date**"), and in each case, not later than

10:00 a.m. (Toronto time). Each such Election Notice shall be given substantially in the form of Schedule 2 and shall be irrevocable and binding upon the IESO and shall specify: (a) the Current Repayment Date; (b) the new aggregate total amount of the proposed Continued Advance; (c) the amount of interest or principal, if any, to be paid or re-paid by the IESO with respect to such Advance on the Current Repayment Date; and (d) the new Repayment Date of the proposed Continued Advance, which shall be no earlier than 5 days and not later than 95 days after the current Repayment Date (the "**New Repayment Date**"). If the IESO fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date.

(3) An Election Notice with respect to a proposed Continued Advance may include a Borrowing Notice for a further Advance proposed to be made on the Current Repayment Date. The Repayment Date of such further Advance shall be the New Repayment Date of the Continued Advance that is specified in the Election Notice. Such Borrowing Notice shall be given substantially in the form of Schedule 2.

(4) The calculation of interest on a Continued Advance shall be determined in the same manner as an Advance under Section 3.4 and shall be recorded on the Grid Note in accordance with Section 3.2(2).

(5) Any portion of an Advance not continued for a further period in accordance with Section 3.3(2) shall be repayable on the applicable Repayment Date.

(6) The Credit Facility shall at all times rank *pari passu* with all other unsubordinated and unsecured Indebtedness of the IESO, subject to the existence of any Liens that secure Indebtedness, as permitted by subections 4.6 (a) through (e) hereof.

(7) All amounts owing in respect of the Advances shall be paid without exercising any right of set off or counterclaim by the IESO.

Section 3.4 Interest on Advances.

(1) The IESO shall pay interest on the unpaid principal amount of each Advance in accordance with this Section 3.4 from and including the date of such Advance until the principal amount of such Advance is repaid in full.

(2) Interest shall accrue on the principal amount of each Advance from and including the date of the Advance to but excluding the Repayment Date of such Advance, at an annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum, before as well as after the date such principal amount or interest thereon becomes due hereunder and both before and after Default and shall be payable on the Repayment Date for such Advance. Any amount of interest arising hereunder which is not paid when due shall bear interest at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment. The amount of interest payable on an Advance will be calculated by the

OFA by dividing the interest rate applicable to the Advance by 365 or 366, as the case may be, and multiplying the result by the principal amount of the Advance and further multiplying the result by the number of days in the period from the date of the Advance to the Repayment Date of the Advance.

(3) If the IESO elects to continue an Advance in accordance with Section 3.3(2), the OFA shall determine the interest rate applicable after the original Repayment Date of the Advance and endorse the said rate on the grid forming part of the Grid Note in respect of Advances held by it.

Section 3.5 Conditions Precedent

The obligation of the OFA to make the Advances to the IESO pursuant to Section 2.1 is subject to the following conditions being satisfied to the OFA's satisfaction at the time of making each Advance:

(a) that the representations and warranties of the IESO contained in this Agreement are true and correct as at the date of making the Advance;

(b) that no Event of Default has occurred and is continuing;

(c) that there shall, in the reasonable opinion of the OFA, have been no material adverse change in the financial condition of the IESO or a Material Subsidiary; and

(d) that the OFA has received such other documentation which it has reasonably requested to ensure that the IESO is in compliance with the terms and conditions of this Agreement, including certified true copies of any necessary resolutions, a written legal opinion from counsel to the IESO confirming that the borrowing is within the legal powers of the IESO and that the Agreement is a direct, unsecured obligation of the IESO enforceable against the IESO in form satisfactory to the OFA.

ARTICLE 4
COVENANTS OF THE IESO

Section 4.1 Repayment of Advances.

The IESO will duly and punctually pay all amounts owing under this Agreement in accordance with the terms and subject to the conditions of this Agreement.

Section 4.2 IESO will Maintain its Corporate Existence.

The IESO will at all times maintain its corporate existence.

Section 4.3 Maintenance of Properties.

The IESO will cause all property owned by the IESO or any Material Subsidiary to be maintained and kept in good condition, repair and working order, all as in the judgment of the IESO or any Material Subsidiary may be necessary for the proper operation of such property, except as and to the extent that the IESO or any Material Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 4.3 shall prevent the IESO or any Material Subsidiary from discontinuing the maintenance of any such property or decommissioning any such property if such discontinuance or decommissioning is, in the judgment of the IESO or any such Material Subsidiary, desirable in the conduct of its business or the business of any such Material Subsidiary, or has been directly or indirectly requested or required by the Province of Ontario.

Section 4.4 Insurance.

The IESO will cause all property owned by the IESO or any Material Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the mature and to the extent that such property is usually insured by companies operating similar businesses.

Section 4.5 Conduct of Business.

The IESO will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in accordance with good business practice.

Section 4.6 Negative Pledge.

The IESO will not, and will not permit any Material Subsidiary to, create, incur or assume any Lien, charging the interest of the IESO or any Material Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, all amounts owing under this Agreement are secured equally and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) the creation, incurrence or assumption of any Purchase Money Mortgage;

(b) the grant of any Lien in the normal course of business to any banks or financial institutions for present or future Indebtedness of the IESO or any Material Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) any extension, renewal or replacement of any of the Liens referred to in Sections 4.6(a), (b) or (c), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased; and

(e) any Lien charging the interest of the IESO or any Material Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 4.6(a), (b) or (c), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 4.6(e) which is outstanding at such time does not exceed 10% of Consolidated Assets at such time.

Section 4.7 Payment of OFA Expenses

In addition to any liability of the IESO to the OFA under any other provision of this Agreement, the IESO will, on demand, reimburse and indemnify OFA for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OFA in connection with the Agreement (including those services incurred in the preservation of rights under or enforcement of this Agreement at any time during the continuance of a Default or Event of Default and for any reasonable loss or expense incurred by OFA as a result of any failure by the IESO to fulfill any of its obligations under this Agreement). All such costs, charges and expenses shall bear interest at the Province of Ontario's cost of funds plus 0.25 percent per annum (as determined by the OFA) calculated and payable monthly not in advance from in each case from the date on which the OFA incurs the cost, charge or expense until the date on which the IESO reimbursement the OFA therefor. The OFA agrees, acting reasonably, to invoice the IESO for any such costs, charges and expense as they are incurred, together with interest at the aforesaid rate (with interest on overdue interest).

Section 4.8 Reporting.

The IESO will promptly provide to the OFA any reports or supporting documents that the OFA may request from time to time.

Section 4.9 Late Repayment of Advance.

In the event that the IESO fails to repay the principal amount of any Advance and all interest accrued thereon when due, the IESO shall pay interest on the unpaid amount of such Advance at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment.

ARTICLE 5
EVENTS OF DEFAULT AND REMEDIES

Section 5.1 Event of Default.

Wherever used in this Agreement, the term "Event of Default" means any of the following:

(a) the IESO's failure to pay any interest upon any Advance when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) failure to pay the principal amount of any Advance on the applicable Repayment Date or the Advances Outstanding, all interest accrued thereon and all other amounts owing under this Agreement on September 30, 2022;

(c) failure on the part of the IESO to observe or perform its obligations set forth in Section 4.1;

(d) failure on the part of the IESO to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 20 days after the date on which written notice of such failure shall have been given to the IESO by the OFA;

(e) any representation or warranty made by the IESO in this Agreement or in any certificate or other document at any time delivered hereunder to the OFA was incorrect or misleading in any material respect;

(f) one or more breaches by the IESO of its covenants under one or more evidences of Indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $5 million, which breaches:

(i) constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist, or

(ii) have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived or rescinded);

(g) the IESO or any Material Subsidiary:

(i) becomes unable to meet its obligations as they generally become due or has ceased paying its current obligations in the ordinary course of business as they generally become due;

(ii) admits in writing its inability to pay its debts generally or makes a general assignment for the benefit its creditors or files a proposal or other scheme

of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) institutes or has instituted against it any proceeding seeking:

(A) to adjudicate it as bankrupt or insolvent,

(B) liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors, or

(C) the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets,

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismissed or unstayed for a period of 30 days, or any remedy sought in any such proceeding (including the entry of order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

(iv) takes any corporate action to authorize any of the actions in Sections 5.1 (g)(i) to (iii); or

(h) if there shall be rendered against the IESO or any Material Subsidiary a final judgment or judgments for the payment of money in an aggregate amount in excess of $5 million by a court or courts of competent jurisdiction, and the IESO or any Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 5.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case the OFA may at its option, in addition to any other remedy available to the OFA at law, by written notice to the IESO, take any or all of the following actions:

(a) suspend the right of the IESO to request any further Advance until the Event of Default has been cured to the OFA's satisfaction or, if the Event of Default is not

cured within three (3) Business Days after the date on which written notice of such Event of Default shall have been given to the IESO by the OFA, declare all amounts owing hereunder including all interest accrued to be due and payable immediately, by a notice in writing to the IESO, and upon any such declaration all such amounts shall become immediately due and payable.

(b) invoke the Intercept pursuant to section 5.7 of this Agreement to require payment of any amount due and payable under this Agreement.

Section 5.3 Suits for Enforcement by the OFA.

If an Event of Default occurs and is continuing, the OFA may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in the OFA by this Agreement or by law.

Section 5.4 OFA May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of the IESO under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property of the IESO, or if any other judicial proceedings relative to the IESO, its creditors or its property are pending, the OFA shall be entitled and empowered, by intention in such proceeding or otherwise:

(a) to file and prove a claim for all amounts owing under this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of the OFA (including any claim for fees and disbursements of the OFA, its agents and counsel) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claim.

Section 5.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to the OFA is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.6 Delay or Omission not Waiver.

No delay or omission of the OFA to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right or remedy given by this Article 5 or by law to OFA may be exercised from time to time, and as often as may be deemed expedient, by the OFA.

Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of even date herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the *Capital Investment Plan Act, 1993* (the "**Intercept Letter**"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("**Appropriated Funds**"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("**Intercept**").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

(e) The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or

inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail.

ARTICLE 6
REPRESENTATIONS AND WARRANTIES OF IESO

Section 6.1 Representations and Warranties of IESO

The IESO represents and warrants to the OFA that:

(a) the borrowing of money (including principal and accrued interest) by the IESO and the execution, delivery and performance of this Agreement are within the powers and capacities of the IESO and have been duly authorized by all necessary legal action and proper proceedings;

(b) the execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the compliance with the terms and conditions of this Agreement will not conflict with or result in a breach of any of the terms or provisions of the constituting documents or by-laws of the IESO, laws of Ontario, including laws of Canada applicable therein, applicable to the IESO or any contractual or other obligation binding on the IESO;

(c) this Agreement will, when executed and delivered, constitute the legal, valid and binding obligation of the IESO enforceable against it in accordance with its terms; and

(d) the monies advanced under this Agreement shall be used only by the IESO for the purposes set out in Section 2.2.

Section 6.2 Continuation of Representation and Warranties

The representations and warranties set out in Section 6.1 herein shall survive the execution and delivery of this Agreement, the making of each Advance by the OFA, notwithstanding any investigations or examinations which may be made by counsel for the OFA.

ARTICLE 7
GENERAL

Section 7.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy or other means of electronic communication addressed:

If to the IESO, to it at:

Independent Electricity System Operator
120 Adelaide Street West, Suite 1600
Toronto, ON M5H 1T1

Attention: Chief Financial Officer
Telephone: (416)969-6232
Facsimile: (905)403-6913

If to the OFA, to it at:

Ontario Financing Authority 1 Dundas Street West
Suite 1400 Toronto, Ontario M7A 1Y7

Attention: Executive Director & Chief Investment Officer – Capital Markets Division
Telephone: (416)325-8930
Facsimile: (416)860-8346

provided that any Borrowing Notice or Election Notice shall be addressed as indicated on Schedule 1 or Schedule 2 respectively.

Any communication hereunder shall be deemed to have been validly and effectively given if (a) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p.m. (Toronto time), otherwise on the next Business Day, (b) transmitted by facsimile or other means of electronic communication, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice give in accordance with this Section 7.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 7.1.

Section 7.2 Successors and Assigns.

This Agreement shall be binding on and enure to the benefit of the OFA and the IESO and their respective successors and permitted assigns, except that the IESO shall not, without the

prior written consent of the OFA assign, pledge or hypothecate any rights or obligations with respect to this Agreement.

Section 7.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of the Parties.

Section 7.4 Waiver.

(1) No waiver of any provisions of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) of this Agreement nor shall such waiver be binding unless executed in writing by the party to be bound by the waiver.

(2) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude another or further exercise of such right or the exercise of any other right.

Section 7.5 Further Assurances.

Each of the IESO and the OFA shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement

Section 7.6 Severability.

In case any provision in this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement shall not in any way be affected or impaired thereby.

Section 7.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 7.8 Entire Agreement.

This Agreement, including the schedules hereto and any other agreements expressly referred to herein, constitutes the whole agreement between the Parties with respect to the matters dealt with in it, and it supersedes any prior agreement, undertakings, discussions and the like respecting the matters dealt with in this Agreement and entered into by the Parties before the date the OFA signs this Agreement.

Section 7.9 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Agreement.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first written above.

ONTARIO FINANCING AUTHORITY

Per: _____

Name: Michael D. Manning
Title: Executive Director & Chief Investment Officer, Capital Markets Division

I have authority to bind the corporation.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; Treasurer

I have authority to bind the corporation.

SCHEDULE 1

FORM OF BORROWING NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The principal amount of the Proposed Advance is $_____;
(c) The Repayment Date of the Proposed Advance is _____. [Not earlier than 5 days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:

Authorized Signatory

SCHEDULE 2

FORM OF ELECTION NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is _____.

(b) The aggregate amount of the proposed Continued Advance is $_____, which is comprised of:
   i. principal amount (or portion thereof) of Advance which is to be continued $_____; and
   ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date $_____;

(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): $ _____

(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _____. [Insert date not earlier than 5 days and not later than 95 days after the current Repayment Date for the Advance.]

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: $_____
The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Name:

Authorized Signatory

SCHEDULE 3 – FORM OF GRID NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $2,000,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR (the "**IESO**"), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY** ("**OFA**") at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement (as defined below).

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the Revolving Credit Facility Agreement dated **[INSERT DATE]** as amended, supplemented or restated from time to time, between the Borrower and the OFA (the "Agreement"). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:
Authorized Signatory

Revolving Credit Facility Grid Note

Ontario Financing Authority
Line of Credit Grid Note

Entity : Independent Electricity System Operator
Loan Limit:

Project:
Schedule of loan transactions to:
Loan Advanced to:

New Loan and/or Rollover					Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days

AMENDING AGREEMENT NO. 10

This Amending Agreement No. 10 (this "**Amending Agreement**") is made as of the 21st day of November, 2017 (the "**Effective Date**")

BETWEEN:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, a statutory corporation without share capital existing under Part II of the *Electricity Act, 1998* ("**IESO**")

-and-

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* ("**OFA**")

(together, the "**Parties**")

WHEREAS the Ontario Power Authority ("**OPA**") and the OFA entered into a credit agreement dated January 1, 2005 (the "**Original Agreement**");

AND WHEREAS effective January 1, 2015, the OPA and the then existing Independent Electricity System Operator amalgamated and continued as a corporation without share capital under Part II of the *Electricity Act, 1998* with the name "Independent Electricity System Operator" (**"IESO"**), and the obligations of the OPA became obligations of the IESO;

AND WHEREAS pursuant to the amending agreements dated February 14, 2005, October 11, 2005 (titled, "Amending Agreement No. 3"), September 27, 2006 (titled, "Amending Agreement No. 4"), July 13, 2007 (titled, "Amending Agreement No. 5"), November 9, 2010 (titled, "Amending Agreement No. 6"), December 20, 2013 (titled, "Amending Agreement No. 7"), December 19, 2014 (titled, "Amending Agreement No. 8") and November 30, 2016 (titled, "Amending Agreement No. 9"), the OPA or IESO (as applicable) and the OFA amended the Original Agreement (as so amended, the "**Credit Agreement**", the terms defined therein being used herein as therein defined);

AND WHEREAS the Parties have now agreed to: (i) at the request of the IESO, decrease the total principal amount available under the Credit Agreement from $975,000,000 to a total principal amount of up to $475,000,000; (ii) amend the use of proceeds under the Credit Agreement; (iii) amend the Form of Election Notice and related provisions under the Credit Agreement; and (iv) make other amendments required as a consequence of the implementation of the OFHP (as defined below);

AND WHEREAS pursuant to Section 7.3 of the Credit Agreement, the Credit Agreement may only be amended or otherwise modified by written agreement executed by the Parties.

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby

acknowledged, and subject to the terms and conditions hereafter set out, the Parties agree that, as of the Effective Time (as defined below):

1. The definition of "Advances" in Section 1.1 of the Credit Agreement is deleted and replaced by the following:

   "**Advances**" means advances made by the OFA to the IESO under Article 3 and "Advance" means any one of such advances, and in the case of an election by the IESO under Section 3.3, includes a "Continued Advance", as defined in Section 3.3(1), as applicable."

2. The definition of "**Commitment**" in Section 1.1 of the Credit Agreement is amended by deleting "$975,000,000" and substituting "$475,000,000" therefor.

3. The definition of "**Permitted Liens**" is amended by deleting the word "and" at the end of subsection (i); replacing the "." at the end of subsection (j) and replacing it with "; and" ; and adding the following subsection (k):

   "(k) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

4. The following definitions are added to Section 1.1 of the Credit Agreement:

   "Clean Energy Adjustment" has the same meaning as that term is defined in the OFHP.

   "**Continued Advance"** has the meaning specified in Section 3.3(1).

   "**Current Repayment Date**" has the meaning specified in Section 3.3(2).

   "**New Repayment Date**" has the meaning specified in Section 3.3(2).

   "OFHP" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

5. Section 2.3 "Use of Proceeds" of the Credit Agreement is deleted in its entirety (with the exception of the title of the section, which exception also applies regarding the amendments made under sections 6, 7 and 8 hereof) and replaced by the following:

   "The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the *Electricity Act, 1998,* as such regulation may be amended or replaced from time to time, provided that Advances may be used only for liquidity purposes."

6. Section 3.2 "Procedures for Advances" of the Credit Agreement is deleted in its entirety and replaced by the following:

"(1) Subject to Section 3.3(5), each Advance shall be made subject to two Business Days' prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each notice of an Advance (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1, other than a Borrowing Notice that is included in an Election Notice as permitted by Section 3.3(3). Each Borrowing Notice shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance; (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall be no earlier than 28 days and not later than 95 days after the date of the requested Advance. Each Borrowing Notice shall also certify the use of proceeds of the Advance which shall in any case be in accordance with Section 2.3. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, the IESO shall execute and deliver to the OFA a grid promissory note in respect of Advances substantially in the form of Schedule 3 (the **"Grid Note"**). The IESO authorizes the OFA to record on the Grid Note (a) the date and amount of each Advance or Continued Advance; (b) the applicable rate of interest for each Advance or Continued Advance; (c) the Repayment Date of each Advance or Continued Advance; (d) the date and amount of each payment of interest and each payment of principal or portion thereof in respect of each Advance or Continued Advance; and (e) Advances Outstanding. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such Advances and repayments; provided that the failure of the OFA to record any amount, rate or date shall not affect the obligation of the IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement."

7. Section 3.3 "Elections Regarding Advances" of the Credit Agreement is deleted in its entirety and replaced by the following:

"(1) The IESO may elect to continue all or a portion of the principal amount of any Advance and any amount of interest on such Advance (together, the "**Continued Advance**") for a further period of at least 28 days and up to a maximum of 95 days beginning on the then current Repayment Date in accordance with Section 3.3(2).

(2) Each notice to continue an Advance for a further period (an "**Election Notice**") shall be provided by the IESO to the OFA at least two Business Days prior to the Repayment Date of the Advance (the "**Current Repayment Date**"), and in each case, not later than 10:00 a.m. (Toronto time). Each such Election Notice shall be given substantially in the form of Schedule 2 and shall be irrevocable and binding upon the IESO and shall specify: (a) the Current Repayment Date; (b) the new aggregate total amount of the proposed Continued Advance; (c) the amount of interest or principal, if any, to be paid or re-paid by the IESO with respect to such Advance on the Current Repayment Date; and (d) the new Repayment Date of the proposed Continued Advance, which shall be no earlier than 28 days and not later than 95 days after the Current Repayment Date (the "**New Repayment Date**"). If the IESO fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date.

(3) An Election Notice with respect to a proposed Continued Advance may include a Borrowing Notice for a further Advance proposed to be made on the Current Repayment

Date. The Repayment Date of such further Advance shall be the New Repayment Date of the Continued Advance that is specified in the Election Notice. Such Borrowing Notice shall be given substantially in the form of Schedule 2.

(4) The calculation of interest on a Continued Advance shall be determined in the same manner as an Advance under Section 3.4 and shall be recorded on the grid promissory note in respect of Advances in accordance with Section 3.2(2).

(5) Any portion of an Advance not continued for a further period in accordance with Section 3.3(2) shall be repayable on the applicable Repayment Date."

8. Section 5.2 "Acceleration of Maturity; Recission and Annulement" of the Credit Agreement is deleted in its entirety and replaced by the following:

"If an Event of Default occurs and is continuing, then and in every such case the OFA may at its option, in addition to any other remedy available to the OFA at law, by written notice to the IESO, take any or all of the following actions:

(a) suspend the right of the IESO to request any further Advance until the Event of Default has been cured to the OFA's satisfaction or, if the Event of Default is not cured within three (3) Business Days after the date on which written notice of such Event of Default shall have been given to the IESO by the OFA, declare all amounts owing hereunder including all interest accrued to be due and payable immediately, by a notice in writing to the IESO, and upon any such declaration all such amounts shall become immediately due and payable.

(b) invoke the Intercept pursuant to section 5.7 of this Agreement to require payment of any amount due and payable under this Agreement."

9. Section 5.7 "Intercept" is added to the Credit Agreement, stating as follows:

"Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of November 6th , 2017 herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the *Capital Investment Plan Act, 1993* (the "**Intercept Letter**"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("**Appropriated Funds**"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("**Intercept**").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail."

10. Section 7.9 "Entire Agreement' is added to the Credit Agreement, stating as follows:

"Section 7.9 Entire Agreement

This Agreement as amended from time to time and including the schedules hereto and any other agreements expressly referred to herein, constitutes the whole agreement between the Parties with respect to the matters dealt with in it, and it supersedes any prior agreement, undertakings, discussions and the like respecting the matters dealt with in this Agreement and entered into by the Parties before the date the OFA signs this Agreement."

11. Schedule 1 of the Credit Agreement, Form of Borrowing Notice, is deleted in its entirety and replaced by the Form of Borrowing Notice attached hereto as Schedule 1.

12. Schedule 2 of the Credit Agreement, Form of Election Notice, is deleted in its entirety and replaced by the Form of Election Notice attached hereto as Schedule 2.

13. Schedule 3 of the Credit Agreement, IESO Grid Note, is deleted in its entirety and replaced by the Form of Grid Note attached hereto as Schedule 3.

14. For the purposes of this Amending Agreement and its coming into effect:

a. "**Effective Time**" means the time on the Effective Date by which the Transfers of Funds (defined below) have been completed; or such other time as the Parties may subsequently agree to in writing as being the "Effective Time";

b. "**Transfers of Funds**" means those transfers of funds to be completed between the Parties on the Effective Date, being:

   i. the First Advance as defined under section 3.2(3) of the credit agreement between the Parties in relation to the IESO's role in the implementation of the OFHP dated November 6, 2017; and,

   ii. the completion of all Advances described in the Election Notice to be provided by the IESO to the OFA no later than November 17, 2017 (such terms having the meanings defined in the Credit Agreement) that are to be funded under the Credit Agreement on the Effective Date; and,

   iii. the repayment by the IESO of all Advances Outstanding (as defined in the Credit Agreement) exceeding $475 million; and,

   iv. the payment by the IESO to OFA of the interest then owing under the Credit Agreement.

15. The Parties shall endeavour to complete and exchange all usual documentation relating to the Transfers of Funds, and to any other related matters occurring on the Effective Date, prior to 5:00 p.m. on the Effective Date, and in any case no later than the next business day.

16. After the Effective Time, and prior to any further Advances under the Credit Agreement, the IESO shall execute and deliver to the OFA a new grid promissory note in the principal amount of up to $475,000,000 substantially in the form attached hereto as Schedule 3 (the **"Grid Note"**) and indicating a total principal amount of Advances Outstanding as of the Effective Time. Upon receipt of the new Grid Note delivered hereunder, the OFA will cancel and return the grid promissory note dated November 30, 2016 to the IESO.

17. This Amending Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Amending Agreement.

IN ALL OTHER RESPECTS, the Credit Agreement is confirmed by the Parties.

[*signature page follows*]

IN WITNESS WHEREOF the Parties hereto have executed and delivered this Amending Agreement on the dates set out below, which shall come into effect as of the Effective Time as defined herein.

ONTARIO FINANCING AUTHORITY

Per: _____ Date: November 6, 2017.

Name: Michael D. Manning
Title: Executive Director & Chief
Investment Officer
Capital Markets Division

I have authority to bind the corporation.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____ Date: November_____, 2017.

Name: Kimberly Marshall
Title: Vice President, Corporate Services;
Chief Financial Officer; Treasurer

I have authority to bind the corporation.

SCHEDULE 1 TO AMENDING AGREEMENT NO. 10

FORM OF BORROWING NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "**Agreement**", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "**Proposed Advance**"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The principal amount of the Proposed Advance is $_____;
(c) The Repayment Date of the Proposed Advance is _____. [Not earlier than 28 days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:

Authorized Signatory

SCHEDULE 2 TO AMENDING AGREEMENT NO. 10

FORM OF ELECTION NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is _____;

(b) The aggregate amount of the proposed Continued Advance is $_____, which is comprised of:

i. principal amount (or portion thereof) of Advance which is to be continued $_____; and
ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date $_____;

(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): $ _____

(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _____. [Insert date no earlier than 28 days and not later than 95 days after the Current Repayment Date for the Advance.]

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: $_____

The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:
Authorized Signatory

SCHEDULE 3 TO AMENDING AGREEMENT NO. 10

FORM OF GRID NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $475,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICTY SYSTEM OPERATOR (the **"IESO"**), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY ("OFA")** at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Credit Agreement (as defined below). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Credit Agreement.

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the credit agreement dated January 1, 2005 as amended, supplemented or restated from time to time, between the Borrower and the OFA (the **"Credit Agreement"**).

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Credit Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Name:
Authorized Signatory

Line of Credit Grid Note

Entity : Independent Electricity System Operator
Loan Limit: $475,000,000

Project:
Schedule of loan transactions to:
Loan Advanced to:

New Loan and/or Rollover					Actual Repayment					
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days

From:	Victor Buza
To:	William Tan
Cc:	Lisa Stein; Sarah Harris; Anthony Martinello
Subject:	RE: Signatures for FHP and Amending Agreement No. 10
Date:	Monday, November 06, 2017 3:25:00 PM
Attachments:	OFA_IESO Amending Agrmt#10 to Jan 1 2005 Credit Facility Nov 6 2017 - IESO signed.pdf Certified IESO Brd Resol"n June 14_17 re Credit Facilities and Incumb Cert - Nov 6 2017.pdf FHP_IESO $2Billion Grid Note to OFA - signed by IESO Nov 6 2017.pdf Intercept Letter MOE_OFA_IESO Fully Executed - Nov 6 2017.pdf
Importance:	High

Will,

Please find attached the following documents signed by IESO:

1. Amending Agreement #10 to the Jan. 1, 2005 Credit Agreement;
2. Certified IESO Board Resolution and Incumbency Certificate;
3. Scan of the $2 Billion Grid Note.
4. Intercept Letter Agreement.

I will send the new Revolving Credit Facility Agreement in relation to FHP under a separate email immediately following.

We have already overnighted the original grid note for $2 billion and an original Intercept Letter signed by all parties. Per your request, we will send original agreement signature pages for both agreements as well – can we send those tomorrow or do you need the overnighted too?

Let us know. We look forward to receiving your confirmation of closing.

Victor

Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079

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From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 3:09 PM
To: Victor Buza
Cc: Lisa Stein; Sarah Harris; Anthony Martinello
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hello Victor,

I clarified internally and we would want an original signature page for the FHP Agreement and Amending Agreement No. 10.

Thanks,

Will

From: William Tan
Sent: Monday, November 06, 2017 2:25 PM
To: 'Victor Buza' <Victor.Buza@ieso.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hi Victor,

My apologies. Please scan the separated $2B and $475 MM Grid promissory notes. Forward the $2B

promissory note but hold on to the $475MM Grid Promissory Note until November 21.

- Resolution of the Board of Directors
- Incumbency Certificate
- Intercept Letter
- $2 B Grid Promissory Note
- $475 MM Grid Promissory Note

Yes, please forward the documents to myself.

William Tan
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3

Thanks,
Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 2:12 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

I will scan and send all documents you listed in their entirety, not just signature pages. Can you confirm, are you saying you want a scan of the $475MM grid note?
Just so I get it right, should I courier the hardcopies of the Intercept Letter and Note to your attention and address, Will? Call me if it's quicker.

Victor
416-969-6079

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 1:57 PM
To: Victor Buza; Anthony Martinello
Cc: Lisa Stein; Sarah Harris
Subject: FW: Signatures for FHP and Amending Agreement No. 10

Hi Victor,
Thank you for the update. When you send the soft copy signatures, would it be possible to include the signatures within the agreements?
You were probably going to include the following signed soft copies anyway but out of caution I have listed them below:

- Resolution of the Board of Directors
- Incumbency Certificate
- Intercept Letter
- $2 B Grid Note
- $475 MM Grid Note

Hardcopy of the Intercept Letter and $2B Grid Note – overnight delivery is fine.
Per s. 16 AA #10 - Anthony and I discussed on Friday that $475MM Grid note would be signed today but held by IESO until November 21. After the borrowing notice and election notices are actioned, OFA will produce the grid notes to evidence payment and advancements. IESO will then send the new $475MM prom note to OFA. Once received OFA will send the $975MM cancelled prom note to

IESO.
Thanks,
Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 10:48 AM
To: William Tan <William.Tan@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hi Will – I have a signing meeting scheduled with our signatory at 2:30pm this afternoon – so I will send you counterpart signatures and a scanned version of the Intercept Letter by 3:00pm or possibly earlier.
Hardcopy of Intercept Letter to follow as you prefer – overnight or pickup? We also need to make arrangements re delivery of the $2Bn Grid Note.
Per s.16 of AA#10, the other Note for $475MM is to be delivered following the Effective Time in exchange for the return by OFA of the Nov 30 2016 Note for $975MM.
Victor

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 10:33 AM
To: Anthony Martinello
Cc: Lisa Stein; Victor Buza; Sarah Harris
Subject: Signatures for FHP and Amending Agreement No. 10

Good morning Anthony,
Just checking-in on approximately when we can expect the documents to be executed so I may prepare my signatory.
Thanks,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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AMENDING AGREEMENT NO. 10

This Amending Agreement No. 10 (this "**Amending Agreement**") is made as of the 21st day of November, 2017 (the "**Effective Date**")

BETWEEN:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, a statutory corporation without share capital existing under Part II of the *Electricity Act, 1998* ("**IESO**")

-and-

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* ("**OFA**")

(together, the "**Parties**")

WHEREAS the Ontario Power Authority ("**OPA**") and the OFA entered into a credit agreement dated January 1, 2005 (the "**Original Agreement**");

AND WHEREAS effective January 1, 2015, the OPA and the then existing Independent Electricity System Operator amalgamated and continued as a corporation without share capital under Part II of the *Electricity Act, 1998* with the name "Independent Electricity System Operator" (**"IESO"),** and the obligations of the OPA became obligations of the IESO;

AND WHEREAS pursuant to the amending agreements dated February 14, 2005, October 11, 2005 (titled, "Amending Agreement No. 3"), September 27, 2006 (titled, "Amending Agreement No. 4"), July 13, 2007 (titled, "Amending Agreement No. 5"), November 9, 2010 (titled, "Amending Agreement No. 6"), December 20, 2013 (titled, "Amending Agreement No. 7"), December 19, 2014 (titled, "Amending Agreement No. 8") and November 30, 2016 (titled, "Amending Agreement No. 9"), the OPA or IESO (as applicable) and the OFA amended the Original Agreement (as so amended, the **"Credit Agreement",** the terms defined therein being used herein as therein defined);

AND WHEREAS the Parties have now agreed to: (i) at the request of the IESO, decrease the total principal amount available under the Credit Agreement from $975,000,000 to a total principal amount of up to $475,000,000; (ii) amend the use of proceeds under the Credit Agreement; (iii) amend the Form of Election Notice and related provisions under the Credit Agreement; and (iv) make other amendments required as a consequence of the implementation of the OFHP (as defined below);

AND WHEREAS pursuant to Section 7.3 of the Credit Agreement, the Credit Agreement may only be amended or otherwise modified by written agreement executed by the Parties.

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby

acknowledged, and subject to the terms and conditions hereafter set out, the Parties agree that, as of the Effective Time (as defined below):

1. The definition of "Advances" in Section 1.1 of the Credit Agreement is deleted and replaced by the following:

   "**Advances**" means advances made by the OFA to the IESO under Article 3 and "Advance" means any one of such advances, and in the case of an election by the IESO under Section 3.3, includes a "Continued Advance", as defined in Section 3.3(1), as applicable."

2. The definition of "**Commitment**" in Section 1.1 of the Credit Agreement is amended by deleting "$975,000,000" and substituting "$475,000,000" therefor.

3. The definition of "**Permitted Liens**" is amended by deleting the word "and" at the end of subsection (i); replacing the "." at the end of subsection (j) and replacing it with "; and" ; and adding the following subsection (k):

   "(k) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

4. The following definitions are added to Section 1.1 of the Credit Agreement:

   "Clean Energy Adjustment" has the same meaning as that term is defined in the OFHP.

   "Continued Advance" has the meaning specified in Section 3.3(1).

   "**Current Repayment Date**" has the meaning specified in Section 3.3(2).

   "**New Repayment Date**" has the meaning specified in Section 3.3(2).

   "OFHP" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

5. Section 2.3 "Use of Proceeds" of the Credit Agreement is deleted in its entirety (with the exception of the title of the section, which exception also applies regarding the amendments made under sections 6, 7 and 8 hereof) and replaced by the following:

   "The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the *Electricity Act, 1998,* as such regulation may be amended or replaced from time to time, provided that Advances may be used only for liquidity purposes."

6. Section 3.2 "Procedures for Advances" of the Credit Agreement is deleted in its entirety and replaced by the following:

"(1) Subject to Section 3.3(5), each Advance shall be made subject to two Business Days' prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each notice of an Advance (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1, other than a Borrowing Notice that is included in an Election Notice as permitted by Section 3.3(3). Each Borrowing Notice shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance; (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall be no earlier than 28 days and not later than 95 days after the date of the requested Advance. Each Borrowing Notice shall also certify the use of proceeds of the Advance which shall in any case be in accordance with Section 2.3. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, the IESO shall execute and deliver to the OFA a grid promissory note in respect of Advances substantially in the form of Schedule 3 (the **"Grid Note")**. The IESO authorizes the OFA to record on the Grid Note (a) the date and amount of each Advance or Continued Advance; (b) the applicable rate of interest for each Advance or Continued Advance; (c) the Repayment Date of each Advance or Continued Advance; (d) the date and amount of each payment of interest and each payment of principal or portion thereof in respect of each Advance or Continued Advance; and (e) Advances Outstanding. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such Advances and repayments; provided that the failure of the OFA to record any amount, rate or date shall not affect the obligation of the IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement."

7. Section 3.3 "Elections Regarding Advances" of the Credit Agreement is deleted in its entirety and replaced by the following:

"(1) The IESO may elect to continue all or a portion of the principal amount of any Advance and any amount of interest on such Advance (together, the "**Continued Advance**") for a further period of at least 28 days and up to a maximum of 95 days beginning on the then current Repayment Date in accordance with Section 3.3(2).

(2) Each notice to continue an Advance for a further period (an "**Election Notice**") shall be provided by the IESO to the OFA at least two Business Days prior to the Repayment Date of the Advance (the "**Current Repayment Date**"), and in each case, not later than 10:00 a.m. (Toronto time). Each such Election Notice shall be given substantially in the form of Schedule 2 and shall be irrevocable and binding upon the IESO and shall specify: (a) the Current Repayment Date; (b) the new aggregate total amount of the proposed Continued Advance; (c) the amount of interest or principal, if any, to be paid or re-paid by the IESO with respect to such Advance on the Current Repayment Date; and (d) the new Repayment Date of the proposed Continued Advance, which shall be no earlier than 28 days and not later than 95 days after the Current Repayment Date (the "**New Repayment Date**"). If the IESO fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date.

(3) An Election Notice with respect to a proposed Continued Advance may include a Borrowing Notice for a further Advance proposed to be made on the Current Repayment

Date. The Repayment Date of such further Advance shall be the New Repayment Date of the Continued Advance that is specified in the Election Notice. Such Borrowing Notice shall be given substantially in the form of Schedule 2.

(4) The calculation of interest on a Continued Advance shall be determined in the same manner as an Advance under Section 3.4 and shall be recorded on the grid promissory note in respect of Advances in accordance with Section 3.2(2).

(5) Any portion of an Advance not continued for a further period in accordance with Section 3.3(2) shall be repayable on the applicable Repayment Date."

8. Section 5.2 "Acceleration of Maturity; Recission and Annulement" of the Credit Agreement is deleted in its entirety and replaced by the following:

"If an Event of Default occurs and is continuing, then and in every such case the OFA may at its option, in addition to any other remedy available to the OFA at law, by written notice to the IESO, take any or all of the following actions:

(a) suspend the right of the IESO to request any further Advance until the Event of Default has been cured to the OFA's satisfaction or, if the Event of Default is not cured within three (3) Business Days after the date on which written notice of such Event of Default shall have been given to the IESO by the OFA, declare all amounts owing hereunder including all interest accrued to be due and payable immediately, by a notice in writing to the IESO, and upon any such declaration all such amounts shall become immediately due and payable.

(b) invoke the Intercept pursuant to section 5.7 of this Agreement to require payment of any amount due and payable under this Agreement."

9. Section 5.7 "Intercept" is added to the Credit Agreement, stating as follows:

"Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of November 6th , 2017 herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the *Capital Investment Plan Act, 1993* (the "**Intercept Letter**"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("**Appropriated Funds**"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("**Intercept**").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail."

10. Section 7.9 "Entire Agreement' is added to the Credit Agreement, stating as follows:

"Section 7.9 Entire Agreement

This Agreement as amended from time to time and including the schedules hereto and any other agreements expressly referred to herein, constitutes the whole agreement between the Parties with respect to the matters dealt with in it, and it supersedes any prior agreement, undertakings, discussions and the like respecting the matters dealt with in this Agreement and entered into by the Parties before the date the OFA signs this Agreement."

11. Schedule 1 of the Credit Agreement, Form of Borrowing Notice, is deleted in its entirety and replaced by the Form of Borrowing Notice attached hereto as Schedule 1.

12. Schedule 2 of the Credit Agreement, Form of Election Notice, is deleted in its entirety and replaced by the Form of Election Notice attached hereto as Schedule 2.

13. Schedule 3 of the Credit Agreement, IESO Grid Note, is deleted in its entirety and replaced by the Form of Grid Note attached hereto as Schedule 3.

14. For the purposes of this Amending Agreement and its coming into effect:

a. "**Effective Time**" means the time on the Effective Date by which the Transfers of Funds (defined below) have been completed; or such other time as the Parties may subsequently agree to in writing as being the "Effective Time";

b. "**Transfers of Funds**" means those transfers of funds to be completed between the Parties on the Effective Date, being:

   i. the First Advance as defined under section 3.2(3) of the credit agreement between the Parties in relation to the IESO's role in the implementation of the OFHP dated November 6, 2017; and,

   ii. the completion of all Advances described in the Election Notice to be provided by the IESO to the OFA no later than November 17, 2017 (such terms having the meanings defined in the Credit Agreement) that are to be funded under the Credit Agreement on the Effective Date; and,

   iii. the repayment by the IESO of all Advances Outstanding (as defined in the Credit Agreement) exceeding $475 million; and,

   iv. the payment by the IESO to OFA of the interest then owing under the Credit Agreement.

15. The Parties shall endeavour to complete and exchange all usual documentation relating to the Transfers of Funds, and to any other related matters occurring on the Effective Date, prior to 5:00 p.m. on the Effective Date, and in any case no later than the next business day.

16. After the Effective Time, and prior to any further Advances under the Credit Agreement, the IESO shall execute and deliver to the OFA a new grid promissory note in the principal amount of up to $475,000,000 substantially in the form attached hereto as Schedule 3 (the "**Grid Note**") and indicating a total principal amount of Advances Outstanding as of the Effective Time. Upon receipt of the new Grid Note delivered hereunder, the OFA will cancel and return the grid promissory note dated November 30, 2016 to the IESO.

17. This Amending Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Amending Agreement.

IN ALL OTHER RESPECTS, the Credit Agreement is confirmed by the Parties.

[*signature page follows*]

IN WITNESS WHEREOF the Parties hereto have executed and delivered this Amending Agreement on the dates set out below, which shall come into effect as of the Effective Time as defined herein.

ONTARIO FINANCING AUTHORITY

Per: _____ Date: November _____, 2017.
Name:
Title:

I have authority to bind the corporation.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: K Marshall Date: November 6th, 2017.
Name: Kimberly Marshall
Title: Vice President, Corporate Services;
Chief Financial Officer; Treasurer

I have authority to bind the corporation.

SCHEDULE 1 TO AMENDING AGREEMENT NO. 10

FORM OF BORROWING NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "**Agreement**", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "**Proposed Advance**"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The principal amount of the Proposed Advance is $_____;
(c) The Repayment Date of the Proposed Advance is _____. [Not earlier than 28 days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:

Authorized Signatory

SCHEDULE 2 TO AMENDING AGREEMENT NO. 10

FORM OF ELECTION NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is _____;

(b) The aggregate amount of the proposed Continued Advance is $_____, which is comprised of:

i. principal amount (or portion thereof) of Advance which is to be continued $_____; and
ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date $_____;

(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): $ _____

(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _____. [Insert date no earlier than 28 days and not later than 95 days after the Current Repayment Date for the Advance.]

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: $_____

The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:
Authorized Signatory

SCHEDULE 3 TO AMENDING AGREEMENT NO. 10

FORM OF GRID NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $475,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICTY SYSTEM OPERATOR (the **"IESO"**), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY ("OFA")** at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Credit Agreement (as defined below). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Credit Agreement.

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the credit agreement dated January 1, 2005 as amended, supplemented or restated from time to time, between the Borrower and the OFA (the **"Credit Agreement"**).

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Credit Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Name:
Authorized Signatory

Line of Credit Grid Note

Entity : Independent Electricity System Operator
Loan Limit: $475,000,000

Project:
Schedule of loan transactions to:
Loan Advanced to:

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days

" Resolution of the Board of Directors
Independent Electricity System Operator

June 14, 2017

In Respect of the establishment of a new credit facility and revision of existing credit facilities in relation to the Fair Hydro Plan

---

WHEREAS, as further described in the memorandum to the Audit Committee entitled "Fair Hydro Plan Credit Facility" dated June 13, 2017 (the "**Memorandum**"), the Corporation has determined that in order to support the IESO's role in the Fair Hydro Plan it requires greater credit liquidity;

AND WHEREAS the Corporation proposes to enter into a new credit facility with the Ontario Financing Authority or Ontario Electricity Financial Corporation to support the Corporation's role in the Fair Hydro Plan in an amount yet to be determined of between $1,800 million and $2,500 million (the "**New Facility**");

AND WHEREAS, due to the structure of the Fair Hydro Plan, once the New Facility is established, the Corporation's existing credit facility with the Ontario Financing Authority in the amount of $975 million (the "**OFA Facility**") will include unnecessary and duplicative credit liquidity such that the OFA Facility may be reduced to an amount yet to be determined between $400 million and $500 million;

AND WHEREAS ...[Recital redacted]...

NOW THEREFORE BE IT RESOLVED THAT:

1. The Board of Directors hereby authorizes and approves the establishment of the New Facility and the amendment of the OFA Facility ...**[Redacted]**... on such terms and conditions as are generally outlined in the Memorandum (collectively, all facilities being the "**Credit Facilities**").

2. The Chief Financial Officer or her delegate is hereby authorized for and on behalf of the Corporation to:

(a) finalize, execute and deliver

(i) all relevant agreements, instruments and other documents required for the establishment or amendment, as applicable, of the Credit Facilities, and

(ii) all ancillary documents, deeds and instruments determined to be necessary or desirable in connection therewith (the execution of any such document, deed or instrument being conclusive evidence of such determination),

and to perform the Corporation's obligations thereunder, and to obtain the benefits thereof;

(b) draw upon or continue to draw upon, as applicable, the Credit Facilities from time to time in accordance with their terms; and

(c) do any and all such further acts as may be determined to be necessary or desirable to give effect to the foregoing transactions including, for further certainty, amending any other agreements as may be required as a consequence of such transactions. "

I certify that the above is a true, redacted copy of a resolution approved by the Board of Directors of the Independent Electricity System Operator on June 14, 2017.

John Rattray

General Counsel, Secretary and Chief Reliability Compliance Officer
Independent Electricity System Operator
November 6th, 2017

INCUMBENCY CERTIFICATE

To: Ontario Financing Authority ("**OFA**")

I, the undersigned, Secretary to the Independent Electricity System Operator (the "**IESO**"), in my capacity as an officer of the IESO, and not in my personal capacity, do hereby certify that:

1. Kimberly Marshall has been duly appointed as Vice President, Corporate Services; Chief Financial Officer and Treasurer of the IESO and holds, as at the date hereof, such offices.

2. Pursuant to a resolution of the board of directors of IESO dated June 14, 2017, Kimberly Marshall has the authority to finalize, execute and deliver: (i) Amending Agreement No. 10 to the Credit Agreement between OFA and IESO (as successor by amalgamation to Ontario Power Authority) made as of January 1, 2005, as amended; and (ii) the Revolving Credit Facility Agreement between IESO and the Ontario Financing Authority made in relation to the Fair Hydro Plan.

3. The following is the genuine signature of the following individual:

Kimberly Marshall K Marshall

DATED this 6th day of November, 2017.

John Rattray
General Counsel, Secretary and Chief
Reliability Compliance Officer

I, the undersigned, do hereby certify for and on behalf of the IESO in my capacity as an officer of the IESO, and not in my personal capacity, that: (i) John Rattray has been duly appointed to the office of General Counsel, Secretary and Chief Reliability Compliance Officer and (ii) John Rattray holds, as at the date hereof, such office.

DATED this 6th day of November, 2017.

K Marshall

Kimberly Marshall
Vice President, Corporate Services; Chief
Financial Officer and Treasurer

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $2,000,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR (the "**IESO**"), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY** ("**OFA**") at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement (as defined below).

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the Revolving Credit Facility Agreement dated November 6, 2017 as amended, supplemented or restated from time to time, between the Borrower and the OFA (the "Agreement"). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: K Marshall

Name: Kimberly Marshall
Authorized Signatory

Ontario Financing Authority
1 Dundas Street West
Suite 1400
Toronto ON M7A 1Y7

Office ontarien de financement
1 rue Dundas ouest
Bureau 1400
Toronto ON M7A
1Y7

(416) 325-8000

Ontario

November 6, 2017

Mr. Steen Hume
Assistant Deputy Minister, Ministry of Energy
7th Flr, 77 Grenville St
Toronto, ON M7A 2C1

Ms. Kimberly Marshall
Vice-President, Corporate Services and Chief Financial Officer, IESO
120 Adelaide St W #1600
Toronto, ON M5H 1T1

Dear Mr. Steen Hume and Ms. Kimberly Marshall:

I am writing in relation to the Independent Electricity System Operator's ("IESO") request to the Ontario Financing Authority ("OFA") for a new revolving credit facility in an amount of up to CAD $2 billion (the "New Credit Facility") to support the IESO's role in the implementation of and participation under the *Ontario Fair Hydro Plan Act, 2017.* Under the OFA Lending Policy, the OFA requires an intercept provision in respect of loans made by the OFA to public bodies on an unsecured basis. In general, an intercept provision allows the Minister of Finance to deduct from money appropriated by the Legislature for payment to the public body amounts equal to any amounts the public body fails to pay the OFA under a loan agreement.

The IESO and the Ministry of Energy ("ENERGY") confirm and the OFA acknowledges that at this time there are no amounts appropriated by the Legislature for payment to the IESO by ENERGY and the intent of such intercept provision is that it would apply if and when amounts were to be appropriated for payment by ENERGY to the IESO in the future.

Prior to entering into a loan agreement with the IESO for the New Credit Facility (the "OFHP Credit Facility Agreement") on an unsecured basis, the OFA requires ENERGY and the IESO to agree to the terms and conditions set out below in relation to the above OFA Lending Policy intercept provision requirement.

These terms and conditions shall also apply to the IESO's existing $975 million credit facility, established in a credit agreement entered into between the OFA and the Ontario Power Authority dated January 1, 2005, as amended (the "Original Credit Facility Agreement").

... 2

- The OFA, the IESO, and ENERGY agree as follows in respect of any advances made by the OFA to the IESO pursuant to the OFHP Credit Facility Agreement or the Original Credit Facility Agreement (each a "Loan Agreement"; together, the "Loan Agreements"):

    - Pursuant to section 23 of the *Capital Investment Plan Act, 1993*, the IESO and ENERGY agree that, in the event that the Legislature appropriates any funds for payment by ENERGY to the IESO for any purpose ("Appropriated Funds"), the Minister of Finance would be entitled to deduct from such Appropriated Funds amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under a Loan Agreement (the "intercept provision"). Terms relating to the intercept provision shall also be separately included in the Loan Agreements.

    - If the intercept provision is exercised, the IESO agrees that any notice from the OFA to the Minister of Finance in relation to its failure to make a payment that is due under a Loan Agreement may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance.

    - Prior to recommending to the Minister of Finance that the intercept provision be exercised, the OFA will raise the issue with ENERGY and seek ENERGY's support in getting the IESO to pay the amounts owing to OFA within a reasonable cure period.

    - Upon receipt of notice from the OFA that the IESO has failed to make one or more payments owing to it in accordance with the provisions of a Loan Agreement, ENERGY will provide the OFA with all information requested by the OFA respecting amounts appropriated by the Legislature for payments to the IESO by ENERGY, including the intended purpose and expected timing of such payments to be made by ENERGY. Upon request, ENERGY will provide similar information to the Minister of Finance.

    - ENERGY acknowledges and agrees that, upon receipt of a direction from the Minister of Finance that an amount is to be deducted from money appropriated by the Legislature for payment by ENERGY to the IESO, ENERGY will take all necessary action required by it in order to effect such deduction and payment to the OFA in accordance with the Minister of Finance's direction.

    - For further certainty, the OFA and ENERGY acknowledge and agree that the intercept provision as provided for herein, and this letter agreement generally, shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than ENERGY or through Ontario Climate Change Solutions Deployment Corporation.

... 3

This letter agreement may be executed in counterparts. Therefore, if you are in agreement with the above terms and conditions in relation to the Loan Agreements, kindly sign this letter agreement below in triplicate and send back two copies to my attention.

Sincerely,

Ronald Kwan

Assistant Deputy Minister, Corporate and Electricity Finance Division, OFA

c. Gadi Mayman, Chief Executive Officer, OFA

The undersigned hereby agree to the terms and conditions as set out in this letter agreement and have executed this letter agreement as of the date first noted above.

Ministry of Energy

by:

name: Steen Hume

title: Assistant Deputy Minister, Ministry of Energy

Independent Electricity System Operator

by:

name: Kimberly Marshall

title: Vice-President, Corporate Services and Chief Financial Officer, IESO

From:	Victor Buza
To:	William Tan
Cc:	Lisa Stein; Sarah Harris; Anthony Martinello
Subject:	RE: Signatures for FHP and Amending Agreement No. 10
Date:	Monday, November 06, 2017 3:25:00 PM
Attachments:	OFA_IESO Amending Agrmt#10 to Jan 1 2005 Credit Facility Nov 6 2017 - IESO signed.pdf Certified IESO Brd Resol"n June 14_17 re Credit Facilities and Incumb Cert - Nov 6 2017.pdf FHP_IESO $2Billion Grid Note to OFA - signed by IESO Nov 6 2017.pdf Intercept Letter MOE_OFA_IESO Fully Executed - Nov 6 2017.pdf
Importance:	High

Will,

Please find attached the following documents signed by IESO:

1. Amending Agreement #10 to the Jan. 1, 2005 Credit Agreement;
2. Certified IESO Board Resolution and Incumbency Certificate;
3. Scan of the $2 Billion Grid Note.
4. Intercept Letter Agreement.

I will send the new Revolving Credit Facility Agreement in relation to FHP under a separate email immediately following.

We have already overnighted the original grid note for $2 billion and an original Intercept Letter signed by all parties. Per your request, we will send original agreement signature pages for both agreements as well – can we send those tomorrow or do you need the overnighted too?

Let us know. We look forward to receiving your confirmation of closing.

Victor

Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079

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From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 3:09 PM
To: Victor Buza
Cc: Lisa Stein; Sarah Harris; Anthony Martinello
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hello Victor,

I clarified internally and we would want an original signature page for the FHP Agreement and Amending Agreement No. 10.

Thanks,

Will

From: William Tan
Sent: Monday, November 06, 2017 2:25 PM
To: 'Victor Buza' <Victor.Buza@ieso.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hi Victor,

My apologies. Please scan the separated $2B and $475 MM Grid promissory notes. Forward the $2B

promissory note but hold on to the $475MM Grid Promissory Note until November 21.

- Resolution of the Board of Directors
- Incumbency Certificate
- Intercept Letter
- $2 B Grid Promissory Note
- $475 MM Grid Promissory Note

Yes, please forward the documents to myself.

William Tan
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3

Thanks,
Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 2:12 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

I will scan and send all documents you listed in their entirety, not just signature pages. Can you confirm, are you saying you want a scan of the $475MM grid note?
Just so I get it right, should I courier the hardcopies of the Intercept Letter and Note to your attention and address, Will? Call me if it's quicker.

Victor
416-969-6079

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 1:57 PM
To: Victor Buza; Anthony Martinello
Cc: Lisa Stein; Sarah Harris
Subject: FW: Signatures for FHP and Amending Agreement No. 10

Hi Victor,
Thank you for the update. When you send the soft copy signatures, would it be possible to include the signatures within the agreements?
You were probably going to include the following signed soft copies anyway but out of caution I have listed them below:

- Resolution of the Board of Directors
- Incumbency Certificate
- Intercept Letter
- $2 B Grid Note
- $475 MM Grid Note

Hardcopy of the Intercept Letter and $2B Grid Note – overnight delivery is fine.
Per s. 16 AA #10 - Anthony and I discussed on Friday that $475MM Grid note would be signed today but held by IESO until November 21. After the borrowing notice and election notices are actioned, OFA will produce the grid notes to evidence payment and advancements. IESO will then send the new $475MM prom note to OFA. Once received OFA will send the $975MM cancelled prom note to

IESO.
Thanks,
Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 10:48 AM
To: William Tan <William.Tan@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hi Will – I have a signing meeting scheduled with our signatory at 2:30pm this afternoon – so I will send you counterpart signatures and a scanned version of the Intercept Letter by 3:00pm or possibly earlier.
Hardcopy of Intercept Letter to follow as you prefer – overnight or pickup? We also need to make arrangements re delivery of the $2Bn Grid Note.
Per s.16 of AA#10, the other Note for $475MM is to be delivered following the Effective Time in exchange for the return by OFA of the Nov 30 2016 Note for $975MM.
Victor

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 10:33 AM
To: Anthony Martinello
Cc: Lisa Stein; Victor Buza; Sarah Harris
Subject: Signatures for FHP and Amending Agreement No. 10

Good morning Anthony,
Just checking-in on approximately when we can expect the documents to be executed so I may prepare my signatory.
Thanks,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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AMENDING AGREEMENT NO. 10

This Amending Agreement No. 10 (this "**Amending Agreement**") is made as of the 21st day of November, 2017 (the "**Effective Date**")

BETWEEN:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, a statutory corporation without share capital existing under Part II of the *Electricity Act, 1998* ("**IESO**")

-and-

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* ("**OFA**")

(together, the "**Parties**")

WHEREAS the Ontario Power Authority ("**OPA**") and the OFA entered into a credit agreement dated January 1, 2005 (the "**Original Agreement**");

AND WHEREAS effective January 1, 2015, the OPA and the then existing Independent Electricity System Operator amalgamated and continued as a corporation without share capital under Part II of the *Electricity Act, 1998* with the name "Independent Electricity System Operator" (**"IESO"),** and the obligations of the OPA became obligations of the IESO;

AND WHEREAS pursuant to the amending agreements dated February 14, 2005, October 11, 2005 (titled, "Amending Agreement No. 3"), September 27, 2006 (titled, "Amending Agreement No. 4"), July 13, 2007 (titled, "Amending Agreement No. 5"), November 9, 2010 (titled, "Amending Agreement No. 6"), December 20, 2013 (titled, "Amending Agreement No. 7"), December 19, 2014 (titled, "Amending Agreement No. 8") and November 30, 2016 (titled, "Amending Agreement No. 9"), the OPA or IESO (as applicable) and the OFA amended the Original Agreement (as so amended, the **"Credit Agreement",** the terms defined therein being used herein as therein defined);

AND WHEREAS the Parties have now agreed to: (i) at the request of the IESO, decrease the total principal amount available under the Credit Agreement from $975,000,000 to a total principal amount of up to $475,000,000; (ii) amend the use of proceeds under the Credit Agreement; (iii) amend the Form of Election Notice and related provisions under the Credit Agreement; and (iv) make other amendments required as a consequence of the implementation of the OFHP (as defined below);

AND WHEREAS pursuant to Section 7.3 of the Credit Agreement, the Credit Agreement may only be amended or otherwise modified by written agreement executed by the Parties.

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby

acknowledged, and subject to the terms and conditions hereafter set out, the Parties agree that, as of the Effective Time (as defined below):

1. The definition of "Advances" in Section 1.1 of the Credit Agreement is deleted and replaced by the following:

   "**Advances**" means advances made by the OFA to the IESO under Article 3 and "Advance" means any one of such advances, and in the case of an election by the IESO under Section 3.3, includes a "Continued Advance", as defined in Section 3.3(1), as applicable."

2. The definition of "**Commitment**" in Section 1.1 of the Credit Agreement is amended by deleting "$975,000,000" and substituting "$475,000,000" therefor.

3. The definition of "**Permitted Liens**" is amended by deleting the word "and" at the end of subsection (i); replacing the "." at the end of subsection (j) and replacing it with "; and" ; and adding the following subsection (k):

   "(k) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

4. The following definitions are added to Section 1.1 of the Credit Agreement:

   "Clean Energy Adjustment" has the same meaning as that term is defined in the OFHP.

   "Continued Advance" has the meaning specified in Section 3.3(1).

   "**Current Repayment Date**" has the meaning specified in Section 3.3(2).

   "**New Repayment Date**" has the meaning specified in Section 3.3(2).

   "OFHP" means the *Ontario Fair Hydro Plan Act, 2017*, S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

5. Section 2.3 "Use of Proceeds" of the Credit Agreement is deleted in its entirety (with the exception of the title of the section, which exception also applies regarding the amendments made under sections 6, 7 and 8 hereof) and replaced by the following:

   "The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the *Electricity Act, 1998,* as such regulation may be amended or replaced from time to time, provided that Advances may be used only for liquidity purposes."

6. Section 3.2 "Procedures for Advances" of the Credit Agreement is deleted in its entirety and replaced by the following:

"(1) Subject to Section 3.3(5), each Advance shall be made subject to two Business Days' prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each notice of an Advance (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1, other than a Borrowing Notice that is included in an Election Notice as permitted by Section 3.3(3). Each Borrowing Notice shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance; (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall be no earlier than 28 days and not later than 95 days after the date of the requested Advance. Each Borrowing Notice shall also certify the use of proceeds of the Advance which shall in any case be in accordance with Section 2.3. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, the IESO shall execute and deliver to the OFA a grid promissory note in respect of Advances substantially in the form of Schedule 3 (the **"Grid Note")**. The IESO authorizes the OFA to record on the Grid Note (a) the date and amount of each Advance or Continued Advance; (b) the applicable rate of interest for each Advance or Continued Advance; (c) the Repayment Date of each Advance or Continued Advance; (d) the date and amount of each payment of interest and each payment of principal or portion thereof in respect of each Advance or Continued Advance; and (e) Advances Outstanding. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such Advances and repayments; provided that the failure of the OFA to record any amount, rate or date shall not affect the obligation of the IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement."

7. Section 3.3 "Elections Regarding Advances" of the Credit Agreement is deleted in its entirety and replaced by the following:

"(1) The IESO may elect to continue all or a portion of the principal amount of any Advance and any amount of interest on such Advance (together, the "**Continued Advance**") for a further period of at least 28 days and up to a maximum of 95 days beginning on the then current Repayment Date in accordance with Section 3.3(2).

(2) Each notice to continue an Advance for a further period (an "**Election Notice**") shall be provided by the IESO to the OFA at least two Business Days prior to the Repayment Date of the Advance (the "**Current Repayment Date**"), and in each case, not later than 10:00 a.m. (Toronto time). Each such Election Notice shall be given substantially in the form of Schedule 2 and shall be irrevocable and binding upon the IESO and shall specify: (a) the Current Repayment Date; (b) the new aggregate total amount of the proposed Continued Advance; (c) the amount of interest or principal, if any, to be paid or re-paid by the IESO with respect to such Advance on the Current Repayment Date; and (d) the new Repayment Date of the proposed Continued Advance, which shall be no earlier than 28 days and not later than 95 days after the Current Repayment Date (the "**New Repayment Date**"). If the IESO fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date.

(3) An Election Notice with respect to a proposed Continued Advance may include a Borrowing Notice for a further Advance proposed to be made on the Current Repayment

Date. The Repayment Date of such further Advance shall be the New Repayment Date of the Continued Advance that is specified in the Election Notice. Such Borrowing Notice shall be given substantially in the form of Schedule 2.

(4) The calculation of interest on a Continued Advance shall be determined in the same manner as an Advance under Section 3.4 and shall be recorded on the grid promissory note in respect of Advances in accordance with Section 3.2(2).

(5) Any portion of an Advance not continued for a further period in accordance with Section 3.3(2) shall be repayable on the applicable Repayment Date."

8. Section 5.2 "Acceleration of Maturity; Recission and Annulement" of the Credit Agreement is deleted in its entirety and replaced by the following:

"If an Event of Default occurs and is continuing, then and in every such case the OFA may at its option, in addition to any other remedy available to the OFA at law, by written notice to the IESO, take any or all of the following actions:

(a) suspend the right of the IESO to request any further Advance until the Event of Default has been cured to the OFA's satisfaction or, if the Event of Default is not cured within three (3) Business Days after the date on which written notice of such Event of Default shall have been given to the IESO by the OFA, declare all amounts owing hereunder including all interest accrued to be due and payable immediately, by a notice in writing to the IESO, and upon any such declaration all such amounts shall become immediately due and payable.

(b) invoke the Intercept pursuant to section 5.7 of this Agreement to require payment of any amount due and payable under this Agreement."

9. Section 5.7 "Intercept" is added to the Credit Agreement, stating as follows:

"Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of November 6th , 2017 herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the *Capital Investment Plan Act, 1993* (the "**Intercept Letter**"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("**Appropriated Funds**"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("**Intercept**").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail."

10. Section 7.9 "Entire Agreement' is added to the Credit Agreement, stating as follows:

"Section 7.9 Entire Agreement

This Agreement as amended from time to time and including the schedules hereto and any other agreements expressly referred to herein, constitutes the whole agreement between the Parties with respect to the matters dealt with in it, and it supersedes any prior agreement, undertakings, discussions and the like respecting the matters dealt with in this Agreement and entered into by the Parties before the date the OFA signs this Agreement."

11. Schedule 1 of the Credit Agreement, Form of Borrowing Notice, is deleted in its entirety and replaced by the Form of Borrowing Notice attached hereto as Schedule 1.

12. Schedule 2 of the Credit Agreement, Form of Election Notice, is deleted in its entirety and replaced by the Form of Election Notice attached hereto as Schedule 2.

13. Schedule 3 of the Credit Agreement, IESO Grid Note, is deleted in its entirety and replaced by the Form of Grid Note attached hereto as Schedule 3.

14. For the purposes of this Amending Agreement and its coming into effect:

a. "**Effective Time**" means the time on the Effective Date by which the Transfers of Funds (defined below) have been completed; or such other time as the Parties may subsequently agree to in writing as being the "Effective Time";

b. "**Transfers of Funds**" means those transfers of funds to be completed between the Parties on the Effective Date, being:

   i. the First Advance as defined under section 3.2(3) of the credit agreement between the Parties in relation to the IESO's role in the implementation of the OFHP dated November 6, 2017; and,

   ii. the completion of all Advances described in the Election Notice to be provided by the IESO to the OFA no later than November 17, 2017 (such terms having the meanings defined in the Credit Agreement) that are to be funded under the Credit Agreement on the Effective Date; and,

   iii. the repayment by the IESO of all Advances Outstanding (as defined in the Credit Agreement) exceeding $475 million; and,

   iv. the payment by the IESO to OFA of the interest then owing under the Credit Agreement.

15. The Parties shall endeavour to complete and exchange all usual documentation relating to the Transfers of Funds, and to any other related matters occurring on the Effective Date, prior to 5:00 p.m. on the Effective Date, and in any case no later than the next business day.

16. After the Effective Time, and prior to any further Advances under the Credit Agreement, the IESO shall execute and deliver to the OFA a new grid promissory note in the principal amount of up to $475,000,000 substantially in the form attached hereto as Schedule 3 (the "**Grid Note**") and indicating a total principal amount of Advances Outstanding as of the Effective Time. Upon receipt of the new Grid Note delivered hereunder, the OFA will cancel and return the grid promissory note dated November 30, 2016 to the IESO.

17. This Amending Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Amending Agreement.

IN ALL OTHER RESPECTS, the Credit Agreement is confirmed by the Parties.

[*signature page follows*]

IN WITNESS WHEREOF the Parties hereto have executed and delivered this Amending Agreement on the dates set out below, which shall come into effect as of the Effective Time as defined herein.

ONTARIO FINANCING AUTHORITY

Per: _____ Date: November _____, 2017.
Name:
Title:

I have authority to bind the corporation.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: K Marshall Date: November 6th, 2017.
Name: Kimberly Marshall
Title: Vice President, Corporate Services;
Chief Financial Officer; Treasurer

I have authority to bind the corporation.

SCHEDULE 1 TO AMENDING AGREEMENT NO. 10

FORM OF BORROWING NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "**Agreement**", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "**Proposed Advance**"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The principal amount of the Proposed Advance is $_____;
(c) The Repayment Date of the Proposed Advance is _____. [Not earlier than 28 days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:

Authorized Signatory

SCHEDULE 2 TO AMENDING AGREEMENT NO. 10

FORM OF ELECTION NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the credit agreement between the IESO and the OFA dated January 1, 2005 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is _____;

(b) The aggregate amount of the proposed Continued Advance is $_____, which is comprised of:

i. principal amount (or portion thereof) of Advance which is to be continued $_____; and
ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date $_____;

(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): $ _____

(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _____. [Insert date no earlier than 28 days and not later than 95 days after the Current Repayment Date for the Advance.]

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: $_____

The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:
Authorized Signatory

SCHEDULE 3 TO AMENDING AGREEMENT NO. 10

FORM OF GRID NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $475,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICTY SYSTEM OPERATOR (the **"IESO"**), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY ("OFA")** at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Credit Agreement (as defined below). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Credit Agreement.

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the credit agreement dated January 1, 2005 as amended, supplemented or restated from time to time, between the Borrower and the OFA (the **"Credit Agreement"**).

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Credit Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Name:
Authorized Signatory

Line of Credit Grid Note

Entity : Independent Electricity System Operator
Loan Limit: $475,000,000

Project:
Schedule of loan transactions to:
Loan Advanced to:

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days

" Resolution of the Board of Directors
Independent Electricity System Operator

June 14, 2017

In Respect of the establishment of a new credit facility and revision of existing credit facilities in relation to the Fair Hydro Plan

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WHEREAS, as further described in the memorandum to the Audit Committee entitled "Fair Hydro Plan Credit Facility" dated June 13, 2017 (the "**Memorandum**"), the Corporation has determined that in order to support the IESO's role in the Fair Hydro Plan it requires greater credit liquidity;

AND WHEREAS the Corporation proposes to enter into a new credit facility with the Ontario Financing Authority or Ontario Electricity Financial Corporation to support the Corporation's role in the Fair Hydro Plan in an amount yet to be determined of between $1,800 million and $2,500 million (the "**New Facility**");

AND WHEREAS, due to the structure of the Fair Hydro Plan, once the New Facility is established, the Corporation's existing credit facility with the Ontario Financing Authority in the amount of $975 million (the "**OFA Facility**") will include unnecessary and duplicative credit liquidity such that the OFA Facility may be reduced to an amount yet to be determined between $400 million and $500 million;

AND WHEREAS ...[Recital redacted]...

NOW THEREFORE BE IT RESOLVED THAT:

1. The Board of Directors hereby authorizes and approves the establishment of the New Facility and the amendment of the OFA Facility ...**[Redacted]**... on such terms and conditions as are generally outlined in the Memorandum (collectively, all facilities being the "**Credit Facilities**").

2. The Chief Financial Officer or her delegate is hereby authorized for and on behalf of the Corporation to:

(a) finalize, execute and deliver

(i) all relevant agreements, instruments and other documents required for the establishment or amendment, as applicable, of the Credit Facilities, and

(ii) all ancillary documents, deeds and instruments determined to be necessary or desirable in connection therewith (the execution of any such document, deed or instrument being conclusive evidence of such determination),

and to perform the Corporation's obligations thereunder, and to obtain the benefits thereof;

(b) draw upon or continue to draw upon, as applicable, the Credit Facilities from time to time in accordance with their terms; and

(c) do any and all such further acts as may be determined to be necessary or desirable to give effect to the foregoing transactions including, for further certainty, amending any other agreements as may be required as a consequence of such transactions. "

I certify that the above is a true, redacted copy of a resolution approved by the Board of Directors of the Independent Electricity System Operator on June 14, 2017.

John Rattray

General Counsel, Secretary and Chief Reliability Compliance Officer
Independent Electricity System Operator
November 6th, 2017

INCUMBENCY CERTIFICATE

To: Ontario Financing Authority ("**OFA**")

I, the undersigned, Secretary to the Independent Electricity System Operator (the "**IESO**"), in my capacity as an officer of the IESO, and not in my personal capacity, do hereby certify that:

1. Kimberly Marshall has been duly appointed as Vice President, Corporate Services; Chief Financial Officer and Treasurer of the IESO and holds, as at the date hereof, such offices.

2. Pursuant to a resolution of the board of directors of IESO dated June 14, 2017, Kimberly Marshall has the authority to finalize, execute and deliver: (i) Amending Agreement No. 10 to the Credit Agreement between OFA and IESO (as successor by amalgamation to Ontario Power Authority) made as of January 1, 2005, as amended; and (ii) the Revolving Credit Facility Agreement between IESO and the Ontario Financing Authority made in relation to the Fair Hydro Plan.

3. The following is the genuine signature of the following individual:

Kimberly Marshall K Marshall

DATED this 6th day of November, 2017.

John Rattray
General Counsel, Secretary and Chief
Reliability Compliance Officer

I, the undersigned, do hereby certify for and on behalf of the IESO in my capacity as an officer of the IESO, and not in my personal capacity, that: (i) John Rattray has been duly appointed to the office of General Counsel, Secretary and Chief Reliability Compliance Officer and (ii) John Rattray holds, as at the date hereof, such office.

DATED this 6th day of November, 2017.

K Marshall

Kimberly Marshall
Vice President, Corporate Services; Chief
Financial Officer and Treasurer

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $2,000,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR (the "**IESO**"), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY** ("**OFA**") at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement (as defined below).

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the Revolving Credit Facility Agreement dated November 6, 2017 as amended, supplemented or restated from time to time, between the Borrower and the OFA (the "Agreement"). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: K Marshall

Name: Kimberly Marshall
Authorized Signatory

Ontario Financing Authority
1 Dundas Street West
Suite 1400
Toronto ON M7A 1Y7

Office ontarien de financement
1 rue Dundas ouest
Bureau 1400
Toronto ON M7A
1Y7

(416) 325-8000

Ontario

November 6, 2017

Mr. Steen Hume
Assistant Deputy Minister, Ministry of Energy
7th Flr, 77 Grenville St
Toronto, ON M7A 2C1

Ms. Kimberly Marshall
Vice-President, Corporate Services and Chief Financial Officer, IESO
120 Adelaide St W #1600
Toronto, ON M5H 1T1

Dear Mr. Steen Hume and Ms. Kimberly Marshall:

I am writing in relation to the Independent Electricity System Operator's ("IESO") request to the Ontario Financing Authority ("OFA") for a new revolving credit facility in an amount of up to CAD $2 billion (the "New Credit Facility") to support the IESO's role in the implementation of and participation under the *Ontario Fair Hydro Plan Act, 2017.* Under the OFA Lending Policy, the OFA requires an intercept provision in respect of loans made by the OFA to public bodies on an unsecured basis. In general, an intercept provision allows the Minister of Finance to deduct from money appropriated by the Legislature for payment to the public body amounts equal to any amounts the public body fails to pay the OFA under a loan agreement.

The IESO and the Ministry of Energy ("ENERGY") confirm and the OFA acknowledges that at this time there are no amounts appropriated by the Legislature for payment to the IESO by ENERGY and the intent of such intercept provision is that it would apply if and when amounts were to be appropriated for payment by ENERGY to the IESO in the future.

Prior to entering into a loan agreement with the IESO for the New Credit Facility (the "OFHP Credit Facility Agreement") on an unsecured basis, the OFA requires ENERGY and the IESO to agree to the terms and conditions set out below in relation to the above OFA Lending Policy intercept provision requirement.

These terms and conditions shall also apply to the IESO's existing $975 million credit facility, established in a credit agreement entered into between the OFA and the Ontario Power Authority dated January 1, 2005, as amended (the "Original Credit Facility Agreement").

... 2

- The OFA, the IESO, and ENERGY agree as follows in respect of any advances made by the OFA to the IESO pursuant to the OFHP Credit Facility Agreement or the Original Credit Facility Agreement (each a "Loan Agreement"; together, the "Loan Agreements"):

    - Pursuant to section 23 of the *Capital Investment Plan Act, 1993*, the IESO and ENERGY agree that, in the event that the Legislature appropriates any funds for payment by ENERGY to the IESO for any purpose ("Appropriated Funds"), the Minister of Finance would be entitled to deduct from such Appropriated Funds amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under a Loan Agreement (the "intercept provision"). Terms relating to the intercept provision shall also be separately included in the Loan Agreements.

    - If the intercept provision is exercised, the IESO agrees that any notice from the OFA to the Minister of Finance in relation to its failure to make a payment that is due under a Loan Agreement may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance.

    - Prior to recommending to the Minister of Finance that the intercept provision be exercised, the OFA will raise the issue with ENERGY and seek ENERGY's support in getting the IESO to pay the amounts owing to OFA within a reasonable cure period.

    - Upon receipt of notice from the OFA that the IESO has failed to make one or more payments owing to it in accordance with the provisions of a Loan Agreement, ENERGY will provide the OFA with all information requested by the OFA respecting amounts appropriated by the Legislature for payments to the IESO by ENERGY, including the intended purpose and expected timing of such payments to be made by ENERGY. Upon request, ENERGY will provide similar information to the Minister of Finance.

    - ENERGY acknowledges and agrees that, upon receipt of a direction from the Minister of Finance that an amount is to be deducted from money appropriated by the Legislature for payment by ENERGY to the IESO, ENERGY will take all necessary action required by it in order to effect such deduction and payment to the OFA in accordance with the Minister of Finance's direction.

    - For further certainty, the OFA and ENERGY acknowledge and agree that the intercept provision as provided for herein, and this letter agreement generally, shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than ENERGY or through Ontario Climate Change Solutions Deployment Corporation.

... 3

This letter agreement may be executed in counterparts. Therefore, if you are in agreement with the above terms and conditions in relation to the Loan Agreements, kindly sign this letter agreement below in triplicate and send back two copies to my attention.

Sincerely,

Ronald Kwan

Assistant Deputy Minister, Corporate and Electricity Finance Division, OFA

c. Gadi Mayman, Chief Executive Officer, OFA

The undersigned hereby agree to the terms and conditions as set out in this letter agreement and have executed this letter agreement as of the date first noted above.

Ministry of Energy

by:

name: Steen Hume

title: Assistant Deputy Minister, Ministry of Energy

Independent Electricity System Operator

by:

name: Kimberly Marshall

title: Vice-President, Corporate Services and Chief Financial Officer, IESO

From:	William Tan
To:	"Victor Buza"
Cc:	Lisa Stein; Sarah Harris; "Anthony Martinello"
Subject:	RE: Signatures for FHP and Amending Agreement No. 10
Date:	Monday, November 06, 2017 3:08:45 PM

Hello Victor,
I clarified internally and we would want an original signature page for the FHP Agreement and Amending Agreement No. 10.
Thanks,
Will

From: William Tan
Sent: Monday, November 06, 2017 2:25 PM
To: 'Victor Buza'
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Subject: RE: Signatures for FHP and Amending Agreement No. 10
Hi Victor,
My apologies. Please scan the separated $2B and $475 MM Grid promissory notes. Forward the $2B promissory note but hold on to the $475MM Grid Promissory Note until November 21.

- Resolution of the Board of Directors
- Incumbency Certificate
- Intercept Letter
- $2 B Grid Promissory Note
- $475 MM Grid Promissory Note

Yes, please forward the documents to myself.
William Tan
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3
Thanks,
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From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 2:12 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10
I will scan and send all documents you listed in their entirety, not just signature pages. Can you confirm, are you saying you want a scan of the $475MM grid note?
Just so I get it right, should I courier the hardcopies of the Intercept Letter and Note to your attention and address, Will? Call me if it's quicker.
Victor
416-969-6079

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 1:57 PM
To: Victor Buza; Anthony Martinello
Cc: Lisa Stein; Sarah Harris

Subject: FW: Signatures for FHP and Amending Agreement No. 10

Hi Victor,

Thank you for the update. When you send the soft copy signatures, would it be possible to include the signatures within the agreements?

You were probably going to include the following signed soft copies anyway but out of caution I have listed them below:

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Hardcopy of the Intercept Letter and $2B Grid Note – overnight delivery is fine.

Per s. 16 AA #10 - Anthony and I discussed on Friday that $475MM Grid note would be signed today but held by IESO until November 21. After the borrowing notice and election notices are actioned, OFA will produce the grid notes to evidence payment and advancements. IESO will then send the new $475MM prom note to OFA. Once received OFA will send the $975MM cancelled prom note to IESO.

Thanks,

Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]

Sent: Monday, November 06, 2017 10:48 AM

To: William Tan <William.Tan@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>

Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>

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From: William Tan [mailto:William.Tan@ofina.on.ca]

Sent: November 06, 2017 10:33 AM

To: Anthony Martinello

Cc: Lisa Stein; Victor Buza; Sarah Harris

Subject: Signatures for FHP and Amending Agreement No. 10

Good morning Anthony,

Just checking-in on approximately when we can expect the documents to be executed so I may prepare my signatory.

Thanks,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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Cc: Lisa Stein; Sarah Harris

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Victor

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Sent: November 06, 2017 10:33 AM

To: Anthony Martinello

Cc: Lisa Stein; Victor Buza; Sarah Harris

Subject: Signatures for FHP and Amending Agreement No. 10

Good morning Anthony,

Just checking-in on approximately when we can expect the documents to be executed so I may prepare my signatory.

Thanks,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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From:	John Kim
To:	William Tan
Cc:	Sarah Harris; Gavin He
Subject:	RE: Signatures for FHP and Amending Agreement No. 10
Date:	Monday, November 06, 2017 5:39:34 PM

Thanks, if you can send the real copy to Gavin when you receive it.
John

From: William Tan
Sent: Monday, November 06, 2017 5:37 PM
To: John Kim
Cc: Sarah Harris
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hi John,
Please find the attached Intercept Letter Agreement.
Thanks,
Will

From: John Kim
Sent: Monday, November 06, 2017 5:23 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Can you send the letter agreement pdf??

From: William Tan
Sent: Monday, November 06, 2017 4:14 PM
To: 'Victor Buza' <Victor.Buza@ieso.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>; John Kim <John.Kim@ofina.on.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hello Victor,
Agreed.

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 4:12 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>; John Kim <John.Kim@ofina.on.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Thanks Will – so it appears that, other than housekeeping activities over the next day or two, we are now closed on these two agreements. Agreed ?
Victor

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 4:07 PM
To: Victor Buza
Cc: Lisa Stein; Sarah Harris; Anthony Martinello; John Kim
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hello Victor,

Please find the attached signed FHP Credit Facility Agreement and Amending Agreement #10 to the Jan. 1, 2005 Credit Agreement. Original signature pages will reach you tomorrow or the day after.
Thanks,
Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 3:25 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10
Importance: High

Will,
Please find attached the following documents signed by IESO:

1. Amending Agreement #10 to the Jan. 1, 2005 Credit Agreement;
2. Certified IESO Board Resolution and Incumbency Certificate;
3. Scan of the $2 Billion Grid Note.
4. Intercept Letter Agreement.

I will send the new Revolving Credit Facility Agreement in relation to FHP under a separate email immediately following.
We have already overnighted the original grid note for $2 billion and an original Intercept Letter signed by all parties. Per your request, we will send original agreement signature pages for both agreements as well – can we send those tomorrow or do you need the overnighted too?
Let us know. We look forward to receiving your confirmation of closing.
Victor

Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079
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From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 3:09 PM
To: Victor Buza
Cc: Lisa Stein; Sarah Harris; Anthony Martinello
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Thanks,
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new $475MM prom note to OFA. Once received OFA will send the $975MM cancelled prom note to IESO.
Thanks,
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From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 10:48 AM
To: William Tan <William.Tan@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
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From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 10:33 AM
To: Anthony Martinello
Cc: Lisa Stein; Victor Buza; Sarah Harris
Subject: Signatures for FHP and Amending Agreement No. 10

Good morning Anthony,

Just checking-in on approximately when we can expect the documents to be executed so I may prepare my signatory.

Thanks,

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From: John Kim
To: Sarah Harris; William Tan
Subject: RE: Signatures for FHP and Amending Agreement No. 10
Date: Monday, November 06, 2017 2:56:42 PM

Hi Will,
If the original goes to you, I would like it as I want to scan the whole approvals packaged using the original.
Thanks,
John

From: Sarah Harris
Sent: Monday, November 06, 2017 1:23 PM
To: William Tan
Cc: John Kim
Subject: FW: Signatures for FHP and Amending Agreement No. 10
Hi Will,
Please ensure that you include John in the distribution of the scanned versions of the executed intercept letter and agreements.
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Sarah

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Subject: RE: Signatures for FHP and Amending Agreement No. 10
Thanks Sarah. No rush on the delivery method on my side but I'm more interested in the scanned copy sooner rather than later.
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Victor

From: William Tan [mailto:William.Tan@ofina.on.ca]

Sent: November 06, 2017 10:33 AM
To: Anthony Martinello
Cc: Lisa Stein; Victor Buza; Sarah Harris
Subject: Signatures for FHP and Amending Agreement No. 10

Good morning Anthony,

Just checking-in on approximately when we can expect the documents to be executed so I may prepare my signatory.

Thanks,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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From: William Tan
To: "Victor Buza"
Cc: Lisa Stein; Sarah Harris; Anthony Martinello
Subject: RE: Signatures for FHP and Amending Agreement No. 10
Date: Monday, November 06, 2017 2:25:08 PM

Hi Victor,

My apologies. Please scan the separated $2B and $475 MM Grid promissory notes. Forward the $2B promissory note but hold on to the $475MM Grid Promissory Note until November 21.

- Resolution of the Board of Directors
- Incumbency Certificate
- Intercept Letter
- $2 B Grid Promissory Note
- $475 MM Grid Promissory Note

Yes, please forward the documents to myself.

William Tan
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3

Thanks,
Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 2:12 PM
To: William Tan
Cc: Lisa Stein ; Sarah Harris ; Anthony Martinello
Subject: RE: Signatures for FHP and Amending Agreement No. 10

I will scan and send all documents you listed in their entirety, not just signature pages. Can you confirm, are you saying you want a scan of the $475MM grid note?

Just so I get it right, should I courier the hardcopies of the Intercept Letter and Note to your attention and address, Will? Call me if it's quicker.

Victor
416-969-6079

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 1:57 PM
To: Victor Buza; Anthony Martinello
Cc: Lisa Stein; Sarah Harris
Subject: FW: Signatures for FHP and Amending Agreement No. 10

Hi Victor,

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You were probably going to include the following signed soft copies anyway but out of caution I have listed them below:

- Resolution of the Board of Directors
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Thanks,
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From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 10:48 AM
To: William Tan <William.Tan@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
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From:	Victor Buza
To:	William Tan
Cc:	Lisa Stein; Sarah Harris; Anthony Martinello
Subject:	RE: Signatures for FHP and Amending Agreement No. 10
Date:	Monday, November 06, 2017 2:12:13 PM

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From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 10:33 AM
To: Anthony Martinello
Cc: Lisa Stein; Victor Buza; Sarah Harris
Subject: Signatures for FHP and Amending Agreement No. 10

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From: John Kim
To: Sarah Harris
Subject: RE: Signatures for FHP and Amending Agreement No. 10
Date: Monday, November 06, 2017 12:01:03 PM

Thanks Sarah. No rush on the delivery method on my side but I'm more interested in the scanned copy sooner rather than later.
John

From: Sarah Harris
Sent: Monday, November 06, 2017 11:56 AM
To: John Kim
Subject: FW: Signatures for FHP and Amending Agreement No. 10

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 10:48 AM
To: William Tan <William.Tan@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
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From:	Lisa Stein
To:	William Tan
Cc:	Sarah Harris
Subject:	RE: Signatures for FHP and Amending Agreement No. 10
Date:	Monday, November 06, 2017 11:57:37 AM

Yes I think that's a good idea. I assume they will also be sending the originals.

From: William Tan
Sent: Monday, November 06, 2017 11:51 AM
To: Lisa Stein
Cc: Sarah Harris
Subject: FW: Signatures for FHP and Amending Agreement No. 10

Hello Lisa,

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Victor

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 10:33 AM
To: Anthony Martinello
Cc: Lisa Stein; Victor Buza; Sarah Harris
Subject: Signatures for FHP and Amending Agreement No. 10

Good morning Anthony,

Just checking-in on approximately when we can expect the documents to be executed so I may prepare my signatory.

Thanks,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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From:	John Kim
To:	William Tan
Cc:	Sarah Harris; Gavin He
Subject:	RE: Signatures for FHP and Amending Agreement No. 10
Date:	Monday, November 06, 2017 5:39:34 PM

Thanks, if you can send the real copy to Gavin when you receive it.
John

From: William Tan
Sent: Monday, November 06, 2017 5:37 PM
To: John Kim
Cc: Sarah Harris
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hi John,
Please find the attached Intercept Letter Agreement.
Thanks,
Will

From: John Kim
Sent: Monday, November 06, 2017 5:23 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Can you send the letter agreement pdf??

From: William Tan
Sent: Monday, November 06, 2017 4:14 PM
To: 'Victor Buza' <Victor.Buza@ieso.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>; John Kim <John.Kim@ofina.on.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hello Victor,
Agreed.

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 4:12 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>; John Kim <John.Kim@ofina.on.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Thanks Will – so it appears that, other than housekeeping activities over the next day or two, we are now closed on these two agreements. Agreed ?
Victor

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 4:07 PM
To: Victor Buza
Cc: Lisa Stein; Sarah Harris; Anthony Martinello; John Kim
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hello Victor,

Please find the attached signed FHP Credit Facility Agreement and Amending Agreement #10 to the Jan. 1, 2005 Credit Agreement. Original signature pages will reach you tomorrow or the day after.
Thanks,
Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 3:25 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10
Importance: High

Will,
Please find attached the following documents signed by IESO:

1. Amending Agreement #10 to the Jan. 1, 2005 Credit Agreement;
2. Certified IESO Board Resolution and Incumbency Certificate;
3. Scan of the $2 Billion Grid Note.
4. Intercept Letter Agreement.

I will send the new Revolving Credit Facility Agreement in relation to FHP under a separate email immediately following.
We have already overnighted the original grid note for $2 billion and an original Intercept Letter signed by all parties. Per your request, we will send original agreement signature pages for both agreements as well – can we send those tomorrow or do you need the overnighted too?
Let us know. We look forward to receiving your confirmation of closing.
Victor

Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079
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From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 3:09 PM
To: Victor Buza
Cc: Lisa Stein; Sarah Harris; Anthony Martinello
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hello Victor,
I clarified internally and we would want an original signature page for the FHP Agreement and Amending Agreement No. 10.
Thanks,
Will

From: William Tan
Sent: Monday, November 06, 2017 2:25 PM
To: 'Victor Buza' <Victor.Buza@ieso.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hi Victor,
My apologies. Please scan the separated $2B and $475 MM Grid promissory notes. Forward the $2B promissory note but hold on to the $475MM Grid Promissory Note until November 21.

- Resolution of the Board of Directors
- Incumbency Certificate
- Intercept Letter
- $2 B Grid Promissory Note
- $475 MM Grid Promissory Note

Yes, please forward the documents to myself.

William Tan
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3

Thanks,
Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
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Subject: RE: Signatures for FHP and Amending Agreement No. 10

I will scan and send all documents you listed in their entirety, not just signature pages. Can you confirm, are you saying you want a scan of the $475MM grid note?
Just so I get it right, should I courier the hardcopies of the Intercept Letter and Note to your attention and address, Will? Call me if it's quicker.

Victor
416-969-6079

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 1:57 PM
To: Victor Buza; Anthony Martinello
Cc: Lisa Stein; Sarah Harris
Subject: FW: Signatures for FHP and Amending Agreement No. 10

Hi Victor,
Thank you for the update. When you send the soft copy signatures, would it be possible to include the signatures within the agreements?
You were probably going to include the following signed soft copies anyway but out of caution I have listed them below:

- Resolution of the Board of Directors
- Incumbency Certificate
- Intercept Letter
- $2 B Grid Note
- $475 MM Grid Note

Hardcopy of the Intercept Letter and $2B Grid Note – overnight delivery is fine.
Per s. 16 AA #10 - Anthony and I discussed on Friday that $475MM Grid note would be signed today but held by IESO until November 21. After the borrowing notice and election notices are actioned, OFA will produce the grid notes to evidence payment and advancements. IESO will then send the

new $475MM prom note to OFA. Once received OFA will send the $975MM cancelled prom note to IESO.
Thanks,
Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 10:48 AM
To: William Tan <William.Tan@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hi Will – I have a signing meeting scheduled with our signatory at 2:30pm this afternoon – so I will send you counterpart signatures and a scanned version of the Intercept Letter by 3:00pm or possibly earlier.
Hardcopy of Intercept Letter to follow as you prefer – overnight or pickup? We also need to make arrangements re delivery of the $2Bn Grid Note.
Per s.16 of AA#10, the other Note for $475MM is to be delivered following the Effective Time in exchange for the return by OFA of the Nov 30 2016 Note for $975MM.
Victor

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 10:33 AM
To: Anthony Martinello
Cc: Lisa Stein; Victor Buza; Sarah Harris
Subject: Signatures for FHP and Amending Agreement No. 10

Good morning Anthony,

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Thanks,

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From: William Tan
To: Sarah Harris
Subject: RE: Signatures for FHP and Amending Agreement No. 10
Date: Monday, November 06, 2017 11:01:39 AM

Hi Sarah,
I'll let him know as soon as Anis is done speaking to him.
Thanks,
Will

From: Sarah Harris
Sent: Monday, November 06, 2017 10:58 AM
To: William Tan
Subject: FW: Signatures for FHP and Amending Agreement No. 10
Hi Will,
Please let Mike know timing.
Thanks,
Sarah

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From: William Tan
To: Sarah Harris
Subject: RE: Signatures for FHP and Amending Agreement No. 10
Date: Monday, November 06, 2017 10:53:19 AM

Hi Sarah,
Yes have discussed that he would send over soft copies of the documents once they have been signed. We also discussed that Kimberly would sign the $475M note but hold it until November 21, when we produce a grid note indicating a full payment and advancement. Subsequently, he would send the new prom note of $475M to OFA. Documentation then sends him the cancelled $975M promissory note.

From: Sarah Harris
Sent: Monday, November 06, 2017 10:43 AM
To: William Tan
Subject: RE: Signatures for FHP and Amending Agreement No. 10
Hi Will,
Just making sure you clarified with Anthony that IESO is signing first, and to arrange for copies of .pdf's of intercept letter and semi-executed agreements (and prom note) to be e-mailed over?
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Sent: Monday, November 06, 2017 10:33 AM
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Cc: Lisa Stein; Sarah Harris
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From: Sarah Harris
To: William Tan
Subject: RE: Signatures for FHP and Amending Agreement No. 10
Date: Monday, November 06, 2017 10:42:35 AM

Hi Will,

Just making sure you clarified with Anthony that IESO is signing first, and to arrange for copies of .pdf's of intercept letter and semi-executed agreements (and prom note) to be e-mailed over?

Thanks,

Sarah

From: William Tan
Sent: Monday, November 06, 2017 10:33 AM
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To:	John Kim
Cc:	Sarah Harris
Subject:	RE: Signatures for FHP and Amending Agreement No. 10
Date:	Monday, November 06, 2017 5:36:36 PM
Attachments:	Intercept Letter MOE_OFA_IESO Fully Executed - Nov 6 2017.pdf

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Subject: RE: Signatures for FHP and Amending Agreement No. 10

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Please find the attached signed FHP Credit Facility Agreement and Amending Agreement #10 to the Jan. 1, 2005 Credit Agreement. Original signature pages will reach you tomorrow or the day after.

Thanks,

Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 3:25 PM
To: William Tan <William.Tan@ofina.on.ca>

Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10
Importance: High

Will,

Please find attached the following documents signed by IESO:

1. Amending Agreement #10 to the Jan. 1, 2005 Credit Agreement;
2. Certified IESO Board Resolution and Incumbency Certificate;
3. Scan of the $2 Billion Grid Note.
4. Intercept Letter Agreement.

I will send the new Revolving Credit Facility Agreement in relation to FHP under a separate email immediately following.

We have already overnighted the original grid note for $2 billion and an original Intercept Letter signed by all parties. Per your request, we will send original agreement signature pages for both agreements as well – can we send those tomorrow or do you need the overnighted too?

Let us know. We look forward to receiving your confirmation of closing.

Victor

Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079
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From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 3:09 PM
To: Victor Buza
Cc: Lisa Stein; Sarah Harris; Anthony Martinello
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hello Victor,

I clarified internally and we would want an original signature page for the FHP Agreement and Amending Agreement No. 10.

Thanks,

Will

From: William Tan
Sent: Monday, November 06, 2017 2:25 PM
To: 'Victor Buza' <Victor.Buza@ieso.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hi Victor,

My apologies. Please scan the separated $2B and $475 MM Grid promissory notes. Forward the $2B promissory note but hold on to the $475MM Grid Promissory Note until November 21.

- Resolution of the Board of Directors
- Incumbency Certificate
- Intercept Letter
- $2 B Grid Promissory Note

- $475 MM Grid Promissory Note

Yes, please forward the documents to myself.

William Tan
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3

Thanks,
Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
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To: William Tan <William.Tan@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

I will scan and send all documents you listed in their entirety, not just signature pages. Can you confirm, are you saying you want a scan of the $475MM grid note?

Just so I get it right, should I courier the hardcopies of the Intercept Letter and Note to your attention and address, Will? Call me if it's quicker.

Victor
416-969-6079

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 1:57 PM
To: Victor Buza; Anthony Martinello
Cc: Lisa Stein; Sarah Harris
Subject: FW: Signatures for FHP and Amending Agreement No. 10

Hi Victor,

Thank you for the update. When you send the soft copy signatures, would it be possible to include the signatures within the agreements?

You were probably going to include the following signed soft copies anyway but out of caution I have listed them below:

- Resolution of the Board of Directors
- Incumbency Certificate
- Intercept Letter
- $2 B Grid Note
- $475 MM Grid Note

Hardcopy of the Intercept Letter and $2B Grid Note – overnight delivery is fine.

Per s. 16 AA #10 - Anthony and I discussed on Friday that $475MM Grid note would be signed today but held by IESO until November 21. After the borrowing notice and election notices are actioned, OFA will produce the grid notes to evidence payment and advancements. IESO will then send the new $475MM prom note to OFA. Once received OFA will send the $975MM cancelled prom note to IESO.

Thanks,
Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 10:48 AM
To: William Tan <William.Tan@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>

Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hi Will – I have a signing meeting scheduled with our signatory at 2:30pm this afternoon – so I will send you counterpart signatures and a scanned version of the Intercept Letter by 3:00pm or possibly earlier.

Hardcopy of Intercept Letter to follow as you prefer – overnight or pickup? We also need to make arrangements re delivery of the $2Bn Grid Note.

Per s.16 of AA#10, the other Note for $475MM is to be delivered following the Effective Time in exchange for the return by OFA of the Nov 30 2016 Note for $975MM.

Victor

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 10:33 AM
To: Anthony Martinello
Cc: Lisa Stein; Victor Buza; Sarah Harris
Subject: Signatures for FHP and Amending Agreement No. 10

Good morning Anthony,

Just checking-in on approximately when we can expect the documents to be executed so I may prepare my signatory.

Thanks,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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Ontario Financing Authority
1 Dundas Street West
Suite 1400
Toronto ON M7A 1Y7

Office ontarien de financement
1 rue Dundas ouest
Bureau 1400
Toronto ON M7A
1Y7

(416) 325-8000

Ontario

November 6, 2017

Mr. Steen Hume
Assistant Deputy Minister, Ministry of Energy
7th Flr, 77 Grenville St
Toronto, ON M7A 2C1

Ms. Kimberly Marshall
Vice-President, Corporate Services and Chief Financial Officer, IESO
120 Adelaide St W #1600
Toronto, ON M5H 1T1

Dear Mr. Steen Hume and Ms. Kimberly Marshall:

I am writing in relation to the Independent Electricity System Operator's ("IESO") request to the Ontario Financing Authority ("OFA") for a new revolving credit facility in an amount of up to CAD $2 billion (the "New Credit Facility") to support the IESO's role in the implementation of and participation under the *Ontario Fair Hydro Plan Act, 2017.* Under the OFA Lending Policy, the OFA requires an intercept provision in respect of loans made by the OFA to public bodies on an unsecured basis. In general, an intercept provision allows the Minister of Finance to deduct from money appropriated by the Legislature for payment to the public body amounts equal to any amounts the public body fails to pay the OFA under a loan agreement.

The IESO and the Ministry of Energy ("ENERGY") confirm and the OFA acknowledges that at this time there are no amounts appropriated by the Legislature for payment to the IESO by ENERGY and the intent of such intercept provision is that it would apply if and when amounts were to be appropriated for payment by ENERGY to the IESO in the future.

Prior to entering into a loan agreement with the IESO for the New Credit Facility (the "OFHP Credit Facility Agreement") on an unsecured basis, the OFA requires ENERGY and the IESO to agree to the terms and conditions set out below in relation to the above OFA Lending Policy intercept provision requirement.

These terms and conditions shall also apply to the IESO's existing $975 million credit facility, established in a credit agreement entered into between the OFA and the Ontario Power Authority dated January 1, 2005, as amended (the "Original Credit Facility Agreement").

... 2

- The OFA, the IESO, and ENERGY agree as follows in respect of any advances made by the OFA to the IESO pursuant to the OFHP Credit Facility Agreement or the Original Credit Facility Agreement (each a "Loan Agreement"; together, the "Loan Agreements"):

    - Pursuant to section 23 of the *Capital Investment Plan Act, 1993*, the IESO and ENERGY agree that, in the event that the Legislature appropriates any funds for payment by ENERGY to the IESO for any purpose ("Appropriated Funds"), the Minister of Finance would be entitled to deduct from such Appropriated Funds amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under a Loan Agreement (the "intercept provision"). Terms relating to the intercept provision shall also be separately included in the Loan Agreements.

    - If the intercept provision is exercised, the IESO agrees that any notice from the OFA to the Minister of Finance in relation to its failure to make a payment that is due under a Loan Agreement may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance.

    - Prior to recommending to the Minister of Finance that the intercept provision be exercised, the OFA will raise the issue with ENERGY and seek ENERGY's support in getting the IESO to pay the amounts owing to OFA within a reasonable cure period.

    - Upon receipt of notice from the OFA that the IESO has failed to make one or more payments owing to it in accordance with the provisions of a Loan Agreement, ENERGY will provide the OFA with all information requested by the OFA respecting amounts appropriated by the Legislature for payments to the IESO by ENERGY, including the intended purpose and expected timing of such payments to be made by ENERGY. Upon request, ENERGY will provide similar information to the Minister of Finance.

    - ENERGY acknowledges and agrees that, upon receipt of a direction from the Minister of Finance that an amount is to be deducted from money appropriated by the Legislature for payment by ENERGY to the IESO, ENERGY will take all necessary action required by it in order to effect such deduction and payment to the OFA in accordance with the Minister of Finance's direction.

    - For further certainty, the OFA and ENERGY acknowledge and agree that the intercept provision as provided for herein, and this letter agreement generally, shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than ENERGY or through Ontario Climate Change Solutions Deployment Corporation.

... 3

This letter agreement may be executed in counterparts. Therefore, if you are in agreement with the above terms and conditions in relation to the Loan Agreements, kindly sign this letter agreement below in triplicate and send back two copies to my attention.

Sincerely,

Ronald Kwan

Assistant Deputy Minister, Corporate and Electricity Finance Division, OFA

c. Gadi Mayman, Chief Executive Officer, OFA

The undersigned hereby agree to the terms and conditions as set out in this letter agreement and have executed this letter agreement as of the date first noted above.

Ministry of Energy

by:

name: Steen Hume

title: Assistant Deputy Minister, Ministry of Energy

Independent Electricity System Operator

by:

name: Kimberly Marshall

title: Vice-President, Corporate Services and Chief Financial Officer, IESO

From:	William Tan
To:	John Kim
Cc:	Sarah Harris
Subject:	RE: Signatures for FHP and Amending Agreement No. 10
Date:	Monday, November 06, 2017 5:36:36 PM
Attachments:	Intercept Letter MOE_OFA_IESO Fully Executed - Nov 6 2017.pdf

Hi John,

Please find the attached Intercept Letter Agreement.

Thanks,

Will

From: John Kim
Sent: Monday, November 06, 2017 5:23 PM
To: William Tan
Cc: Sarah Harris
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Can you send the letter agreement pdf??

From: William Tan
Sent: Monday, November 06, 2017 4:14 PM
To: 'Victor Buza' <Victor.Buza@ieso.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>; John Kim <John.Kim@ofina.on.ca>
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Hello Victor,

Agreed.

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Cc: Lisa Stein; Sarah Harris; Anthony Martinello; John Kim
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Victor Buza | Senior Counsel
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Victor

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 10:33 AM
To: Anthony Martinello
Cc: Lisa Stein; Victor Buza; Sarah Harris
Subject: Signatures for FHP and Amending Agreement No. 10

Good morning Anthony,

Just checking-in on approximately when we can expect the documents to be executed so I may prepare my signatory.

Thanks,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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Ontario Financing Authority
1 Dundas Street West
Suite 1400
Toronto ON M7A 1Y7

Office ontarien de financement
1 rue Dundas ouest
Bureau 1400
Toronto ON M7A
1Y7

(416) 325-8000

Ontario

November 6, 2017

Mr. Steen Hume
Assistant Deputy Minister, Ministry of Energy
7th Flr, 77 Grenville St
Toronto, ON M7A 2C1

Ms. Kimberly Marshall
Vice-President, Corporate Services and Chief Financial Officer, IESO
120 Adelaide St W #1600
Toronto, ON M5H 1T1

Dear Mr. Steen Hume and Ms. Kimberly Marshall:

I am writing in relation to the Independent Electricity System Operator's ("IESO") request to the Ontario Financing Authority ("OFA") for a new revolving credit facility in an amount of up to CAD $2 billion (the "New Credit Facility") to support the IESO's role in the implementation of and participation under the *Ontario Fair Hydro Plan Act, 2017.* Under the OFA Lending Policy, the OFA requires an intercept provision in respect of loans made by the OFA to public bodies on an unsecured basis. In general, an intercept provision allows the Minister of Finance to deduct from money appropriated by the Legislature for payment to the public body amounts equal to any amounts the public body fails to pay the OFA under a loan agreement.

The IESO and the Ministry of Energy ("ENERGY") confirm and the OFA acknowledges that at this time there are no amounts appropriated by the Legislature for payment to the IESO by ENERGY and the intent of such intercept provision is that it would apply if and when amounts were to be appropriated for payment by ENERGY to the IESO in the future.

Prior to entering into a loan agreement with the IESO for the New Credit Facility (the "OFHP Credit Facility Agreement") on an unsecured basis, the OFA requires ENERGY and the IESO to agree to the terms and conditions set out below in relation to the above OFA Lending Policy intercept provision requirement.

These terms and conditions shall also apply to the IESO's existing $975 million credit facility, established in a credit agreement entered into between the OFA and the Ontario Power Authority dated January 1, 2005, as amended (the "Original Credit Facility Agreement").

... 2

- The OFA, the IESO, and ENERGY agree as follows in respect of any advances made by the OFA to the IESO pursuant to the OFHP Credit Facility Agreement or the Original Credit Facility Agreement (each a "Loan Agreement"; together, the "Loan Agreements"):

    - Pursuant to section 23 of the *Capital Investment Plan Act, 1993*, the IESO and ENERGY agree that, in the event that the Legislature appropriates any funds for payment by ENERGY to the IESO for any purpose ("Appropriated Funds"), the Minister of Finance would be entitled to deduct from such Appropriated Funds amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under a Loan Agreement (the "intercept provision"). Terms relating to the intercept provision shall also be separately included in the Loan Agreements.

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... 3

This letter agreement may be executed in counterparts. Therefore, if you are in agreement with the above terms and conditions in relation to the Loan Agreements, kindly sign this letter agreement below in triplicate and send back two copies to my attention.

Sincerely,

Ronald Kwan

Assistant Deputy Minister, Corporate and Electricity Finance Division, OFA

c. Gadi Mayman, Chief Executive Officer, OFA

The undersigned hereby agree to the terms and conditions as set out in this letter agreement and have executed this letter agreement as of the date first noted above.

Ministry of Energy

by:

name: Steen Hume

title: Assistant Deputy Minister, Ministry of Energy

Independent Electricity System Operator

by:

name: Kimberly Marshall

title: Vice-President, Corporate Services and Chief Financial Officer, IESO

From: John Kim
To: William Tan
Cc: Sarah Harris
Subject: RE: Signatures for FHP and Amending Agreement No. 10
Date: Monday, November 06, 2017 5:22:37 PM

Can you send the letter agreement pdf??

From: William Tan
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Victor

Victor Buza | Senior Counsel
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To: 'Victor Buza' <Victor.Buza@ieso.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

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- Resolution of the Board of Directors
- Incumbency Certificate
- Intercept Letter
- $2 B Grid Promissory Note
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Yes, please forward the documents to myself.

William Tan
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3

Thanks,
Will

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To: William Tan <William.Tan@ofina.on.ca>
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Sent: November 06, 2017 1:57 PM
To: Victor Buza; Anthony Martinello
Cc: Lisa Stein; Sarah Harris
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Thanks,

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Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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From: John Kim
To: William Tan
Cc: Sarah Harris
Subject: RE: Signatures for FHP and Amending Agreement No. 10
Date: Monday, November 06, 2017 5:22:37 PM

Can you send the letter agreement pdf??

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Victor Buza | Senior Counsel
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Victor

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 10:33 AM
To: Anthony Martinello
Cc: Lisa Stein; Victor Buza; Sarah Harris
Subject: Signatures for FHP and Amending Agreement No. 10

Good morning Anthony,

Just checking-in on approximately when we can expect the documents to be executed so I may prepare my signatory.

Thanks,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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From:	Opal Kandelas
To:	Sarah Harris
Subject:	RE: Signatures for FHP and Amending Agreement No. 10
Date:	Tuesday, November 07, 2017 8:57:15 AM

Congratulations!

From: Sarah Harris
Sent: Monday, November 06, 2017 4:16 PM
To: Opal Kandelas
Subject: FW: Signatures for FHP and Amending Agreement No. 10

All done.

Amen.

From: William Tan
Sent: Monday, November 06, 2017 4:14 PM
To: 'Victor Buza' <Victor.Buza@ieso.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>; John Kim <John.Kim@ofina.on.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hello Victor,

Agreed.

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 4:12 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>; John Kim <John.Kim@ofina.on.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Thanks Will – so it appears that, other than housekeeping activities over the next day or two, we are now closed on these two agreements. Agreed ?

Victor

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 4:07 PM
To: Victor Buza
Cc: Lisa Stein; Sarah Harris; Anthony Martinello; John Kim
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hello Victor,

Please find the attached signed FHP Credit Facility Agreement and Amending Agreement #10 to the Jan. 1, 2005 Credit Agreement. Original signature pages will reach you tomorrow or the day after.

Thanks,

Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 3:25 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10
Importance: High

Will,

Please find attached the following documents signed by IESO:

1. Amending Agreement #10 to the Jan. 1, 2005 Credit Agreement;
2. Certified IESO Board Resolution and Incumbency Certificate;
3. Scan of the $2 Billion Grid Note.
4. Intercept Letter Agreement.

I will send the new Revolving Credit Facility Agreement in relation to FHP under a separate email immediately following.

We have already overnighted the original grid note for $2 billion and an original Intercept Letter signed by all parties. Per your request, we will send original agreement signature pages for both agreements as well – can we send those tomorrow or do you need the overnighted too?

Let us know. We look forward to receiving your confirmation of closing.

Victor

Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079
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From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 3:09 PM
To: Victor Buza
Cc: Lisa Stein; Sarah Harris; Anthony Martinello
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hello Victor,

I clarified internally and we would want an original signature page for the FHP Agreement and Amending Agreement No. 10.

Thanks,

Will

From: William Tan
Sent: Monday, November 06, 2017 2:25 PM
To: 'Victor Buza' <Victor.Buza@ieso.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hi Victor,

My apologies. Please scan the separated $2B and $475 MM Grid promissory notes. Forward the $2B promissory note but hold on to the $475MM Grid Promissory Note until November 21.

- Resolution of the Board of Directors
- Incumbency Certificate
- Intercept Letter
- $2 B Grid Promissory Note
- $475 MM Grid Promissory Note

Yes, please forward the documents to myself.

William Tan
Ontario Financing Authority

1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3
Thanks,
Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 2:12 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

I will scan and send all documents you listed in their entirety, not just signature pages. Can you confirm, are you saying you want a scan of the $475MM grid note?
Just so I get it right, should I courier the hardcopies of the Intercept Letter and Note to your attention and address, Will? Call me if it's quicker.
Victor
416-969-6079

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 1:57 PM
To: Victor Buza; Anthony Martinello
Cc: Lisa Stein; Sarah Harris
Subject: FW: Signatures for FHP and Amending Agreement No. 10

Hi Victor,
Thank you for the update. When you send the soft copy signatures, would it be possible to include the signatures within the agreements?
You were probably going to include the following signed soft copies anyway but out of caution I have listed them below:

- Resolution of the Board of Directors
- Incumbency Certificate
- Intercept Letter
- $2 B Grid Note
- $475 MM Grid Note

Hardcopy of the Intercept Letter and $2B Grid Note – overnight delivery is fine.
Per s. 16 AA #10 - Anthony and I discussed on Friday that $475MM Grid note would be signed today but held by IESO until November 21. After the borrowing notice and election notices are actioned, OFA will produce the grid notes to evidence payment and advancements. IESO will then send the new $475MM prom note to OFA. Once received OFA will send the $975MM cancelled prom note to IESO.
Thanks,
Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, November 06, 2017 10:48 AM
To: William Tan <William.Tan@ofina.on.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Signatures for FHP and Amending Agreement No. 10

Hi Will – I have a signing meeting scheduled with our signatory at 2:30pm this afternoon – so I will send you counterpart signatures and a scanned version of the Intercept Letter by 3:00pm or possibly

earlier.

Hardcopy of Intercept Letter to follow as you prefer – overnight or pickup? We also need to make arrangements re delivery of the $2Bn Grid Note.

Per s.16 of AA#10, the other Note for $475MM is to be delivered following the Effective Time in exchange for the return by OFA of the Nov 30 2016 Note for $975MM.

Victor

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: November 06, 2017 10:33 AM
To: Anthony Martinello
Cc: Lisa Stein; Victor Buza; Sarah Harris
Subject: Signatures for FHP and Amending Agreement No. 10

Good morning Anthony,

Just checking-in on approximately when we can expect the documents to be executed so I may prepare my signatory.

Thanks,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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From: Sarah Harris
To: William Tan
Subject: RE: Status Update
Date: Tuesday, March 20, 2018 9:45:57 AM

Thank you, Will.

Sarah

-----Original Message-----
From: William Tan
Sent: Tuesday, March 20, 2018 8:57 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: Status Update

Hi Sarah,

1.Debt remission.
2.Presentation on ADIP, Dealership Agreement
3. OLMS report/OILC Loan confirmation improvement – draft of project charter submitted. Adding suggestions.
4. T-bill redemptions read IPA for TD to determine if T-Bill redemption procedures need to be changed.
5.(review with you) Update OILC procedure – drafts submitted. Adding suggestions.
6.(review with you) Update T-bill procedure manual – drafts submitted. Adding suggestions.
7. (review with you)Bond exchange procedures – drafts submitted. Adding suggestions.
8.x IESO waiver
9.x OILC CF Agreement roadmap.
10. x Presentation on Fiscal Agency Agreement.
11.x CDS Tracking Sheet.

-----Original Message-----
From: Sarah Harris
Sent: Tuesday, March 20, 2018 8:17 AM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; Dean Hwang <Dean.Hwang@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Karin Sze <Karin.Sze@ofina.on.ca>; Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>; Sab Horvath <Sab.Horvath@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Subject: Status Update

Good morning,

Would you please send me a status update on your files by 10:00 a.m.

Thanks,
Sarah
Sent from my iPhone

From:	Andrea Dalgarno
To:	Sarah Harris
Subject:	RE: Status Update
Date:	Tuesday, March 20, 2018 9:46:23 AM

---

np

From: Sarah Harris
Sent: Tuesday, March 20, 2018 9:45 AM
To: Andrea Dalgarno
Subject: RE: Status Update

Thanks, Andrea.
Sarah

From: Andrea Dalgarno
Sent: Tuesday, March 20, 2018 8:25 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: Status Update

FYI- bold is changes

From: Andrea Dalgarno
Sent: Tuesday, March 06, 2018 8:22 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: Status Update

Sarah,
Please see bold for changes.

1) Pending- Fix for Extended issue that ran amuck at program level- **IT wants to fix at data level- risk at 2045 end –to discuss alternatives with IT**
2) **Pending** - defect 1 cent difference on redemption amount on DMTN183 maturity
3) OIC**- cabinet note reviewed- awaiting approval of OIC**
4) OCGC- executed- awaiting clean up documentation such as Corporation Representative cert and Board cert re decision to execute**- Corp rep out off until June. Board cert with their legal to address still**
5) Prepared Commission letters, fax covers- **pending year end and CDS fee information to complete calculations and process-**
6) **OFA Loans:**
    a. Awaiting response from CF regarding Auto Sector notes and OIC's**- will follow up**
    b. Quest for Prom Notes for potential forgiving of OCC loan. Found 2.16 B which is now in Documentation Vault. 656M is still MIA- **we will need to discuss how to address missing and fix both for date**
7) Prepared disclosure notices in anticipation of Budget
8) Procedure update when **example showing level of detail** desired is provided
9) FAA amendment to simplify- brainstorming and research continues

Horizon:

1) Tbill program increase

Normal routine:

1) Verifying OILC drawdowns
2) BA administration- pretty quiet right now given no transactions- checking program amounts

3) Commissions spreadsheet update- quiet right now as no transactions
4) O/S Debt Summary update- quiet right now as no transactions

Other completed items:

- **Assisted with analysis and reconciliation related to tbill/prom note positions needed for OEFC remission**
- **Waiver of 30 year limit for OPG Advance form OEFC March 22, 2018**
- OFA Loans CF updated and I sorted out 475M IESO LOC- CF uploaded (CF to refine to track at OIC level as opposed to sum of OIC level)
- Commission Deal Basis Fix **– deployed (can't tell if good until have crossover trade)**

Andrea

From: Sarah Harris
To: Ryan Blackbyrne
Subject: RE: Status Update
Date: Tuesday, December 12, 2017 9:45:52 AM

Hi Ryan,
When you can, could you please send me the draft IMA?
Thanks,
Sarah

From: Ryan Blackbyrne
Sent: Tuesday, December 12, 2017 9:40 AM
To: Sarah Harris
Subject: RE: Status Update

Hi Sarah, yes the drafting of the IMA and SIPP are complete and have been approved by both OFA and MOECC legal.
We had a call with members of the OCCSDC board on November 8 to answer any remaining questions they had regarding the SIPP and IMA and we received verbal confirmation that they were happy with the terms. We have not received any suggested amendments since that meeting. To my knowledge, getting approval for the investing by-law and also a signing-authority by-law and having the OCCSDC draft a certificate of incumbency are the only remaining hurdles to execute the IMA/SIPP.
However, revisiting the IMA now I realize Schedule C outlines the custodian fees which I believe will need to be updated and approved before signing. JF advised last week that the results of an outstanding RFP mean the OFA will be changing custodians. We did make note of this possibility in the draft IMA we sent to OCCSDC by placing an asterisk in Schedule C advising them of the outstanding RFP, but we have not communicated a new fee schedule to them as of yet. To your knowledge would Settlements be able to provide this new fee schedule at this time? Is it ok for me to reach out to them and ask?

From: Sarah Harris
Sent: Tuesday, December 12, 2017 9:16 AM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Subject: RE: Status Update

Thanks, Ryan. Please see my question below.

From: Ryan Blackbyrne
Sent: Monday, December 11, 2017 1:54 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Status Update

Hi Sarah,

- Both IESO-OEFC agreements were fully executed last Thursday. Sent one set of originals to Victor Buza, Senior Counsel at IESO and provided Lisa Stein with the other set for safekeeping by OFA Legal.
- Received confirmation from Mark Froud that the borrowing and investing by-laws for the Ontario Climate Change Solutions Deployment Corporation (OCCSDC) were prepared by Jill Whelan at MOECC for approval by the Minister of Finance. Waiting to hear back from OCCSDC when they are ready to execute IMA and SIPP. Is the actual drafting of the IMA

complete, assuming approval of the by-law by the MoF?

- Spoke with JF, Mike Manning and Carlos regarding the ONTC line of credit agreement. Advised Darren Scanlan of our feedback (Mike Manning and Carlos were fine with 2 business days notice for advances. They advised someone in Corporate Electricity would need to determine the spread for advances. No other significant comments regarding terms of Agreement)
- Received approval from Maryam on my response for TD Securities (London Branch) on their new Terms of Business that they sent to us (updating as of 01/01/2018 for new MIFID II regulations in Europe). I sent the approved response to TD Securities on Friday.
- Waiting on OILC for execution docs for loans 377,378,379,380,385 each having an advance date of December 15, 2017
- Karin is cc'ing me on all 18-K update emails so that I can follow along and learn the process.

Thanks,
Ryan

From: Sarah Harris
Sent: Monday, December 11, 2017 1:33 PM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>; Dean Hwang <Dean.Hwang@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Karin Sze <Karin.Sze@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; Sab Horvath <Sab.Horvath@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Subject: Status Update
Hello,
Would you please send me a status update on your files by EOD.
Thanks,
Sarah

From: Sarah Harris
To: Ryan Blackbyrne
Subject: RE: Status Update
Date: Tuesday, December 12, 2017 9:42:00 AM

Hi Ryan,
Thanks for the explanation The RBC RFP is still confidential, so you should keep the fee schedule as is until such time as it is "official".
Thanks,
Sarah

From: Ryan Blackbyrne
Sent: Tuesday, December 12, 2017 9:40 AM
To: Sarah Harris
Subject: RE: Status Update

Hi Sarah, yes the drafting of the IMA and SIPP are complete and have been approved by both OFA and MOECC legal.
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From: Sarah Harris
Sent: Tuesday, December 12, 2017 9:16 AM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Subject: RE: Status Update

Thanks, Ryan. Please see my question below.

From: Ryan Blackbyrne
Sent: Monday, December 11, 2017 1:54 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Status Update

Hi Sarah,

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OCCSDC when they are ready to execute IMA and SIPP. Is the actual drafting of the IMA complete, assuming approval of the by-law by the MoF?

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Thanks,
Ryan

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Sent: Monday, December 11, 2017 1:33 PM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>; Dean Hwang <Dean.Hwang@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Karin Sze <Karin.Sze@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; Sab Horvath <Sab.Horvath@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Subject: Status Update
Hello,
Would you please send me a status update on your files by EOD.
Thanks,
Sarah

From:	Sarah Harris
To:	Ryan Blackbyrne
Subject:	RE: Status Update
Date:	Tuesday, December 12, 2017 9:16:22 AM

Thanks, Ryan. Please see my question below.

From: Ryan Blackbyrne
Sent: Monday, December 11, 2017 1:54 PM
To: Sarah Harris
Subject: RE: Status Update

Hi Sarah,

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Thanks,
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Sent: Monday, December 11, 2017 1:33 PM
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Subject: Status Update

Hello,
Would you please send me a status update on your files by EOD.
Thanks,
Sarah

From:	Sarah Harris
To:	Sab Horvath
Subject:	RE: Status Update
Date:	Tuesday, December 12, 2017 9:08:42 AM

Thank you, Sab.

From: Sab Horvath
Sent: Monday, December 11, 2017 3:45 PM
To: Sarah Harris
Subject: Status Update

Hi Sarah,

CSA:

Last week we have received a 2016 CSA template and a contact from BMO through Edwin (Cathy Shamy).

I have followed up with Cathy asking about precedent with other sovereign entities.

She said that they are currently renegotiating their CSA with another province. In that process, they are using the 2016 VM CSA, which has appropriate language to deal with multiple CSAs (i.e. old vs. new trades) under the ISDA agreement. Her (unofficial) preference would be to use the 2016 CSA with us too, but they can also deal with the 1994 version. In her (and our) view, set-off netting is possible in both cases.

In terms of settlement netting, the feedback from her collateral management team had been that they can currently only net operationally if both margin pools are cash in the same currency. This answer is even less official, this is what she had been told by someone from their collateral management team. Based on that, settlement netting is currently not possible across two CSAs having securities as margin.

We briefly discussed with Dean that we will need to examine the differences (pros and cons) of using the 2016 VM CSA as opposed to the 1994 form.

IESO-OEFC Revolving Credit Facility

The IESO OEFC Revolving Facility amendments by Will are ok in general, although not very detailed. He is missing a few points, on the other hand, he has all the main points. I'm not sure what his summary will be used for…

The **FX Review** is now complete, we have checked the Part 6-s, and Will has sent his summary to Dean and me.

There is BSC this week and we will have a follow up CSA meeting next week.

Regards,

Sab

Sab Horvath, Derivatives Documentation Coordinator
Capital Markets Division, Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, Canada
T: 416-325-8053 M: 416-274-8158
E-mail: sab.horvath@ofina.on.ca

From: Sarah Harris
To: Jean-Francois Beaupre
Subject: RE: Status Update
Date: Monday, December 11, 2017 3:12:01 PM

Thanks, JF.

From: Jean-Francois Beaupre
Sent: Monday, December 11, 2017 2:30 PM
To: Sarah Harris
Subject: RE: Status Update

Hello Sarah,

Please see below. The items in yellow will be removed in my next status update. Let me know if you are in agreement with deletion of RBA Bond Basis.

J-F

ITEM

IESO- OEFC working on negotiations/amending agreements with Sarah and Ryan. **Completed and executed.**

Assist analysts as needed with OCGC and ONTC agreements – Andrea and Ryan respectively. **Provided guidance to Ryan re spread/notice and Andrea re Gadi being on OCGC Board last week and BN. No longer actively involved.**

DMTN – new deal from last week. **Worked through process including one-off BEO SSA re-submission. Need to review procedures to see if changes are needed.**

Flow back process. Shearman confirmed DPW and Stikeman are fine with initial distribution only. **UA language has been approved by all legal counsel for next global. Just keeping this on radar for next Global.**

Electronic printing and delivery in Global UA – need to consider language further with Patrick here. **Had initial discussion and he seemed receptive – line this up for next Global. Just keeping this on radar for next Global.**

18-K need to consider map inclusion stemming from April 2016 shelf update; currently with LSB; Opal has been informed and Maryam will revert post global. **Maryam advised next 18-K is fine. Karin (lead) and she will copy Ryan for training purposes. Reviewed final draft yesterday. Next draft should be sent today or tomorrow by Karin.**

CDS fees amending letter – complete, Ryan recd signed letter from all dealers. **Monitor fees. Assist as needed (e.g. detailed reports for OSBs)**

Monitor OSB NCI – LSB considering legislative approach still per meeting last week with Opal, Martine, Xuan and LSB . **Need to monitor CDS fees for OSBs with Martine re weekly redemptions to determine approach. Keep apprised of developments with LSB regarding NCI. Opal arranging call with CMHC later this week. Patrick called me yesterday to discuss further and clarify current OSB and T-bill process. Spoke with Patrick last weed (he called) and briefed Opal.**

T-bill Process –need to consider 'option 4 re: BEO SSA amendments' (ie BEO SSA amendment as suggested by CDS) Opal gave green light to draft BEO SSA amendment last week and run by LSB. Sent initial draft and thoughts to Patrick 3 weeks ago; follow-up last week and he replied that he would try to get to it this week post global. **Followed-up with Patrick just now this morning. Patrick replied hopefully this week. Will follow-up again. Patrick said he was working on this still yesterday. Patrick is focusing on OSB NCI for now which is the priority.**

US Counsel RFP – all of my comments cleared as of this week per Malle's amendments. **With LSB. Deferred to next year per LSB.**

ACE and OICs – assist Andrea and Ryan with ACE testing, provide guidance on ACE logic and fixes**, act as back-up for OICs as needed**

CCMR – keep apprised of any developments, unable to obtain copy of Cabinet submission - I anticipate that the major exemptions will be contained in the Regulations at this stage. **Read Harvey Naglie's paper last week. Keep apprised of developments.**

FAA Amendments – consider next steps and prepare note for LSB outlining approach – accrued interest first and

possible commissions – no Fall bill required per Sarah and LSB; obtain certifications from other government issuers if possible. **Consider next steps for spring bill assuming there is a spring bill due to election Unlikely due to election next year.**

RBA Bond Basis – **prefer to maintain status quo for now since we are not about to change the way business is done in Australia**

Invoice Process – **need to consider changes here as current process is inefficient. Reviewed process with Sarah. Now with Opal.**

Training – **provide on-going guidance and training to Ryan, Sab, Andrea, investor emails, etc.**

Prescription **– need to consider process for ways to improve**

From: Sarah Harris
Sent: Monday, December 11, 2017 1:33 PM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>; Dean Hwang <Dean.Hwang@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Karin Sze <Karin.Sze@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; Sab Horvath <Sab.Horvath@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Subject: Status Update

Hello,

Would you please send me a status update on your files by EOD.

Thanks,

Sarah

From:	Sarah Harris
To:	Ryan Blackbyrne
Subject:	RE: Status Update
Date:	Tuesday, November 21, 2017 9:44:48 AM

Thanks, Ryan.

From: Ryan Blackbyrne
Sent: Tuesday, November 21, 2017 9:34 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Status Update

Hi Sarah,

Update since last week:

- Working with Maryam at LSB regarding the TD Securities (London Branch) updated Terms of Business and our appropriate response
- OILC loans 360,361,362,363,364,377 at various stages of completion. Earliest Advance date is Dec 1st.
- Have not heard anything yet regarding how OCCSDC's board meeting went last Tuesday – will follow up with Mark.
- As you are aware, John Kim is to provide revised briefing note (regarding potential updates to the IESO-OEFC agreements) for Mike, Gadi and Ron's consideration.

Thanks,
Ryan

From: Ryan Blackbyrne
Sent: Tuesday, November 14, 2017 9:01 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Status Update

Hi Sarah,

Update since last week:

- We had our meeting with OCCSDC and their board is meeting today to hopefully action some of the things we discussed (resolution to designate signing authority, certificate of incumbency, investment by-law)
- As you are aware, John Kim to speak to Anthony today and get an update on the OPG Trust-IESO agreement and how it may affect our OFA-IESO and OEFC-IESO agreements
- Finishing research assignment for JF regarding US Treasuries and the systems used in issuing/trading/clearing and settling them.

Thanks,
Ryan

From: Ryan Blackbyrne
Sent: Tuesday, November 07, 2017 8:41 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Status Update

Hi Sarah,

- Meeting with board of OCCSDC tomorrow at 12:30pm to discuss next steps
- Reading over IESO agreements/documents as we discussed yesterday
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Thanks,
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From: Sarah Harris
Sent: Tuesday, November 07, 2017 8:03 AM
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Subject: Status Update

Good morning,
Would you please send me a status update by 9:30 am.
Thanks,
Sarah
Sent from my iPhone

From: Jean-Francois Beaupre
To: Sarah Harris
Subject: RE: Status Update
Date: Tuesday, November 21, 2017 9:22:12 AM

Hi Sarah,
Here you go.
Thanks,
JF
ITEM
IESO- OEFC working on negotiations/amending agreements with Sarah and Ryan. **Pending further discussions / approval.**
Flow back process. Shearman confirmed DPW and Stikeman are fine with initial distribution only. **UA language has been approved by all legal counsel for next global.**
Electronic printing and delivery in Global UA – need to consider language further with Patrick here. **Had initial discussion and he seemed receptive.**
18-K need to consider map inclusion stemming from April 2016 shelf update; currently with LSB; Opal has been informed and Maryam will revert post global. **Maryam advised next 18-K is fine. Karin (lead) and she will copy Ryan for training purposes.**
CDS fees amending letter – complete, Ryan recd signed letter from all dealers. **Monitor fees.**

Monitor OSB NCI – LSB considering legislative approach still per meeting last week with Opal, Martine, Xuan and LSB . **Need to monitor CDS fees for OSBs with Martine re weekly redemptions to determine approach. Keep apprised of developments with LSB regarding NCI.**

T-bill Process –need to consider 'option 4 re: BEO SSA amendments' (ie BEO SSA amendment as suggested by CDS) Opal gave green light to draft BEO SSA amendment last week and run by LSB. Sent initial draft and thoughts to Patrick 3 weeks ago; follow-up last week and he replied that he would try to get to it this week post global. **Followed-up with Patrick just now this morning. Patrick replied hopefully this week.**
T+2 – monitor process for first new DMTN issuance with Ryan; Sarah has applied for a credit card. Sarah now has credit card. **Keep apprised of next new DMTN**
US Counsel RFP – all of my comments cleared as of this week per Malle's amendments. **With LSB. Deferred to next year per LSB.**
LGX Application – had call with LGC and Dimitri last week re governing law and use of Ontario logo; LGX to send presentation on use of logo; further discussion with LSB may be needed; f/u with LGX next week since presentation not yet recd. Still nothing from LGX. **Followed-up with LGX just now this morning. Rec'd presentation and LSB and Opal are fine with continued current use of logo. RESOVLED.**
ACE and OICs – assist Andrea and Ryan with ACE testing, provide guidance on ACE logic and fixes**, act as back-up for OICs as needed**
CCMR – keep apprised of any developments, unable to obtain copy of Cabinet submission - I anticipate that the major exemptions will be contained in the Regulations at this stage. **Read Harvey Naglie's paper last week. Keep apprised of developments.**
FAA Amendments – consider next steps and prepare note for LSB outlining approach – accrued interest first and possible commissions – no Fall bill required per Sarah and LSB; obtain certifications from other government issuers if possible. **Consider next steps for spring bill assuming there is a spring bill due to election Unlikely due to election next year.**
RBA Bond Basis – **prefer to maintain status quo for now since we are not about to change the way business is done in Australia**
Invoice Process – **need to consider changes here as current process is inefficient. Reviewed process with Sarah.**
Training – **provide on-going guidance and training to Ryan, Sab, Andrea, investor emails, etc.**

Prescription – **need to consider process for ways to improve**

From: Sarah Harris
Sent: Tuesday, November 21, 2017 9:06 AM
To: Ryan Blackbyrne ; Dean Hwang ; Karin Sze ; Jean-Francois Beaupre ; Andrea Dalgarno ; William Tan ; Sab Horvath
Subject: Status Update

Good morning,
Kindly send me a status update on your files by 10 a.m.
Thanks,
Sarah

From:	Sarah Harris
To:	Ryan Blackbyrne
Subject:	RE: Status Update
Date:	Tuesday, November 14, 2017 10:09:55 AM

Thank you, Ryan

From: Ryan Blackbyrne
Sent: Tuesday, November 14, 2017 9:01 AM
To: Sarah Harris
Subject: RE: Status Update

Hi Sarah,

Update since last week:

- We had our meeting with OCCSDC and their board is meeting today to hopefully action some of the things we discussed (resolution to designate signing authority, certificate of incumbency, investment by-law)
- As you are aware, John Kim to speak to Anthony today and get an update on the OPG Trust-IESO agreement and how it may affect our OFA-IESO and OEFC-IESO agreements
- Finishing research assignment for JF regarding US Treasuries and the systems used in issuing/trading/clearing and settling them.

Thanks,
Ryan

From: Ryan Blackbyrne
Sent: Tuesday, November 07, 2017 8:41 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Status Update

Hi Sarah,

- Meeting with board of OCCSDC tomorrow at 12:30pm to discuss next steps
- Reading over IESO agreements/documents as we discussed yesterday
- Working on research assignment regarding US Treasuries and the systems used in issuing/trading/clearing and settling them.

Thanks,
Ryan

From: Sarah Harris
Sent: Tuesday, November 07, 2017 8:03 AM
To: Dean Hwang <Dean.Hwang@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Karin Sze <Karin.Sze@ofina.on.ca>; Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>; Sab Horvath <Sab.Horvath@ofina.on.ca>
Subject: Status Update

Good morning,
Would you please send me a status update by 9:30 am.
Thanks,
Sarah
Sent from my iPhone

From: Sarah Harris
To: Andrea Dalgarno
Subject: RE: Status Update
Date: Tuesday, March 20, 2018 9:45:16 AM

Thanks, Andrea.
Sarah

From: Andrea Dalgarno
Sent: Tuesday, March 20, 2018 8:25 AM
To: Sarah Harris
Subject: FW: Status Update
FYI- bold is changes

From: Andrea Dalgarno
Sent: Tuesday, March 06, 2018 8:22 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: Status Update
Sarah,
Please see bold for changes.

1) Pending- Fix for Extended issue that ran amuck at program level- **IT wants to fix at data level- risk at 2045 end –to discuss alternatives with IT**
2) **Pending** - defect 1 cent difference on redemption amount on DMTN183 maturity
3) OIC**- cabinet note reviewed- awaiting approval of OIC**
4) OCGC- executed- awaiting clean up documentation such as Corporation Representative cert and Board cert re decision to execute**- Corp rep out off until June. Board cert with their legal to address still**
5) Prepared Commission letters, fax covers- **pending year end and CDS fee information to complete calculations and process-**
6) OFA Loans:
    a. Awaiting response from CF regarding Auto Sector notes and OIC's**- will follow up**
    b. Quest for Prom Notes for potential forgiving of OCC loan. Found 2.16 B which is now in Documentation Vault. 656M is still MIA- **we will need to discuss how to address missing and fix both for date**
7) Prepared disclosure notices in anticipation of Budget
8) Procedure update when **example showing level of detail** desired is provided
9) FAA amendment to simplify- brainstorming and research continues

Horizon:

1) Tbill program increase

Normal routine:

1) Verifying OILC drawdowns
2) BA administration- pretty quiet right now given no transactions- checking program amounts
3) Commissions spreadsheet update- quiet right now as no transactions
4) O/S Debt Summary update- quiet right now as no transactions

Other completed items:

- **Assisted with analysis and reconciliation related to tbill/prom note positions needed for OEFC remission**

- **Waiver of 30 year limit for OPG Advance form OEFC March 22, 2018**
- OFA Loans CF updated and I sorted out 475M IESO LOC- CF uploaded (CF to refine to track at OIC level as opposed to sum of OIC level)
- Commission Deal Basis Fix **– deployed (can't tell if good until have crossover trade)**

Andrea

From:	Sarah Harris
To:	Ryan Blackbyrne
Subject:	RE: Status Update
Date:	Tuesday, November 14, 2017 10:09:55 AM

Thank you, Ryan

From: Ryan Blackbyrne
Sent: Tuesday, November 14, 2017 9:01 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Status Update

Hi Sarah,

Update since last week:

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Thanks,
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From: Sarah Harris
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To: Dean Hwang <Dean.Hwang@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>;

Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Karin Sze <Karin.Sze@ofina.on.ca>; Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>; Sab Horvath <Sab.Horvath@ofina.on.ca>
Subject: Status Update

Good morning,

Would you please send me a status update by 9:30 am.

Thanks,
Sarah

Sent from my iPhone

From: Ryan Blackbyrne
To: Sarah Harris
Subject: RE: Status Update
Date: Tuesday, November 14, 2017 9:00:52 AM

Hi Sarah,
Update since last week:

- We had our meeting with OCCSDC and their board is meeting today to hopefully action some of the things we discussed (resolution to designate signing authority, certificate of incumbency, investment by-law)
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Thanks,
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Subject: Status Update

Good morning,
Would you please send me a status update by 9:30 am.
Thanks,
Sarah
Sent from my iPhone

From: Jean-Francois Beaupre
To: Sarah Harris
Subject: RE: Status Update
Date: Tuesday, November 14, 2017 8:30:22 AM

Here you go Sarah.

JF

ITEM

IESO- OEFC working on negotiations/amending agreements with Sarah and Ryan. **Pending Corporate Electricity discussions with IESO.**

Flow back process. Shearman confirmed DPW and Stikeman are fine with initial distribution only. **UA language has been approved by all legal counsel for next global.**

Electronic printing and delivery in Global UA – need to consider language further with Patrick here. **Had initial discussion and he seemed receptive.**

18-K need to consider map inclusion stemming from April 2016 shelf update; currently with LSB; Opal has been informed and Maryam will revert post global. **Maryam advised next 18-K is fine.**

CDS fees amending letter – complete, Ryan recd signed letter from all dealers. **Monitor fees.**

Monitor OSB NCI – LSB considering legislative approach still per meeting last week with Opal, Martine, Xuan and LSB . **Need to monitor CDS fees for OSBs with Martine re weekly redemptions to determine approach. Keep apprised of developments with LSB regarding NCI.**

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T+2 – monitor process for first new DMTN issuance with Ryan; Sarah has applied for a credit card. Sarah now has credit card. **Keep apprised of next new DMTN**

US Counsel RFP – all of my comments cleared as of this week per Malle's amendments. **With LSB.**

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RBA Bond Basis – **prefer to maintain status quo for now since we are not about to change the way business is done in Australia**

Invoice Process – **need to consider changes here as current process is inefficient**

Training – **provide on-going guidance and training to Ryan, Sab, Andrea, investor emails, etc.**

Prescription – **need to consider process for ways to improve**

From: Sarah Harris
Sent: Tuesday, November 14, 2017 8:20 AM
To: Jean-Francois Beaupre ; Karin Sze ; Dean Hwang ; Ryan Blackbyrne ; Sab Horvath ; William Tan
Subject: Status Update

Good morning,

Would you please provide me with your weekly status update by 9:30 a.m.

Thanks,
Sarah

From:	Sarah Harris
To:	Andrea Dalgarno
Subject:	RE: Status Update
Date:	Tuesday, March 13, 2018 11:30:26 AM

Thank you, Andrea.

From: Andrea Dalgarno
Sent: Tuesday, March 13, 2018 10:05 AM
To: Sarah Harris
Subject: FW: Status Update

FYI- bold is changes

From: Andrea Dalgarno
Sent: Tuesday, March 06, 2018 8:22 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: Status Update

Sarah,

Please see bold for changes.

1) Commission Deal Basis Fix **– deployed (can't tell if good until have crossover trade)**
2) Pending- Fix for Extended issue that ran amuck at program level- **IT to fix at data level**
3) **NEW defect going in for 1 cent difference on redemption amount on DMTN183 maturity**
4) OIC- submitted awaiting CO note (if it ever comes)
5) OCGC- executed- awaiting clean up documentation such as Corporation Representative cert and Board cert re decision to execute
6) Prepared Commission letters, fax covers
7) OFA Loans:
    a. Awaiting response from CF regarding Auto Sector notes and OIC's
    b. CF updated and I sorted out 475M IESO LOC- CF uploaded (CF to refine to track at OIC level as opposed to sum of OIC level)
    c. Quest for Prom Notes for potential forgiving of OCC loan. Found 2.16 B which is now in Documentation Vault. 656M is still MIA
8) Prepared disclosure notices in anticipation of Budget
9) Procedure update when **example showing level of detail** desired is provided
10) FAA amendment to simplify- brainstorming and research continues

Horizon:

1) Tbill program increase

Normal routine:

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Other completed items:

- **Assisted with analysis and reconciliation related to tbill/prom note positions needed for OEFC remission**
- **Waiver of 30 year limit for OPG Advance form OEFC March 22, 2018**

Andrea

From:	Sarah Harris
To:	Andrea Dalgarno
Subject:	RE: Status Update
Date:	Tuesday, March 06, 2018 9:00:33 AM

Thank you, Andrea.
Sarah

From: Andrea Dalgarno
Sent: Tuesday, March 06, 2018 8:22 AM
To: Sarah Harris
Subject: FW: Status Update

Sarah,
Please see yellow fro changes.

1) Commission Deal Basis Fix **– awaiting deployment** (supposed to be today-checking with IT)
2) Pending- Fix for Extended issue that ran amuck at program level- **IT to fix at data level** – need to touch base with them
3) OIC- **submitted** awaiting CO note
4) OCGC- executed- **awaiting clean up documentation** such as Corporation Representative cert and Board cert re decision to execute
5) Prepared Commission letters, fax covers
6) OFA Loans:
    a. **Awaiting response** from CF regarding Auto Sector notes and OIC's
    b. **CF updated and I sorted out 475M IESO LOC- CF to arrange for portal upload and access**
7) **Prepared** disclosure notices in anticipation of Budget
8) **Revised** spec for DMTN automation Stage 1- advised there is not appetite for this so not sure why I spec'd it in the first place
9) Procedure update when **example showing level of detail** desired is provided

Horizon:

1) Tbill program increase
2) FAA changes- reading background and researching GOC approach

Normal routine:

1) Verifying OILC drawdowns
2) BA administration- pretty quiet right now given no transactions- checking program amounts
3) Commissions spreadsheet update- quiet right now as no transactions
4) O/S Debt Summary update- quiet right now as no transactions

---

From: Andrea Dalgarno
Sent: Tuesday, February 27, 2018 7:28 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Status Update

Changes are yellow

From: Andrea Dalgarno
Sent: Tuesday, February 27, 2018 7:27 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Status Update

Sarah,

1) Commission Deal Basis Fix **– awaiting deployment**
2) Pending- Fix for Extended issue that ran amuck at program level- **IT to fix at data level** – need to touch base with them
3) OIC- **submitted** awaiting CO note
4) OCGC- executed- **awaiting clean up documentation** such as Corporation Representative cert and Board cert re decision to execute
5) Prepared Commission letters, fax covers
6) OFA Loans:
    a. **Awaiting response** from CF regarding Auto Sector notes and OIC's
    b. **Awaiting CF to complete** update of their tracking spreadsheet
7) **Prepared** disclosure notices in anticipation of Budget
8) **Awaiting feedback** still on revised spec for DMTN automation Stage 1- this would keep me very productive if we got it going.
9) Procedure update when **example showing level of detail** desired is provided

Normal routine:

1) Verifying OILC drawdowns
2) BA administration- pretty quiet right now given no transactions- checking program amounts
3) Commissions spreadsheet update- quiet right now as no transactions
4) O/S Debt Summary update- quiet right now as no transactions

---

From: Sarah Harris
Sent: Monday, February 26, 2018 9:34 PM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>; Dean Hwang <Dean.Hwang@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Karin Sze <Karin.Sze@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; Sab Horvath <Sab.Horvath@ofina.on.ca>
Subject: Status Update

Hello,

Would you please provide a status update on any material *changes* to your files by 9:30 a.m.

Thanks,

Sarah

From: Andrea Dalgarno
To: Sarah Harris
Subject: RE: Status Update
Date: Tuesday, January 23, 2018 7:56:40 AM

One additional item:

OFA loan spreadsheet with Daki – just received proposed impact- need to confirm with you that we are going to keep the FHP one separate (2 billion) as has it own dedicated OIC and just included the old, reduced LOC (ln ID 1590 $475 million).

Regards,

Andrea

From: Andrea Dalgarno
Sent: Tuesday, January 23, 2018 7:30 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Status Update

Hi this week is basically the same as last week except:

2) OFA legal and I are fine with revised draft unless parameters/language around Gadi is desired

6) is gone except if you have comment on the letter.

Worked on conceptually how OILC BA in Ace may work and complications

Andrea

From: Andrea Dalgarno
Sent: Tuesday, January 16, 2018 7:04 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: Status Update

Hi,

Things that changed are in yellow:

1) 3 ACE fixes to be done between now and end of year

- Settlement date basis re commissions- confirmed will be done before we need it next year- **IT has started**
- OILC/Province Trade in 2018 which will cause wrong redemption amount- **IT has started**

Above two fixes will be done together as IT indicated should be feasible without jeopardizing

having commission fix done in time (in case there is a crossover trade at this end of the Fiscal)

- Allow for selection of FX rate date in conjunction with drawdown date (Sept target)- **Completed testing will be promoted to PROD Feb 6**

2) OCGC- Gadi apparently advised OCGC board that he is signor of last resort. OCGC has finally secured legal counsel and has indicated we should have feedback in the next two weeks. Targeting Feb 1 for execution per OCGC. **OCGC Counsel has been in contact with Lisa Stein and Lisa has followed up with Gadi's office regarding how they want to handle wording around conflict in terms of OCGC's signing Cert and inclusion of Gadi (with limitations or not).**
3) Delivered draft conceptual proposal for e processing of DMTN documentation – Stage 1 a and b with Sarah
4) BCP Unit Plan (with Sab)- not touched yet really other than confirmed stuck with form provided basically- does not stop us from having an add-on- to be discussed with Sarah. Also need to follow up with LSB regarding closing on electronic documents (DMTN). Perhaps Sab as a Coordinator should be leading this initiative with my support- to date he is completely silent on it. I started looking at update of standard format plan attached.
5) Car Loan Prom Notes- (retrieved from vault- in my desk)-Accounting confirmed Province repaid. Awaiting confirmation from Accounting as to dates each Prom Note was paid off before finalizing summary for consideration by others (LSB, CF, OFA Legals). Rejigged noted for one that has not reached natural maturity date yet. Followed up with Accounting but still no answer. **Perhaps you may have better luck getting a response from accounting**
6) Revised commission**- finalized and approved by LSB. See attached final letter.**

Regards,

Andrea Dalgarno

From:	Sarah Harris
To:	Ryan Blackbyrne
Subject:	RE: Status Update
Date:	Tuesday, January 09, 2018 9:36:53 AM

Thanks, Ryan.

From: Ryan Blackbyrne
Sent: Monday, January 08, 2018 1:59 PM
To: Sarah Harris
Subject: RE: Status Update

Hi Sarah,

- Siva confirmed this morning that he signed-off on the IESO confirmations for KMPG that Anthony had sent over. In the future he said these should go straight to the Accounting Group.
- I followed up with Katie and Anna at MOECC again this morning. They hadn't replied to my email of December 12th (that I believe I forwarded you) so I just wanted to follow-up and see where everything stood now that we are in 2018. I spoke with Mark Froud this morning and he hadn't heard anything from them in a while either, so I thought it best to reach out to them directly. I will let you know once I get a response.
- I followed up with Mercedes at DICO last week regarding the updated "Schedule B" that she was preparing to adjust for the recent staff changes. She said a few key people have been out-of-office over the holidays, but she hoped to get the new Schedule "B" back to me today. The draft of DICO Amending Agreement No. 5 (to update Schedule "B" along with Schedule "A" and "E" for the updated investment policy) was sent to Lisa before she left on holiday. She is back in the office this morning and I sent her a reminder email. Parvez looked over the draft Amending Agreement last week and was fine with the changes.
- Received a $200M OPG Advance request on Friday. I received pdf copies of the borrowing notice and promissory note and the originals are to be couriered to my attention sometime today. The scheduled advance date is January 22, 2018.
- Have not received any reply from TD Securities to the letter I sent them on December 8th (regarding their updated Terms of Business to reflect MiFID II).

Thank You,
Ryan

From: Sarah Harris
Sent: Monday, January 08, 2018 10:06 AM
To: Dean Hwang <Dean.Hwang@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Karin Sze <Karin.Sze@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; Sab Horvath <Sab.Horvath@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Subject: Status Update

Good morning and Happy New Year.
Would you please provide me with a status update on your files by 3 p.m.
Thanks,
Sarah
P.S. Sab – I understand you spearheaded operation "Undecorate" – thanks for that.

From: Ryan Blackbyrne
To: Sarah Harris
Subject: RE: Status Update
Date: Monday, December 18, 2017 11:41:37 AM

Hi Sarah,

Changes from last weeks update are as follows:

- All OILC loans I was working on are now complete
- Received a request from Anthony Martinello late on Friday that we confirm all IESO's borrowings with Ontario Electricity Financial Corporation and Ontario Financing Authority as at December 31, 2017 in connection with a KPMG audit of IESO's financial statements. I have not responded to him yet (currently working on).
- Emailed Katie and Anna at MOECC last Tuesday (Dec 12) to request an update on whether OCCSDC board are ready to execute the IMA/SIPP but have not received a reply as of yet.
- Have not received any reply from TD Securities to the letter I sent them (regarding their updated Terms of Business to reflect MiFID II).
- Karin was cc'ing me on all 18-K emails so I could learn the process. She filed the 18-K this morning and received confirmation of SEC's acceptance.

Thanks,
Ryan

From: Sarah Harris
Sent: Tuesday, December 12, 2017 9:16 AM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Subject: RE: Status Update

Thanks, Ryan. Please see my question below.

From: Ryan Blackbyrne
Sent: Monday, December 11, 2017 1:54 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Status Update

Hi Sarah,

- Both IESO-OEFC agreements were fully executed last Thursday. Sent one set of originals to Victor Buza, Senior Counsel at IESO and provided Lisa Stein with the other set for safekeeping by OFA Legal.
- Received confirmation from Mark Froud that the borrowing and investing by-laws for the Ontario Climate Change Solutions Deployment Corporation (OCCSDC) were prepared by Jill Whelan at MOECC for approval by the Minister of Finance. Waiting to hear back from

OCCSDC when they are ready to execute IMA and SIPP. Is the actual drafting of the IMA complete, assuming approval of the by-law by the MoF?

- Spoke with JF, Mike Manning and Carlos regarding the ONTC line of credit agreement. Advised Darren Scanlan of our feedback (Mike Manning and Carlos were fine with 2 business days notice for advances. They advised someone in Corporate Electricity would need to determine the spread for advances. No other significant comments regarding terms of Agreement)
- Received approval from Maryam on my response for TD Securities (London Branch) on their new Terms of Business that they sent to us (updating as of 01/01/2018 for new MIFID II regulations in Europe). I sent the approved response to TD Securities on Friday.
- Waiting on OILC for execution docs for loans 377,378,379,380,385 each having an advance date of December 15, 2017
- Karin is cc'ing me on all 18-K update emails so that I can follow along and learn the process.

Thanks,
Ryan

From: Sarah Harris
Sent: Monday, December 11, 2017 1:33 PM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>; Dean Hwang <Dean.Hwang@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Karin Sze <Karin.Sze@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; Sab Horvath <Sab.Horvath@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Subject: Status Update

Hello,

Would you please send me a status update on your files by EOD.

Thanks,

Sarah

From:	Sarah Harris
To:	Ryan Blackbyrne
Subject:	RE: Status Update
Date:	Tuesday, December 12, 2017 11:26:13 AM

Thanks, Ryan.

From: Ryan Blackbyrne
Sent: Tuesday, December 12, 2017 11:21 AM
To: Sarah Harris
Subject: RE: Status Update

Hi Sarah,

Please find the investment by-law attached. They also provided a proposed 'borrowing by-law' and 'corporate cards by-law' which are not material with respect to the IMA/SIPP.

Thank You,

Ryan

From: Sarah Harris
Sent: Tuesday, December 12, 2017 10:29 AM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Subject: RE: Status Update

Hi Ryan,

Last thing- Do you have a draft of the investment by-law that is being proposed to the Minister of Finance, please?

Thanks,

Sarah

From: Ryan Blackbyrne
Sent: Tuesday, December 12, 2017 10:20 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Status Update

Hi Sarah,

Please find attached.

Thank you,

Ryan

From: Sarah Harris
Sent: Tuesday, December 12, 2017 9:46 AM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Subject: RE: Status Update

Hi Ryan,

When you can, could you please send me the draft IMA?

Thanks,

Sarah

From: Ryan Blackbyrne
Sent: Tuesday, December 12, 2017 9:40 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Status Update

Hi Sarah, yes the drafting of the IMA and SIPP are complete and have been approved by both OFA

and MOECC legal.
We had a call with members of the OCCSDC board on November 8 to answer any remaining questions they had regarding the SIPP and IMA and we received verbal confirmation that they were happy with the terms. We have not received any suggested amendments since that meeting. To my knowledge, getting approval for the investing by-law and also a signing-authority by-law and having the OCCSDC draft a certificate of incumbency are the only remaining hurdles to execute the IMA/SIPP.
However, revisiting the IMA now I realize Schedule C outlines the custodian fees which I believe will need to be updated and approved before signing. JF advised last week that the results of an outstanding RFP mean the OFA will be changing custodians. We did make note of this possibility in the draft IMA we sent to OCCSDC by placing an asterisk in Schedule C advising them of the outstanding RFP, but we have not communicated a new fee schedule to them as of yet. To your knowledge would Settlements be able to provide this new fee schedule at this time? Is it ok for me to reach out to them and ask?

From: Sarah Harris
Sent: Tuesday, December 12, 2017 9:16 AM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Subject: RE: Status Update
Thanks, Ryan. Please see my question below.

From: Ryan Blackbyrne
Sent: Monday, December 11, 2017 1:54 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Status Update
Hi Sarah,

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Thanks,

Ryan

From: Sarah Harris
Sent: Monday, December 11, 2017 1:33 PM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>; Dean Hwang <Dean.Hwang@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Karin Sze <Karin.Sze@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; Sab Horvath <Sab.Horvath@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Subject: Status Update

Hello,

Would you please send me a status update on your files by EOD.

Thanks,

Sarah

From:	Sarah Harris
To:	Ryan Blackbyrne
Subject:	RE: Status Update
Date:	Tuesday, December 12, 2017 10:28:52 AM

Hi Ryan,
Last thing- Do you have a draft of the investment by-law that is being proposed to the Minister of Finance, please?
Thanks,
Sarah

From: Ryan Blackbyrne
Sent: Tuesday, December 12, 2017 10:20 AM
To: Sarah Harris
Subject: RE: Status Update

Hi Sarah,
Please find attached.
Thank you,
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From: Sarah Harris
Sent: Tuesday, December 12, 2017 9:46 AM
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Subject: RE: Status Update

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Sarah

From: Ryan Blackbyrne
Sent: Tuesday, December 12, 2017 9:40 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Status Update

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From: Sarah Harris
Sent: Tuesday, December 12, 2017 9:16 AM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Subject: RE: Status Update

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From: Ryan Blackbyrne
Sent: Monday, December 11, 2017 1:54 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Status Update

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Thanks,
Ryan

From: Sarah Harris
Sent: Monday, December 11, 2017 1:33 PM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>; Dean Hwang <Dean.Hwang@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Karin Sze <Karin.Sze@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; Sab Horvath <Sab.Horvath@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Subject: Status Update

Hello,
Would you please send me a status update on your files by EOD.
Thanks,
Sarah

From: Ryan Blackbyrne
To: Sarah Harris
Subject: RE: Status Update
Date: Tuesday, September 04, 2018 9:21:41 AM

Hi Sarah,
As discussed, I will follow up with Linda this week regarding the expiring OPG-OEFC credit facility agreement and see if there are plans to extend/amend the existing agreement (and timelines for possible OIC).
We met last Thursday as a team to discuss the training manual and progress made so far. We have agreed on the best format/style to use going forward and broken-up the remaining topics among team members. Currently working on my sections for the training manual.
Thanks,
Ryan

From: Sarah Harris
Sent: Tuesday, September 04, 2018 8:35 AM
To: Dean Hwang ; Ryan Blackbyrne ; Karin Sze ; Jean-Francois Beaupre ; Sab Horvath ; Andrea Dalgarno ; William Tan
Subject: Status Update
Hi,
Kindly send me a status update on your files by 9:30 a.m.
Thanks,
Sarah

From: Opal Kandelas
To: Sarah Harris
Subject: RE: Tracker
Date: Tuesday, April 03, 2018 11:53:36 AM

Thanks. Re: OPG, It's the 700M facility that increased to 2.350? Had it as going up to 2.375 in my notes for some reason.

From: Sarah Harris
Sent: Tuesday, April 03, 2018 10:54 AM
To: Opal Kandelas
Subject: FW: Tracker

Hi Opal,

Latest version of agreemetns spreadsheet.

Sarah

From: Andrea Dalgarno
Sent: Thursday, March 01, 2018 1:50 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: Tracker

Hi,

Attached are my additions, comments.

We can discuss whenever you want

Regards,

Andrea Dalgarno
Documentation & Analysis Specialist
Ontario Financing Authority
Tel 416-212-7451

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From:	Opal Kandelas
To:	Sarah Harris
Subject:	RE: Tracker
Date:	Tuesday, April 03, 2018 11:58:35 AM

Thanks again.

From: Sarah Harris
Sent: Tuesday, April 03, 2018 11:57 AM
To: Opal Kandelas
Subject: RE: Tracker

Indeed. 2.35B

> **"Commitment"** means, at any time, an amount equal to the principal amount of Two Billion Three Hundred Fifty Million Dollars;

From: Opal Kandelas
Sent: Tuesday, April 03, 2018 11:54 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Tracker

Thanks. Re: OPG, It's the 700M facility that increased to 2.350? Had it as going up to 2.375 in my notes for some reason.

From: Sarah Harris
Sent: Tuesday, April 03, 2018 10:54 AM
To: Opal Kandelas <Opal.Kandelas@ofina.on.ca>
Subject: FW: Tracker

Hi Opal,
Latest version of agreemetns spreadsheet.
Sarah

From: Andrea Dalgarno
Sent: Thursday, March 01, 2018 1:50 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: Tracker

Hi,
Attached are my additions, comments.
We can discuss whenever you want
Regards,

Andrea Dalgarno
Documentation & Analysis Specialist
Ontario Financing Authority
Tel 416-212-7451

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From:	William Tan
To:	"Victor Buza"
Cc:	Olga Whiteley; Anthony Martinello; Sarah Harris; Lisa Stein
Subject:	RE: Updated Incumbency Certificate
Date:	Monday, September 17, 2018 2:19:47 PM

Hello Victor,

We agree with your opinion to leave the language unchanged in the draft COI.

Thanks,

Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, September 17, 2018 12:25 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: RE: Updated Incumbency Certificate

Thanks Will. I can confirm that the term "Credit Facilities" in the resolution refers to all of the credit facilities referenced in the resolution, including both OFA facilities.

Regarding the suggested adder ("as may be amended from time to time"), I would propose to leave the language as is. Firstly, for the sake of consistency. The reference in the Certificate to the 2005 agreement "as amended" is a reference to the fact that the 2005 agreement had already been amended numerous times – and was being amended one more time – at the time the Certificate was executed. On the other hand, the FHP loan had not been amended as of execution (this being the original loan), and it has yet to be amended as of today.

Second, if the FHP facility is amended in the future, this would likely be accompanied by a new Certificate in any case, at which time the wording can be amended to reflect the then applicable circumstances.

So for the above reasons, I propose to leave the language unchanged. Hopefully this makes sense.

Thanks,
Victor

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: September 17, 2018 11:09 AM
To: Victor Buza
Cc: Olga Whiteley; Anthony Martinello; Sarah Harris; Lisa Stein
Subject: FW: Updated Incumbency Certificate

CAUTION: This email originated from outside of the organization. Exercise caution when clicking on links or

opening attachments even if you recognize the sender.

Hello Victor,

The Board Resolution in relation to the OFA credit facilities is redacted, as such the reference to "Credit Facilities" therein may not be general. In any event, it is appropriate that the COI refers to the two specific OFA agreements. The only comment is the reference to the 2017 FHP agreement could also state "as may be amended from time to time".

Also, there is no need for a new certificate in relation to the OEFC financings at this time.

Thanks,

Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Tuesday, September 11, 2018 4:22 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Updated Incumbency Certificate

Hi Will – I will have to defer to your group on the details relating to differences in documentation for the different financings. We have been using the forms of incumbency certificates OEFC/OFA gave to us for each of the financings (as this is a lender requirement).

The first two items on your list are the OEFC financings which were last renewed on May 1, 2017. These used a slightly different form of Incumbency Certificate than the one that I forwarded re the last two financings (i.e. the OFA financings). The certificate for the OEFC financings addressed the identity and authority of the authorized signatory only as of the date of execution of the May 2017 amending agreements. Separately, we also provided a certified Board resolution authorizing IESO's CFO to draw funds under the OEFC financings.

The form of certificate I forwarded for your review yesterday is the one OFA required in the past in connection with the two OFA financings only.

Victor

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: September 11, 2018 1:28 PM
To: Victor Buza
Cc: Olga Whiteley; Anthony Martinello; Sarah Harris
Subject: FW: Updated Incumbency Certificate

CAUTION: This email originated from outside of the organization. Exercise caution when clicking on links or

opening attachments even if you recognize the sender.

Hello Victor,

May I provide final comments tomorrow? Lisa Stein is away until tomorrow. However, if this matter is urgent, I can call upon another contact.

In the interim, to my knowledge IESO has four agreements with OFA. The Incumbency Certificate only mentions two agreements. Unless of course you intended to provide signing authority to these two specific agreements only.

$120M Note, April 1, 1999
$160M Revolving Credit Facility, April 23, 2010
$2B Revolving Credit Facility, Nov 6, 2017
$475M Credit Agreement, Jan 1, 2005

Thanks,

Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Tuesday, September 11, 2018 10:12 AM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: Updated Incumbency Certificate

Hi Will. In Olga's absence this week, I wanted to get the ball rolling on updating IESO's Incumbency Certificate re the OFA financings.

At the August meeting of our Board, Barb Anderson's position as VP and CFO was changed so that it is no longer "Interim". The change was made retroactive to July 9.

I have prepared a draft updated certificate based on the current certificate (see attached) and just wanted to confirm its form is acceptable to OFA prior to arranging for it to be executed.

Thanks,
Victor

Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079

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This message, including any attachments, is meant only for the use of the individual(s) to whom it is intended and may contain information that is privileged/confidential. Any unauthorized use, copying or disclosure is strictly prohibited. If you are not the intended recipient or have received this message in error, please notify us immediately by reply e-mail and permanently delete this message, including any attachments, without reading them, and destroy all copies. Thank you.

From: Victor Buza
To: William Tan
Cc: Olga Whiteley; Anthony Martinello; Sarah Harris; Lisa Stein
Subject: RE: Updated Incumbency Certificate
Date: Monday, September 17, 2018 12:24:59 PM

Thanks Will. I can confirm that the term "Credit Facilities" in the resolution refers to all of the credit facilities referenced in the resolution, including both OFA facilities.
Regarding the suggested adder ("as may be amended from time to time"), I would propose to leave the language as is. Firstly, for the sake of consistency. The reference in the Certificate to the 2005 agreement "as amended" is a reference to the fact that the 2005 agreement had already been amended numerous times – and was being amended one more time – at the time the Certificate was executed. On the other hand, the FHP loan had not been amended as of execution (this being the original loan), and it has yet to be amended as of today.
Second, if the FHP facility is amended in the future, this would likely be accompanied by a new Certificate in any case, at which time the wording can be amended to reflect the then applicable circumstances.
So for the above reasons, I propose to leave the language unchanged. Hopefully this makes sense.
Thanks,
Victor

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: September 17, 2018 11:09 AM
To: Victor Buza
Cc: Olga Whiteley; Anthony Martinello; Sarah Harris; Lisa Stein
Subject: FW: Updated Incumbency Certificate

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Sent: September 11, 2018 1:28 PM
To: Victor Buza
Cc: Olga Whiteley; Anthony Martinello; Sarah Harris
Subject: FW: Updated Incumbency Certificate

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Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079
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From: Lisa Stein
To: William Tan
Cc: Sarah Harris
Subject: RE: Updated Incumbency Certificate
Date: Monday, September 17, 2018 9:45:56 AM

Hi Will,
The COI is intended only for the two OFA credit facilities. Based on Victor's e-mail below, it appears that there is no need for a new certificate in relation to the OEFC financings at this time.
As the Board Resolution in relation to the OFA credit facilities is redacted, it is possible that the reference to "Credit Facilities" therein may not be general. In any event, I think it is appropriate that the COI refers to the specific OFA agreements. My only comment is that perhaps the reference to the 2017 FHP agreement could also state "as may be amended from time to time".
Happy to discuss.
Lisa

From: William Tan
Sent: Friday, September 14, 2018 10:21 AM
To: Lisa Stein
Subject: RE: Updated Incumbency Certificate
Hi Lisa,
My only comment is the IESO has four credit facilities with us and only two of them were noted on the COI. According to the Board Resolution, the CFO has general signing authority, so it may not be necessary to note the two specific credit facilities. Other than that, I have no other concerns.
Thanks,
Will

From: Lisa Stein
Sent: Friday, September 14, 2018 10:17 AM
To: William Tan <William.Tan@ofina.on.ca>
Subject: RE: Updated Incumbency Certificate
Hi Will,
Do you have specific concerns with the COI for the OFA financings? It appears that they have used the same form as in the past.
Lisa

From: William Tan
Sent: Thursday, September 13, 2018 3:17 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: FW: Updated Incumbency Certificate
Hi Lisa,
Just checking-in if you have a chance to look at the COI?
Thanks,
Will

From: Lisa Stein
Sent: Wednesday, September 12, 2018 4:04 PM
To: William Tan <William.Tan@ofina.on.ca>
Subject: RE: Updated Incumbency Certificate

Hi Will,
Sorry I haven't had a chance to look at this today due to high priority Board items. I'll try to look at this either later afternoon or tomorrow.
Thank you,
Lisa

From: William Tan
Sent: Wednesday, September 12, 2018 3:16 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: FW: Updated Incumbency Certificate
Hi Lisa,
You are probably busy, this being your first day back from vacation. Do you think you are going to get a chance to look at this today? I just want to give Victor an update.
Thanks,
Will

From: William Tan
Sent: Wednesday, September 12, 2018 8:53 AM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Sarah Neville <Sarah.Neville@ofina.on.ca>
Subject: FW: Updated Incumbency Certificate
Hello Lisa,
Would you be able to assist with this?
My comments are below. Victor indicated that his draft COI is consistent in format to the COI provided on November 6, 2017 and reviewed by us.
Attached is the draft Incumbency Certificate provided by Victor. I have included a copy of the Board Resolution from June 14, 2017 (that authorizes the CFO) and COI from November 6, 2017 of the same format as the draft.
Thanks,
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Hi Will,

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As the Board Resolution in relation to the OFA credit facilities is redacted, it is possible that the reference to "Credit Facilities" therein may not be general. In any event, I think it is appropriate that the COI refers to the specific OFA agreements. My only comment is that perhaps the reference to the 2017 FHP agreement could also state "as may be amended from time to time".

Happy to discuss.

Lisa

From: William Tan
Sent: Friday, September 14, 2018 10:21 AM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: RE: Updated Incumbency Certificate

Hi Lisa,

My only comment is the IESO has four credit facilities with us and only two of them were noted on the COI. According to the Board Resolution, the CFO has general signing authority, so it may not be necessary to note the two specific credit facilities. Other than that, I have no other concerns.

Thanks,

Will

From: Lisa Stein
Sent: Friday, September 14, 2018 10:17 AM
To: William Tan <William.Tan@ofina.on.ca>
Subject: RE: Updated Incumbency Certificate

Hi Will,

Do you have specific concerns with the COI for the OFA financings? It appears that they have used the same form as in the past.

Lisa

From: William Tan
Sent: Thursday, September 13, 2018 3:17 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: FW: Updated Incumbency Certificate

Hi Lisa,

Just checking-in if you have a chance to look at the COI?

Thanks,

Will

From: Lisa Stein
Sent: Wednesday, September 12, 2018 4:04 PM
To: William Tan <William.Tan@ofina.on.ca>
Subject: RE: Updated Incumbency Certificate

Hi Will,

Sorry I haven't had a chance to look at this today due to high priority Board items. I'll try to look at this either later afternoon or tomorrow.

Thank you,

Lisa

From: William Tan
Sent: Wednesday, September 12, 2018 3:16 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: FW: Updated Incumbency Certificate

Hi Lisa,

You are probably busy, this being your first day back from vacation. Do you think you are going to get a chance to look at this today? I just want to give Victor an update.

Thanks,

Will

From: William Tan
Sent: Wednesday, September 12, 2018 8:53 AM

To: Lisa Stein <Lisa.Stein@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Sarah Neville <Sarah.Neville@ofina.on.ca>
Subject: FW: Updated Incumbency Certificate

Hello Lisa,

Would you be able to assist with this?
My comments are below. Victor indicated that his draft COI is consistent in format to the COI provided on November 6, 2017 and reviewed by us.
Attached is the draft Incumbency Certificate provided by Victor. I have included a copy of the Board Resolution from June 14, 2017 (that authorizes the CFO) and COI from November 6, 2017 of the same format as the draft.

Thanks,

Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Tuesday, September 11, 2018 4:22 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Updated Incumbency Certificate

Hi Will – I will have to defer to your group on the details relating to differences in documentation for the different financings. We have been using the forms of incumbency certificates OEFC/OFA gave to us for each of the financings (as this is a lender requirement).

The first two items on your list are the OEFC financings which were last renewed on May 1, 2017. These used a slightly different form of Incumbency Certificate than the one that I forwarded re the last two financings (i.e. the OFA financings). The certificate for the OEFC financings addressed the identity and authority of the authorized signatory only as of the date of execution of the May 2017 amending agreements. Separately, we also provided a certified Board resolution authorizing IESO's CFO to draw funds under the OEFC financings.

The form of certificate I forwarded for your review yesterday is the one OFA required in the past in connection with the two OFA financings only.

Victor

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: September 11, 2018 1:28 PM
To: Victor Buza
Cc: Olga Whiteley; Anthony Martinello; Sarah Harris
Subject: FW: Updated Incumbency Certificate

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Hello Victor,

May I provide final comments tomorrow? Lisa Stein is away until tomorrow. However, if this matter is urgent, I can call upon another contact.

In the interim, to my knowledge IESO has four agreements with OFA. The Incumbency Certificate only mentions two agreements. Unless of course you intended to provide signing authority to these two specific agreements only.

$120M Note, April 1, 1999
$160M Revolving Credit Facility, April 23, 2010
$2B Revolving Credit Facility, Nov 6, 2017
$475M Credit Agreement, Jan 1, 2005

Thanks,

Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Tuesday, September 11, 2018 10:12 AM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: Updated Incumbency Certificate

Hi Will. In Olga's absence this week, I wanted to get the ball rolling on updating IESO's Incumbency Certificate re the OFA financings.

At the August meeting of our Board, Barb Anderson's position as VP and CFO was changed so that it is no longer "Interim". The change was made retroactive to July 9.

I have prepared a draft updated certificate based on the current certificate (see attached) and just wanted to confirm its form is acceptable to OFA prior to arranging for it to be executed.

Thanks,
Victor

Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079

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From: William Tan
To: "Victor Buza"
Cc: Olga Whiteley; Anthony Martinello; Sarah Harris
Subject: RE: Updated Incumbency Certificate
Date: Thursday, September 13, 2018 8:46:20 AM

Good morning Victor,
Lisa will likely review the COI today.
Thanks,
Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Tuesday, September 11, 2018 4:22 PM
To: William Tan
Cc: Olga Whiteley ; Anthony Martinello ; Sarah Harris
Subject: RE: Updated Incumbency Certificate

Hi Will – I will have to defer to your group on the details relating to differences in documentation for the different financings. We have been using the forms of incumbency certificates OEFC/OFA gave to us for each of the financings (as this is a lender requirement).
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The form of certificate I forwarded for your review yesterday is the one OFA required in the past in connection with the two OFA financings only.
Victor

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: September 11, 2018 1:28 PM
To: Victor Buza
Cc: Olga Whiteley; Anthony Martinello; Sarah Harris
Subject: FW: Updated Incumbency Certificate

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Hello Victor,
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$475M Credit Agreement, Jan 1, 2005
Thanks,
Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]

Sent: Tuesday, September 11, 2018 10:12 AM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: Updated Incumbency Certificate

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Thanks,

Victor

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From: Victor Buza
To: William Tan
Cc: Olga Whiteley; Anthony Martinello; Sarah Harris
Subject: RE: Updated Incumbency Certificate
Date: Tuesday, September 11, 2018 4:22:04 PM

Hi Will – I will have to defer to your group on the details relating to differences in documentation for the different financings. We have been using the forms of incumbency certificates OEFC/OFA gave to us for each of the financings (as this is a lender requirement).
The first two items on your list are the OEFC financings which were last renewed on May 1, 2017. These used a slightly different form of Incumbency Certificate than the one that I forwarded re the last two financings (i.e. the OFA financings). The certificate for the OEFC financings addressed the identity and authority of the authorized signatory only as of the date of execution of the May 2017 amending agreements. Separately, we also provided a certified Board resolution authorizing IESO's CFO to draw funds under the OEFC financings.
The form of certificate I forwarded for your review yesterday is the one OFA required in the past in connection with the two OFA financings only.
Victor

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: September 11, 2018 1:28 PM
To: Victor Buza
Cc: Olga Whiteley; Anthony Martinello; Sarah Harris
Subject: FW: Updated Incumbency Certificate

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Hello Victor,
May I provide final comments tomorrow? Lisa Stein is away until tomorrow. However, if this matter is urgent, I can call upon another contact.
In the interim, to my knowledge IESO has four agreements with OFA. The Incumbency Certificate only mentions two agreements. Unless of course you intended to provide signing authority to these two specific agreements only.
$120M Note, April 1, 1999
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$2B Revolving Credit Facility, Nov 6, 2017
$475M Credit Agreement, Jan 1, 2005
Thanks,
Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Tuesday, September 11, 2018 10:12 AM
To: William Tan
Cc: Olga Whiteley ; Anthony Martinello ; Sarah Harris
Subject: Updated Incumbency Certificate
Hi Will. In Olga's absence this week, I wanted to get the ball rolling on updating IESO's Incumbency Certificate re the OFA financings.
At the August meeting of our Board, Barb Anderson's position as VP and CFO was changed so that it is no longer "Interim". The change was made retroactive to July 9.

I have prepared a draft updated certificate based on the current certificate (see attached) and just wanted to confirm its form is acceptable to OFA prior to arranging for it to be executed.
Thanks,
Victor

Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079

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From:	William Tan
To:	"Victor Buza"
Cc:	Olga Whiteley; Anthony Martinello; Sarah Harris; Lisa Stein
Subject:	RE: Updated Incumbency Certificate
Date:	Monday, September 17, 2018 2:19:47 PM

Hello Victor,
We agree with your opinion to leave the language unchanged in the draft COI.
Thanks,
Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Monday, September 17, 2018 12:25 PM
To: William Tan
Cc: Olga Whiteley ; Anthony Martinello ; Sarah Harris ; Lisa Stein
Subject: RE: Updated Incumbency Certificate

Thanks Will. I can confirm that the term "Credit Facilities" in the resolution refers to all of the credit facilities referenced in the resolution, including both OFA facilities.
Regarding the suggested adder ("as may be amended from time to time"), I would propose to leave the language as is. Firstly, for the sake of consistency. The reference in the Certificate to the 2005 agreement "as amended" is a reference to the fact that the 2005 agreement had already been amended numerous times – and was being amended one more time – at the time the Certificate was executed. On the other hand, the FHP loan had not been amended as of execution (this being the original loan), and it has yet to be amended as of today.
Second, if the FHP facility is amended in the future, this would likely be accompanied by a new Certificate in any case, at which time the wording can be amended to reflect the then applicable circumstances.
So for the above reasons, I propose to leave the language unchanged. Hopefully this makes sense.
Thanks,
Victor

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: September 17, 2018 11:09 AM
To: Victor Buza
Cc: Olga Whiteley; Anthony Martinello; Sarah Harris; Lisa Stein
Subject: FW: Updated Incumbency Certificate

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Hello Victor,
The Board Resolution in relation to the OFA credit facilities is redacted, as such the reference to "Credit Facilities" therein may not be general. In any event, it is appropriate that the COI refers to the two specific OFA agreements. The only comment is the reference to the 2017 FHP agreement could also state "as may be amended from time to time".
Also, there is no need for a new certificate in relation to the OEFC financings at this time.
Thanks,
Will

From: Victor Buza [mailto:Victor.Buza@ieso.ca]
Sent: Tuesday, September 11, 2018 4:22 PM
To: William Tan <William.Tan@ofina.on.ca>

Cc: Olga Whiteley <Olga.Whiteley@ieso.ca>; Anthony Martinello <Anthony.Martinello@ieso.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: Updated Incumbency Certificate

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Victor

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: September 11, 2018 1:28 PM
To: Victor Buza
Cc: Olga Whiteley; Anthony Martinello; Sarah Harris
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From:	William Tan
To:	Lisa Stein
Cc:	Sarah Neville; Sarah Harris; Caroline Swerdlyk
Subject:	RE: Waiver - FHP Agreement, 5-day minimum period exception
Date:	Thursday, March 08, 2018 12:00:12 PM
Attachments:	(draft) OFHP IESO waiver .docx RE FHP Agreement 5-day minimum period exception.msg

Hello Lisa,
Please find the attached draft waiver. (Highlighted in yellow are details subject to change). Also, attached is Cash Management's approval. Please review the waiver and provide your comments.
Thanks,
Will

From: Sarah Neville
Sent: Wednesday, March 07, 2018 4:29 PM
To: William Tan
Cc: Sarah Harris ; Lisa Stein ; Caroline Swerdlyk
Subject: RE: Waiver - FHP Agreement, 5-day minimum period exception
Hi William – I am copying Caroline to bring her into the correspondence.
I expect that determining whether or not to grant the waiver will be a business decision. I will ask Lisa to loop in Caroline on her review of the agreement and advice tomorrow.
If you could provide a form of waiver tomorrow, Lisa can do a preliminary review and provide feedback. Waiver documents themselves are fairly straightforward.
Thanks very much,
Sarah

From: William Tan
Sent: Wednesday, March 07, 2018 4:18 PM
To: Sarah Neville <Sarah.Neville@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: RE: Waiver - FHP Agreement, 5-day minimum period exception
Hi Sarah N,
I think I will need resourcing next week. Caroline covered for Lisa last year on the FHP Agreement and is familiar with it.
Thanks,
Will

From: Sarah Neville
Sent: Wednesday, March 07, 2018 4:05 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: RE: Waiver - FHP Agreement, 5-day minimum period exception
Hi Lisa – As you are intimately familiar with these documents I am sending this your way.
Will, I note, both Lisa and I are going to be away until Mar 19, Lisa as of end of day tomorrow and me as of end of day Friday. If you think this will need resourcing next week please advise as soon as possible so that I can allocate to another lawyer.
Sarah

From: William Tan

Sent: Wednesday, March 07, 2018 3:58 PM
To: Sarah Neville <Sarah.Neville@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: Waiver - FHP Agreement, 5-day minimum period exception

Hello Sarah N,

As an exception, IESO has requested OFA to waive the 5 day minimum repayment period for a 1 day repayment period. Carlos has indicated that this would occur infrequently. I am currently awaiting confirmation from Settlements and Cash Management if they have any concerns from an operational standpoint. IESO will have specific amounts/details this Friday. In the interim I will draft a waiver.

I will require assistance to review the waiver.Please advise who will be available to work with me on this waiver. Additional details are below.

Thanks,

Will

From: Carlos Yep
Sent: Wednesday, March 07, 2018 3:43 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: FHP Agreement, 5-day minimum period exception

Hi Will

The waiver for the 5 day minimum is expected to occur on an infrequent but periodic basis.

Regards

Carlos

From: William Tan
Sent: Wednesday, March 07, 2018 3:33 PM
To: Carlos Yep <Carlos.Yep@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>; CASHP <CASHP@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FHP Agreement, 5-day minimum period exception

Hello all,

IESO has asked OFA for a one-time exception to waive the minimum period for advances of 5 days (FHP Credit Facility Agreement). IESO has asked for an advance period of 1 day, so it may use money expected from OPG to repay its advance on the same day it matures.

IESO's current outstanding advance of $322M, matures on March 21, 2018. IESO will require an additional advance of $208M (to pay power generators) for a total of $530M, but will only require this for 1 day because IESO expects to receive funds from OPG to repay its advances on March 22. Rather than incurring additional interest costs of borrowing until March 26, 2018 (5 day minimum), IESO would prefer to match the maturity of its advances and expected cash inflow from OPG.

Please let me know if your respective areas have any concerns or issues from an operational standpoint.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA

Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca
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Ontario Financing Authority
1 Dundas Street West
Suite 1400
Toronto ON M7A 1Y7
Phone: 416-325-8000

Office ontarien de financement
1 rue Dundas ouest
Bureau 1400
Toronto ON M7A 1Y7

March 7, 2018

Kimberly Marshall
Independent Electricity System Operator
120 Adelaide Street, Suite 1600
Toronto, M5H 1T1

Re: **$530,000,000 Borrowing and Election Notice Dated March 21, 2018 waiver 5 day minimum advance period.**

Dear Kimberly,

The Ontario Financing Authority ("OFA") is in receipt of the Borrowing Notice and Election Notice provided by Independent Electricity System Operator ("IESO") to the OFA dated March 21, 2018 for the new proposed advance of $208,000,000 (the "March 21, 2018 Borrowing Notice") and proposed Continued Advance of $332,400,560.14 (the "March 21, 2018 Election Notice) under the FHP Revolving Credit Facility Agreement 2017-2022 between IESO and OFA dated November 6, 2017, as amended (the "Credit Agreement"), the terms defined therein being used herein as therein defined.

For the sole purpose of the March 21, 2018 Borrowing Notice and Election Notice, OFA hereby agrees to modify the requirement set out in section 3.2 of the Credit Agreement that the Repayment Date of the Advance which shall not b earlier than 5 days and not later than 95 days after the date of the request Advance. OFA also agrees to modify the requirement set out in section 3.3 that any Advance and any amount of interest on such Advance (together, the "Continued Advance")for a further period of at least 5 says and up to a maximum of 95 days beginning on the then current Repayment Date. IESO consents to a Repayment Date of 1 day from the date of the proposed Advance and proposed Continued Advance under the Borrowing Notice and Election Notice, for the full principal amount of the proposed Advance and proposed Continued Advance.

Accordingly, OFA waives the requirement as set out in section 3.2 and Schedule 1 of the Credit Agreement for IESO to provide the following certification in the March 21, 2018 Borrowing Notice:

> "(c) The Repayment Date of the Proposed Advance is_____. [Not earlier than 5 days and not later than 95 days after the date of the Proposed Advance.]"

Additionally, OFA waives the requirement as set out in section 3.3 and Schedule 2 of the Credit Agreement for IESO to provide the following certification in the March 21, 2018 Election Notice:

"(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _____. [Insert date not earlier than 5 days and not later than 95 days after the current Repayment Date for the Advance.]"

Subject to the foregoing, section 3.2 and 3.3 of the Credit Agreement applies to all future Proposed Advances.

Best Regards,

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael D. Manning
Title: Executive Director & Chief Investment Officer,
Capital Markets Division

From: Salvatore Alfano []
To: William Tan [William.Tan@ofina.on.ca]; Carlos Yep [Carlos.Yep@ofina.on.ca]; SETTLEMENT [SETTLEMENT@ofina.on.ca]; CASHP [CASHP@ofina.on.ca]
CC: Sarah Harris [Sarah.Harris@ofina.on.ca]
Subject: RE: FHP Agreement, 5-day minimum period exception
Date: Thursday, March 08, 2018 10:57:36

Hi,

We would have no concerns from an operational standpoint.

Sal

From: William Tan
Sent: Wednesday, March 07, 2018 3:33 PM
To: Carlos Yep <Carlos.Yep@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>; CASHP <CASHP@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
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Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
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Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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From: Sarah Neville
To: William Tan
Cc: Sarah Harris; Lisa Stein; Caroline Swerdlyk
Subject: RE: Waiver - FHP Agreement, 5-day minimum period exception
Date: Wednesday, March 07, 2018 4:29:00 PM

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Subject: RE: Waiver - FHP Agreement, 5-day minimum period exception
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From:	Sarah Neville
To:	William Tan
Cc:	Sarah Harris; Lisa Stein
Subject:	RE: Waiver - FHP Agreement, 5-day minimum period exception
Date:	Wednesday, March 07, 2018 4:04:50 PM
Attachments:	FHP Revolving Credit Facility Agreement 2017-2022 Execution Version.docx

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INDEPENDENT ELECTRICITY SYSTEM OPERATOR

as Borrower

and

ONTARIO FINANCING AUTHORITY

as Lender

REVOLVING CREDIT FACILITY AGREEMENT

Date: November ___, 2017

REVOLVING CREDIT FACILITY AGREEMENT

THIS AGREEMENT is made as of the ____ day of November 2017,

BETWEEN:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, a statutory corporation without share capital existing under Part II of the *Electricity Act, 1998* (the "**IESO**") (as Borrower)

AND

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* (the "**OFA**" and together with the IESO, the "**Parties**") (as Lender)

RECITALS:

WHEREAS the IESO has requested a revolving credit facility for up to a maximum principal amount of $2 billion from the OFA for the purpose of supporting the IESO's role in the implementation and administration of the *Ontario Fair Hydro Plan Act, 2017*.

THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the Parties agree as follows:

ARTICLE 1

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"Advances" means advances made by the OFA to the IESO under Article 3 and "Advance" means any one of such advances, and in the case of an election by the IESO under Section 3.3, includes a "Continued Advance", as defined in Section 3.3(1), as applicable.

"Advances Outstanding" means, at any time, an amount equal to the aggregate principal amount of all Advances outstanding at such time.

"Agreement", "herein", "hereby", "hereor', "hereunder" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression "Article" or "Section" followed by a number means the specified Article or Section of this Agreement.

"Borrowing Notice" has the meaning specified in Section 3.2(1).

"Business Day" means any day that is not a day on which banks are generally authorized or required by law or executive order to be closed in the City of Toronto.

"**Clean Energy Adjustment"** has the same meaning as that term is defined in the OFHP.

"Commitment" means, at any time, an amount equal to $2 billion.

"Consolidated Assets" means, at any time, the book value of the assets of the IESO and the Subsidiaries, determined as of such time on a consolidated basis in accordance with GAAP.

"**Continued Advance"** has the meaning specified in Section 3.3(1).

"Credit Facility" means the revolving credit facility to be made available to the IESO by the OFA under this Agreement for the purposes specified in Section 2.2.

"**Current Repayment Date**" has the meaning specified in Section 3.3(2).

"Default" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"Dollars" or **"$**" means lawful currency of Canada.

"Election Notice" has the meaning specified in Section 3.3(2).

"Event of Default" has the meaning specified in Section 5.1.

"**First Advance**" has the meaning specified in Section 3.2(3).

"GAAP" means accounting policies and standards as established by the Chartered Professional Accountants of Canada, at the relevant time and applied on a consistent basis.

"Grid Note" has the meaning specified in Section 3.2(2).

"Indebtedness" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) every obligation of such Person for borrowed money;

(b) every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments;

(c) every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) every capital lease obligation of such Person;

(f) the Swap Termination Value of each Swap Contract of such Person; and

(g) every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"Lien" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"Material Subsidiary" means, at any time, a Subsidiary which has consolidated assets with a book value of more than $25 million determined in accordance with GAAP.

"**New Repayment Date**" has the meaning specified in Section 3.3(2).

"**OFHP**" means the *Ontario Fair Hydro Plan Act, 2017*,S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

"Permitted Liens" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) any obligations or duties, affecting the property of the IESO to any municipality or governmental, statutory or public authority, with respect to any franchise, grant, license

or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by the IESO or such Material Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by the IESO or such Material Subsidiary;

(d) any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) the right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) any undetermined or inchoate Liens and charges incidental to the current operations of the IESO or a Material Subsidiary that have not at the time been filed against the IESO or such Material Subsidiary; provided, however, that if any such Lien or charge shall have been filed, the IESO or such Material Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) any Lien the validity of which is being contested at the time by the IESO or a Material Subsidiary in good faith and the enforcement of which has been stayed;

(h) any easements, rights-of-way and servitudes that in the opinion of the IESO will not in the aggregate materially and adversely impair the use or value of the land for the purpose for which it is held or occupied by the IESO or a Material Subsidiary;

(i) any Liens and privileges arising out of judgments or awards with respect to which the IESO or a Material Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall have secured a stay of execution pending such appeal or proceedings for review;

(j) any other Liens of a nature similar to the foregoing which do not in the opinion of the IESO, acting reasonably, materially impair the use of the property subject thereto or the operation of the business of the IESO or any Material Subsidiary or the value of such property for the purpose of any such business; and

(k) any Lien arising from the IESO’s role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other

lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

"Person" means any individual, corporation, partnership joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"Purchase Money Mortgage" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or part of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"Repayment Date" means, in respect of the repayment of Advances, the repayment date contained in the most recent Borrowing Notice or Election Notice.

"Stated Maturity" when used with respect to any Indebtedness or any installment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such installment of interest is due and payable.

"Subsidiary" means:

(a) a corporation more than 50% of the voting power or the outstanding Voting Shares of which is owned, directly or indirectly, by the IESO or by one or more other Subsidiaries or by the IESO and one or more other Subsidiaries; or

(b) any Person (other than a corporation) in which the IESO, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

"Swap Contract" means any agreement whether or not in writing, relating to any transaction or derivative transaction including a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction currency swap, cross-currency rate swap, swaption, currency option or other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.

“Swap Termination Value” means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap contracts:

(a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and

(b) for any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.

“Voting Shares” of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings.

The division of this Agreement into Articles and Sections and the insertion of headings are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and vice versa and words importing gender may include any gender. In this Agreement, (a) the words "including" and "includes" mean "including (or includes) without limitation", and (b) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" each mean “to but excluding".

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with GAAP.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the next succeeding Business Day.

ARTICLE 2
REVOLVING CREDIT FACILITY

Section 2.1 Availability.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO. The OFA shall make each Advance in Dollars.

Section 2.2 Use of Proceeds.

The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the *Electricity Act, 1998*, as such regulation may be amended or replaced from time to time, subject to the condition that proceeds of Advances may be used only for IESO's financing needs and requirements of any kind arising in connection with the IESO's role with respect to and obligations under the OFHP.

Section 2.3 Credit Facility Limit.

The Advances Outstanding shall not at any time exceed the Commitment. The Credit Facility shall revolve and no payment under the Credit Facility shall reduce the Commitment.

Section 2.4 Mandatory Repayment.

Subject to Sections 2.5 and 5.2, the IESO shall repay each Advance together with the interest accrued thereon on the applicable Repayment Date, and, in any event, shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder on September 30, 2022.

Section 2.5 Prepayments.

The IESO is not entitled to prepay any part of the Advances Outstanding or the interest accrued thereon without the prior written consent of the OFA.

Section 2.6 Payments under this Agreement.

(1) The OFA shall make Advances to the IESO under this Agreement to or to the order of the IESO by wire transfer of immediately available funds in accordance with wire transfer instructions given by the IESO to the OFA from time to time, or in such other manner as the IESO may specify to the OFA from time to time.

(2) The IESO shall make any payment required hereunder to be made by it to the OFA, to or to the order of the OFA, by wire transfer of immediately available funds in accordance with wire transfer instruction given by the OFA to the IESO from time to time, or in such other manner as the OFA may specify to the IESO from time to time. The IESO shall make each such payment in Canadian Dollars.

Section 2.7 Computations of Interest.

(1) All computations of interest shall be made by the OFA taking into account the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest is payable on the basis of a year of 365 days or 366 days, as the case may be.

(2) For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Agreement for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

Section 2.8 Limit on Rate of Interest.

(1) Notwithstanding any provision contained in this Agreement, the IESO shall not be obliged to make any payments of interest or other amounts payable to the OFA hereunder in excess of the amount or rate which would be prohibited by applicable law or would result in the receipt by the OFA of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada)).

(2) In the event that any such payments are limited or prohibited as provided in Section 2.8(1), the OFA shall have no further obligation to make any Advances available hereunder and the Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, shall become immediately due and payable.

Section 2.9 Application of Payments.

All payments made by the IESO under this Agreement shall be applied firstly to the payment of interest payable to the OFA on late payments of principal or interest hereunder, secondly, to the payment of accrued and unpaid interest payable to the OFA hereunder and thirdly, to the payment of the outstanding principal amount of any Advances payable to the OFA.

ARTICLE 3
ADVANCES

Section 3.1 Advances.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO under the Credit Facility from time to time on any Business Day prior to September 23, 2022.

Section 3.2 Procedure for Advances.

(1) Subject to Section 3.3(5), each Advance shall be made subject to two Business Days' prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each notice of an Advance (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1, other than a Borrowing Notice that is included in an Election Notice as permitted by Section 3.3(3). Each Borrowing Notice shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance; (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall not be earlier than 5 days and not later than 95 days after the date of the requested Advance. Each Borrowing Notice shall also certify the use of proceeds of the Advance which shall in any case be in accordance with Section 2.2. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, the IESO shall execute and deliver to the OFA a grid promissory note in respect of Advances substantially in the form of Schedule 3 (the "**Grid Note**"). The IESO authorizes the OFA to record on the Grid Note (a) the date and amount of each Advance or Continued Advance; (b) the applicable rate of interest for each Advance or Continued Advance; (c) the Repayment Date of each Advance or Continued Advance; (d) the date and amount of each payment of interest and each payment of principal or portion thereof in respect of each Advance or Continued Advance; and (e) Advances Outstanding. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such Advances and repayments; provided that the failure of the OFA to record any amount, rate or date shall not affect the obligation of the IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement.

(3) Respecting the first Advance to be made under this Agreement (the "**First Advance**"), a specified portion thereof (the "**Repayment Amount**") shall be used to repay a portion of the IESO's outstanding indebtedness to the OFA under the credit agreement between the Parties dated January 1, 2005, as amended (the "**Existing Credit Facility**"). The amount of the Repayment Amount shall be detailed in the Borrowing Notice issued in respect of the First Advance. Concurrently with the First Advance, OFA shall provide to IESO an updated grid in respect of the grid note issued under the Existing Credit Facility evidencing the repayment of the Repayment Amount thereunder.

Section 3.3 Elections Regarding Advances.

(1) The IESO may elect to continue all or a portion of the principal amount of any Advance and any amount of interest on such Advance (together, the "**Continued Advance**") for a further period of at least 5 days and up to a maximum of 95 days beginning on the then current Repayment Date in accordance with Section 3.3(2).

(2) Each notice to continue an Advance for a further period (an "**Election Notice**") shall be provided by the IESO to the OFA at least two Business Days prior to the Repayment Date of the Advance (the "**Current Repayment Date**"), and in each case, not later than

10:00 a.m. (Toronto time). Each such Election Notice shall be given substantially in the form of Schedule 2 and shall be irrevocable and binding upon the IESO and shall specify: (a) the Current Repayment Date; (b) the new aggregate total amount of the proposed Continued Advance; (c) the amount of interest or principal, if any, to be paid or re-paid by the IESO with respect to such Advance on the Current Repayment Date; and (d) the new Repayment Date of the proposed Continued Advance, which shall be no earlier than 5 days and not later than 95 days after the current Repayment Date (the "**New Repayment Date"**). If the IESO fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date.

(3) An Election Notice with respect to a proposed Continued Advance may include a Borrowing Notice for a further Advance proposed to be made on the Current Repayment Date. The Repayment Date of such further Advance shall be the New Repayment Date of the Continued Advance that is specified in the Election Notice. Such Borrowing Notice shall be given substantially in the form of Schedule 2.

(4) The calculation of interest on a Continued Advance shall be determined in the same manner as an Advance under Section 3.4 and shall be recorded on the Grid Note in accordance with Section 3.2(2).

(5) Any portion of an Advance not continued for a further period in accordance with Section 3.3(2) shall be repayable on the applicable Repayment Date.

(6) The Credit Facility shall at all times rank *pari passu* with all other unsubordinated and unsecured Indebtedness of the IESO, subject to the existence of any Liens that secure Indebtedness, as permitted by subections 4.6 (a) through (e) hereof.

(7) All amounts owing in respect of the Advances shall be paid without exercising any right of set off or counterclaim by the IESO.

Section 3.4 Interest on Advances.

(1) The IESO shall pay interest on the unpaid principal amount of each Advance in accordance with this Section 3.4 from and including the date of such Advance until the principal amount of such Advance is repaid in full.

(2) Interest shall accrue on the principal amount of each Advance from and including the date of the Advance to but excluding the Repayment Date of such Advance, at an annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum, before as well as after the date such principal amount or interest thereon becomes due hereunder and both before and after Default and shall be payable on the Repayment Date for such Advance. Any amount of interest arising hereunder which is not paid when due shall bear interest at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment. The amount of interest payable on an Advance will be calculated by the

OFA by dividing the interest rate applicable to the Advance by 365 or 366, as the case may be, and multiplying the result by the principal amount of the Advance and further multiplying the result by the number of days in the period from the date of the Advance to the Repayment Date of the Advance.

(3) If the IESO elects to continue an Advance in accordance with Section 3.3(2), the OFA shall determine the interest rate applicable after the original Repayment Date of the Advance and endorse the said rate on the grid forming part of the Grid Note in respect of Advances held by it.

Section 3.5 Conditions Precedent

The obligation of the OFA to make the Advances to the IESO pursuant to Section 2.1 is subject to the following conditions being satisfied to the OFA's satisfaction at the time of making each Advance:

(a) that the representations and warranties of the IESO contained in this Agreement are true and correct as at the date of making the Advance;

(b) that no Event of Default has occurred and is continuing;

(c) that there shall, in the reasonable opinion of the OFA, have been no material adverse change in the financial condition of the IESO or a Material Subsidiary; and

(d) that the OFA has received such other documentation which it has reasonably requested to ensure that the IESO is in compliance with the terms and conditions of this Agreement, including certified true copies of any necessary resolutions, a written legal opinion from counsel to the IESO confirming that the borrowing is within the legal powers of the IESO and that the Agreement is a direct, unsecured obligation of the IESO enforceable against the IESO in form satisfactory to the OFA.

ARTICLE 4
COVENANTS OF THE IESO

Section 4.1 Repayment of Advances.

The IESO will duly and punctually pay all amounts owing under this Agreement in accordance with the terms and subject to the conditions of this Agreement.

Section 4.2 IESO will Maintain its Corporate Existence.

The IESO will at all times maintain its corporate existence.

Section 4.3 Maintenance of Properties.

The IESO will cause all property owned by the IESO or any Material Subsidiary to be maintained and kept in good condition, repair and working order, all as in the judgment of the IESO or any Material Subsidiary may be necessary for the proper operation of such property, except as and to the extent that the IESO or any Material Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 4.3 shall prevent the IESO or any Material Subsidiary from discontinuing the maintenance of any such property or decommissioning any such property if such discontinuance or decommissioning is, in the judgment of the IESO or any such Material Subsidiary, desirable in the conduct of its business or the business of any such Material Subsidiary, or has been directly or indirectly requested or required by the Province of Ontario.

Section 4.4 Insurance.

The IESO will cause all property owned by the IESO or any Material Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the mature and to the extent that such property is usually insured by companies operating similar businesses.

Section 4.5 Conduct of Business.

The IESO will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in accordance with good business practice.

Section 4.6 Negative Pledge.

The IESO will not, and will not permit any Material Subsidiary to, create, incur or assume any Lien, charging the interest of the IESO or any Material Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, all amounts owing under this Agreement are secured equally and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) the creation, incurrence or assumption of any Purchase Money Mortgage;

(b) the grant of any Lien in the normal course of business to any banks or financial institutions for present or future Indebtedness of the IESO or any Material Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) any extension, renewal or replacement of any of the Liens referred to in Sections 4.6(a), (b) or (c), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased; and

(e) any Lien charging the interest of the IESO or any Material Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 4.6(a), (b) or (c), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 4.6(e) which is outstanding at such time does not exceed 10% of Consolidated Assets at such time.

Section 4.7 Payment of OFA Expenses

In addition to any liability of the IESO to the OFA under any other provision of this Agreement, the IESO will, on demand, reimburse and indemnify OFA for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OFA in connection with the Agreement (including those services incurred in the preservation of rights under or enforcement of this Agreement at any time during the continuance of a Default or Event of Default and for any reasonable loss or expense incurred by OFA as a result of any failure by the IESO to fulfill any of its obligations under this Agreement). All such costs, charges and expenses shall bear interest at the Province of Ontario's cost of funds plus 0.25 percent per annum (as determined by the OFA) calculated and payable monthly not in advance from in each case from the date on which the OFA incurs the cost, charge or expense until the date on which the IESO reimbursement the OFA therefor. The OFA agrees, acting reasonably, to invoice the IESO for any such costs, charges and expense as they are incurred, together with interest at the aforesaid rate (with interest on overdue interest).

Section 4.8 Reporting.

The IESO will promptly provide to the OFA any reports or supporting documents that the OFA may request from time to time.

Section 4.9 Late Repayment of Advance.

In the event that the IESO fails to repay the principal amount of any Advance and all interest accrued thereon when due, the IESO shall pay interest on the unpaid amount of such Advance at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment.

ARTICLE 5
EVENTS OF DEFAULT AND REMEDIES

Section 5.1 Event of Default.

Wherever used in this Agreement, the term "Event of Default" means any of the following:

(a) the IESO's failure to pay any interest upon any Advance when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) failure to pay the principal amount of any Advance on the applicable Repayment Date or the Advances Outstanding, all interest accrued thereon and all other amounts owing under this Agreement on September 30, 2022;

(c) failure on the part of the IESO to observe or perform its obligations set forth in Section 4.1;

(d) failure on the part of the IESO to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 20 days after the date on which written notice of such failure shall have been given to the IESO by the OFA;

(e) any representation or warranty made by the IESO in this Agreement or in any certificate or other document at any time delivered hereunder to the OFA was incorrect or misleading in any material respect;

(f) one or more breaches by the IESO of its covenants under one or more evidences of Indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $5 million, which breaches:

(i) constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist, or

(ii) have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived or rescinded);

(g) the IESO or any Material Subsidiary:

(i) becomes unable to meet its obligations as they generally become due or has ceased paying its current obligations in the ordinary course of business as they generally become due;

(ii) admits in writing its inability to pay its debts generally or makes a general assignment for the benefit its creditors or files a proposal or other scheme

of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) institutes or has instituted against it any proceeding seeking:

(A) to adjudicate it as bankrupt or insolvent,

(B) liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors, or

(C) the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets,

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismissed or unstayed for a period of 30 days, or any remedy sought in any such proceeding (including the entry of order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

(iv) takes any corporate action to authorize any of the actions in Sections 5.l (g)(i) to (iii); or

(h) if there shall be rendered against the IESO or any Material Subsidiary a final judgment or judgments for the payment of money in an aggregate amount in excess of $5 million by a court or courts of competent jurisdiction, and the IESO or any Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 5.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case the OFA may at its option, in addition to any other remedy available to the OFA at law, by written notice to the IESO, take any or all of the following actions:

(a) suspend the right of the IESO to request any further Advance until the Event of Default has been cured to the OFA's satisfaction or, if the Event of Default is not

cured within three (3) Business Days after the date on which written notice of such Event of Default shall have been given to the IESO by the OFA, declare all amounts owing hereunder including all interest accrued to be due and payable immediately, by a notice in writing to the IESO, and upon any such declaration all such amounts shall become immediately due and payable.

(b) invoke the Intercept pursuant to section 5.7 of this Agreement to require payment of any amount due and payable under this Agreement.

Section 5.3 Suits for Enforcement by the OFA.

If an Event of Default occurs and is continuing, the OFA may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in the OFA by this Agreement or by law.

Section 5.4 OFA May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of the IESO under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property of the IESO, or if any other judicial proceedings relative to the IESO, its creditors or its property are pending, the OFA shall be entitled and empowered, by intention in such proceeding or otherwise:

(a) to file and prove a claim for all amounts owing under this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of the OFA (including any claim for fees and disbursements of the OFA, its agents and counsel) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claim.

Section 5.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to the OFA is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.6 Delay or Omission not Waiver.

No delay or omission of the OFA to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right or remedy given by this Article 5 or by law to OFA may be exercised from time to time, and as often as may be deemed expedient, by the OFA.

Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of even date herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the *Capital Investment Plan Act, 1993* (the "**Intercept Letter**"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("**Appropriated Funds**"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("**Intercept**").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

(e) The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or

inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail.

ARTICLE 6
REPRESENTATIONS AND WARRANTIES OF IESO

Section 6.1 Representations and Warranties of IESO

The IESO represents and warrants to the OFA that:

(a) the borrowing of money (including principal and accrued interest) by the IESO and the execution, delivery and performance of this Agreement are within the powers and capacities of the IESO and have been duly authorized by all necessary legal action and proper proceedings;

(b) the execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the compliance with the terms and conditions of this Agreement will not conflict with or result in a breach of any of the terms or provisions of the constituting documents or by-laws of the IESO, laws of Ontario, including laws of Canada applicable therein, applicable to the IESO or any contractual or other obligation binding on the IESO;

(c) this Agreement will, when executed and delivered, constitute the legal, valid and binding obligation of the IESO enforceable against it in accordance with its terms; and

(d) the monies advanced under this Agreement shall be used only by the IESO for the purposes set out in Section 2.2.

Section 6.2 Continuation of Representation and Warranties

The representations and warranties set out in Section 6.1 herein shall survive the execution and delivery of this Agreement, the making of each Advance by the OFA, notwithstanding any investigations or examinations which may be made by counsel for the OFA.

ARTICLE 7
GENERAL

Section 7.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy or other means of electronic communication addressed:

If to the IESO, to it at:

Independent Electricity System Operator
120 Adelaide Street West, Suite 1600
Toronto, ON M5H 1T1

Attention: Chief Financial Officer
Telephone: (416)969-6232
Facsimile: (905)403-6913

If to the OFA, to it at:

Ontario Financing Authority 1 Dundas Street West
Suite 1400 Toronto, Ontario M7A 1Y7

Attention: Executive Director & Chief Investment Officer – Capital Markets Division
Telephone: (416)325-8930
Facsimile: (416)860-8346

provided that any Borrowing Notice or Election Notice shall be addressed as indicated on Schedule 1 or Schedule 2 respectively.

Any communication hereunder shall be deemed to have been validly and effectively given if (a) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p.m. (Toronto time), otherwise on the next Business Day, (b) transmitted by facsimile or other means of electronic communication, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice give in accordance with this Section 7.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 7.1.

Section 7.2 Successors and Assigns.

This Agreement shall be binding on and enure to the benefit of the OFA and the IESO and their respective successors and permitted assigns, except that the IESO shall not, without the

prior written consent of the OFA assign, pledge or hypothecate any rights or obligations with respect to this Agreement.

Section 7.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of the Parties.

Section 7.4 Waiver.

(1) No waiver of any provisions of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) of this Agreement nor shall such waiver be binding unless executed in writing by the party to be bound by the waiver.

(2) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude another or further exercise of such right or the exercise of any other right.

Section 7.5 Further Assurances.

Each of the IESO and the OFA shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement

Section 7.6 Severability.

In case any provision in this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement shall not in any way be affected or impaired thereby.

Section 7.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 7.8 Entire Agreement.

This Agreement, including the schedules hereto and any other agreements expressly referred to herein, constitutes the whole agreement between the Parties with respect to the matters dealt with in it, and it supersedes any prior agreement, undertakings, discussions and the like respecting the matters dealt with in this Agreement and entered into by the Parties before the date the OFA signs this Agreement.

Section 7.9 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Agreement.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first written above.

ONTARIO FINANCING AUTHORITY

Per: _____

Name: Gadi Mayman
Title: Chief Executive Officer

I have authority to bind the corporation.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; Treasurer

I have authority to bind the corporation.

SCHEDULE 1

FORM OF BORROWING NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The principal amount of the Proposed Advance is $_____;
(c) The Repayment Date of the Proposed Advance is _____. [Not earlier than 5 days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:

Authorized Signatory

SCHEDULE 2

FORM OF ELECTION NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is _____.

(b) The aggregate amount of the proposed Continued Advance is $_____, which is comprised of:

i. principal amount (or portion thereof) of Advance which is to be continued $_____; and
ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date $_____;

(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): $ _____

(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _____. [Insert date not earlier than 5 days and not later than 95 days after the current Repayment Date for the Advance.]

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: $_____
The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Name:

Authorized Signatory

SCHEDULE 3 – FORM OF GRID NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $2,000,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR (the "**IESO**"), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY** ("**OFA**") at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement (as defined below).

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the Revolving Credit Facility Agreement dated **[INSERT DATE]** as amended, supplemented or restated from time to time, between the Borrower and the OFA (the "Agreement"). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:
Authorized Signatory

Revolving Credit Facility Grid Note

Ontario Financing Authority
Line of Credit Grid Note

Entity : **Independent Electricity System Operator**
Loan Limit:

Project:
Schedule of loan transactions to:
Loan Advanced to:

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days

From:	Sarah Neville
To:	William Tan
Cc:	Sarah Harris; Lisa Stein
Subject:	RE: Waiver - FHP Agreement, 5-day minimum period exception
Date:	Wednesday, March 07, 2018 4:04:50 PM
Attachments:	FHP Revolving Credit Facility Agreement 2017-2022 Execution Version.docx

Hi Lisa – As you are intimately familiar with these documents I am sending this your way.
Will, I note, both Lisa and I are going to be away until Mar 19, Lisa as of end of day tomorrow and me as of end of day Friday. If you think this will need resourcing next week please advise as soon as possible so that I can allocate to another lawyer.
Sarah

From: William Tan
Sent: Wednesday, March 07, 2018 3:58 PM
To: Sarah Neville
Cc: Sarah Harris
Subject: Waiver - FHP Agreement, 5-day minimum period exception
Hello Sarah N,
As an exception, IESO has requested OFA to waive the 5 day minimum repayment period for a 1 day repayment period. Carlos has indicated that this would occur infrequently. I am currently awaiting confirmation from Settlements and Cash Management if they have any concerns from an operational standpoint. IESO will have specific amounts/details this Friday. In the interim I will draft a waiver.
I will require assistance to review the waiver.Please advise who will be available to work with me on this waiver. Additional details are below.
Thanks,
Will

From: Carlos Yep
Sent: Wednesday, March 07, 2018 3:43 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: FHP Agreement, 5-day minimum period exception
Hi Will
The waiver for the 5 day minimum is expected to occur on an infrequent but periodic basis.
Regards
Carlos

From: William Tan
Sent: Wednesday, March 07, 2018 3:33 PM
To: Carlos Yep <Carlos.Yep@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>; CASHP <CASHP@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FHP Agreement, 5-day minimum period exception
Hello all,
IESO has asked OFA for a one-time exception to waive the minimum period for advances of 5 days (FHP Credit Facility Agreement). IESO has asked for an advance period of 1 day, so it may use money expected from OPG to repay its advance on the same day it matures.

IESO's current outstanding advance of $322M, matures on March 21, 2018. IESO will require an additional advance of $208M (to pay power generators) for a total of $530M, but will only require this for 1 day because IESO expects to receive funds from OPG to repay its advances on March 22. Rather than incurring additional interest costs of borrowing until March 26, 2018 (5 day minimum), IESO would prefer to match the maturity of its advances and expected cash inflow from OPG. Please let me know if your respective areas have any concerns or issues from an operational standpoint.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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INDEPENDENT ELECTRICITY SYSTEM OPERATOR

as Borrower

and

ONTARIO FINANCING AUTHORITY

as Lender

REVOLVING CREDIT FACILITY AGREEMENT

Date: November ___, 2017

REVOLVING CREDIT FACILITY AGREEMENT

THIS AGREEMENT is made as of the ____ day of November 2017,

BETWEEN:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, a statutory corporation without share capital existing under Part II of the *Electricity Act, 1998* (the "**IESO**") (as Borrower)

AND

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* (the "**OFA**" and together with the IESO, the "**Parties**") (as Lender)

RECITALS:

WHEREAS the IESO has requested a revolving credit facility for up to a maximum principal amount of $2 billion from the OFA for the purpose of supporting the IESO's role in the implementation and administration of the *Ontario Fair Hydro Plan Act, 2017*.

THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the Parties agree as follows:

ARTICLE 1

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"Advances" means advances made by the OFA to the IESO under Article 3 and "Advance" means any one of such advances, and in the case of an election by the IESO under Section 3.3, includes a "Continued Advance", as defined in Section 3.3(1), as applicable.

"Advances Outstanding" means, at any time, an amount equal to the aggregate principal amount of all Advances outstanding at such time.

"Agreement", "herein", "hereby", "hereor', "hereunder" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression "Article" or "Section" followed by a number means the specified Article or Section of this Agreement.

"Borrowing Notice" has the meaning specified in Section 3.2(1).

"Business Day" means any day that is not a day on which banks are generally authorized or required by law or executive order to be closed in the City of Toronto.

"**Clean Energy Adjustment"** has the same meaning as that term is defined in the OFHP.

"Commitment" means, at any time, an amount equal to $2 billion.

"Consolidated Assets" means, at any time, the book value of the assets of the IESO and the Subsidiaries, determined as of such time on a consolidated basis in accordance with GAAP.

"**Continued Advance"** has the meaning specified in Section 3.3(1).

"Credit Facility" means the revolving credit facility to be made available to the IESO by the OFA under this Agreement for the purposes specified in Section 2.2.

"**Current Repayment Date**" has the meaning specified in Section 3.3(2).

"Default" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"Dollars" or **"$**" means lawful currency of Canada.

"Election Notice" has the meaning specified in Section 3.3(2).

"Event of Default" has the meaning specified in Section 5.1.

"**First Advance**" has the meaning specified in Section 3.2(3).

"GAAP" means accounting policies and standards as established by the Chartered Professional Accountants of Canada, at the relevant time and applied on a consistent basis.

"Grid Note" has the meaning specified in Section 3.2(2).

"Indebtedness" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) every obligation of such Person for borrowed money;

(b) every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments;

(c) every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) every capital lease obligation of such Person;

(f) the Swap Termination Value of each Swap Contract of such Person; and

(g) every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"Lien" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"Material Subsidiary" means, at any time, a Subsidiary which has consolidated assets with a book value of more than $25 million determined in accordance with GAAP.

"**New Repayment Date**" has the meaning specified in Section 3.3(2).

"**OFHP**" means the *Ontario Fair Hydro Plan Act, 2017*,S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

"Permitted Liens" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) any obligations or duties, affecting the property of the IESO to any municipality or governmental, statutory or public authority, with respect to any franchise, grant, license

or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by the IESO or such Material Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by the IESO or such Material Subsidiary;

(d) any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) the right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) any undetermined or inchoate Liens and charges incidental to the current operations of the IESO or a Material Subsidiary that have not at the time been filed against the IESO or such Material Subsidiary; provided, however, that if any such Lien or charge shall have been filed, the IESO or such Material Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) any Lien the validity of which is being contested at the time by the IESO or a Material Subsidiary in good faith and the enforcement of which has been stayed;

(h) any easements, rights-of-way and servitudes that in the opinion of the IESO will not in the aggregate materially and adversely impair the use or value of the land for the purpose for which it is held or occupied by the IESO or a Material Subsidiary;

(i) any Liens and privileges arising out of judgments or awards with respect to which the IESO or a Material Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall have secured a stay of execution pending such appeal or proceedings for review;

(j) any other Liens of a nature similar to the foregoing which do not in the opinion of the IESO, acting reasonably, materially impair the use of the property subject thereto or the operation of the business of the IESO or any Material Subsidiary or the value of such property for the purpose of any such business; and

(k) any Lien arising from the IESO’s role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other

lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

"Person" means any individual, corporation, partnership joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"Purchase Money Mortgage" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or part of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"Repayment Date" means, in respect of the repayment of Advances, the repayment date contained in the most recent Borrowing Notice or Election Notice.

"Stated Maturity" when used with respect to any Indebtedness or any installment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such installment of interest is due and payable.

"Subsidiary" means:

(a) a corporation more than 50% of the voting power or the outstanding Voting Shares of which is owned, directly or indirectly, by the IESO or by one or more other Subsidiaries or by the IESO and one or more other Subsidiaries; or

(b) any Person (other than a corporation) in which the IESO, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

"Swap Contract" means any agreement whether or not in writing, relating to any transaction or derivative transaction including a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction currency swap, cross-currency rate swap, swaption, currency option or other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.

“Swap Termination Value” means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap contracts:

(a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and

(b) for any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.

“Voting Shares” of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings.

The division of this Agreement into Articles and Sections and the insertion of headings are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and vice versa and words importing gender may include any gender. In this Agreement, (a) the words "including" and "includes" mean "including (or includes) without limitation", and (b) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" each mean “to but excluding".

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with GAAP.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the next succeeding Business Day.

ARTICLE 2
REVOLVING CREDIT FACILITY

Section 2.1 Availability.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO. The OFA shall make each Advance in Dollars.

Section 2.2 Use of Proceeds.

The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the *Electricity Act, 1998*, as such regulation may be amended or replaced from time to time, subject to the condition that proceeds of Advances may be used only for IESO's financing needs and requirements of any kind arising in connection with the IESO's role with respect to and obligations under the OFHP.

Section 2.3 Credit Facility Limit.

The Advances Outstanding shall not at any time exceed the Commitment. The Credit Facility shall revolve and no payment under the Credit Facility shall reduce the Commitment.

Section 2.4 Mandatory Repayment.

Subject to Sections 2.5 and 5.2, the IESO shall repay each Advance together with the interest accrued thereon on the applicable Repayment Date, and, in any event, shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder on September 30, 2022.

Section 2.5 Prepayments.

The IESO is not entitled to prepay any part of the Advances Outstanding or the interest accrued thereon without the prior written consent of the OFA.

Section 2.6 Payments under this Agreement.

(1) The OFA shall make Advances to the IESO under this Agreement to or to the order of the IESO by wire transfer of immediately available funds in accordance with wire transfer instructions given by the IESO to the OFA from time to time, or in such other manner as the IESO may specify to the OFA from time to time.

(2) The IESO shall make any payment required hereunder to be made by it to the OFA, to or to the order of the OFA, by wire transfer of immediately available funds in accordance with wire transfer instruction given by the OFA to the IESO from time to time, or in such other manner as the OFA may specify to the IESO from time to time. The IESO shall make each such payment in Canadian Dollars.

Section 2.7 Computations of Interest.

(1) All computations of interest shall be made by the OFA taking into account the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest is payable on the basis of a year of 365 days or 366 days, as the case may be.

(2) For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Agreement for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

Section 2.8 Limit on Rate of Interest.

(1) Notwithstanding any provision contained in this Agreement, the IESO shall not be obliged to make any payments of interest or other amounts payable to the OFA hereunder in excess of the amount or rate which would be prohibited by applicable law or would result in the receipt by the OFA of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada)).

(2) In the event that any such payments are limited or prohibited as provided in Section 2.8(1), the OFA shall have no further obligation to make any Advances available hereunder and the Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, shall become immediately due and payable.

Section 2.9 Application of Payments.

All payments made by the IESO under this Agreement shall be applied firstly to the payment of interest payable to the OFA on late payments of principal or interest hereunder, secondly, to the payment of accrued and unpaid interest payable to the OFA hereunder and thirdly, to the payment of the outstanding principal amount of any Advances payable to the OFA.

ARTICLE 3
ADVANCES

Section 3.1 Advances.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO under the Credit Facility from time to time on any Business Day prior to September 23, 2022.

Section 3.2 Procedure for Advances.

(1) Subject to Section 3.3(5), each Advance shall be made subject to two Business Days' prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each notice of an Advance (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1, other than a Borrowing Notice that is included in an Election Notice as permitted by Section 3.3(3). Each Borrowing Notice shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance; (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall not be earlier than 5 days and not later than 95 days after the date of the requested Advance. Each Borrowing Notice shall also certify the use of proceeds of the Advance which shall in any case be in accordance with Section 2.2. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, the IESO shall execute and deliver to the OFA a grid promissory note in respect of Advances substantially in the form of Schedule 3 (the "**Grid Note**"). The IESO authorizes the OFA to record on the Grid Note (a) the date and amount of each Advance or Continued Advance; (b) the applicable rate of interest for each Advance or Continued Advance; (c) the Repayment Date of each Advance or Continued Advance; (d) the date and amount of each payment of interest and each payment of principal or portion thereof in respect of each Advance or Continued Advance; and (e) Advances Outstanding. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such Advances and repayments; provided that the failure of the OFA to record any amount, rate or date shall not affect the obligation of the IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement.

(3) Respecting the first Advance to be made under this Agreement (the "**First Advance**"), a specified portion thereof (the "**Repayment Amount**") shall be used to repay a portion of the IESO's outstanding indebtedness to the OFA under the credit agreement between the Parties dated January 1, 2005, as amended (the "**Existing Credit Facility**"). The amount of the Repayment Amount shall be detailed in the Borrowing Notice issued in respect of the First Advance. Concurrently with the First Advance, OFA shall provide to IESO an updated grid in respect of the grid note issued under the Existing Credit Facility evidencing the repayment of the Repayment Amount thereunder.

Section 3.3 Elections Regarding Advances.

(1) The IESO may elect to continue all or a portion of the principal amount of any Advance and any amount of interest on such Advance (together, the "**Continued Advance**") for a further period of at least 5 days and up to a maximum of 95 days beginning on the then current Repayment Date in accordance with Section 3.3(2).

(2) Each notice to continue an Advance for a further period (an "**Election Notice**") shall be provided by the IESO to the OFA at least two Business Days prior to the Repayment Date of the Advance (the "**Current Repayment Date**"), and in each case, not later than

10:00 a.m. (Toronto time). Each such Election Notice shall be given substantially in the form of Schedule 2 and shall be irrevocable and binding upon the IESO and shall specify: (a) the Current Repayment Date; (b) the new aggregate total amount of the proposed Continued Advance; (c) the amount of interest or principal, if any, to be paid or re-paid by the IESO with respect to such Advance on the Current Repayment Date; and (d) the new Repayment Date of the proposed Continued Advance, which shall be no earlier than 5 days and not later than 95 days after the current Repayment Date (the "**New Repayment Date"**). If the IESO fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date.

(3) An Election Notice with respect to a proposed Continued Advance may include a Borrowing Notice for a further Advance proposed to be made on the Current Repayment Date. The Repayment Date of such further Advance shall be the New Repayment Date of the Continued Advance that is specified in the Election Notice. Such Borrowing Notice shall be given substantially in the form of Schedule 2.

(4) The calculation of interest on a Continued Advance shall be determined in the same manner as an Advance under Section 3.4 and shall be recorded on the Grid Note in accordance with Section 3.2(2).

(5) Any portion of an Advance not continued for a further period in accordance with Section 3.3(2) shall be repayable on the applicable Repayment Date.

(6) The Credit Facility shall at all times rank *pari passu* with all other unsubordinated and unsecured Indebtedness of the IESO, subject to the existence of any Liens that secure Indebtedness, as permitted by subections 4.6 (a) through (e) hereof.

(7) All amounts owing in respect of the Advances shall be paid without exercising any right of set off or counterclaim by the IESO.

Section 3.4 Interest on Advances.

(1) The IESO shall pay interest on the unpaid principal amount of each Advance in accordance with this Section 3.4 from and including the date of such Advance until the principal amount of such Advance is repaid in full.

(2) Interest shall accrue on the principal amount of each Advance from and including the date of the Advance to but excluding the Repayment Date of such Advance, at an annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum, before as well as after the date such principal amount or interest thereon becomes due hereunder and both before and after Default and shall be payable on the Repayment Date for such Advance. Any amount of interest arising hereunder which is not paid when due shall bear interest at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment. The amount of interest payable on an Advance will be calculated by the

OFA by dividing the interest rate applicable to the Advance by 365 or 366, as the case may be, and multiplying the result by the principal amount of the Advance and further multiplying the result by the number of days in the period from the date of the Advance to the Repayment Date of the Advance.

(3) If the IESO elects to continue an Advance in accordance with Section 3.3(2), the OFA shall determine the interest rate applicable after the original Repayment Date of the Advance and endorse the said rate on the grid forming part of the Grid Note in respect of Advances held by it.

Section 3.5 Conditions Precedent

The obligation of the OFA to make the Advances to the IESO pursuant to Section 2.1 is subject to the following conditions being satisfied to the OFA's satisfaction at the time of making each Advance:

(a) that the representations and warranties of the IESO contained in this Agreement are true and correct as at the date of making the Advance;

(b) that no Event of Default has occurred and is continuing;

(c) that there shall, in the reasonable opinion of the OFA, have been no material adverse change in the financial condition of the IESO or a Material Subsidiary; and

(d) that the OFA has received such other documentation which it has reasonably requested to ensure that the IESO is in compliance with the terms and conditions of this Agreement, including certified true copies of any necessary resolutions, a written legal opinion from counsel to the IESO confirming that the borrowing is within the legal powers of the IESO and that the Agreement is a direct, unsecured obligation of the IESO enforceable against the IESO in form satisfactory to the OFA.

ARTICLE 4
COVENANTS OF THE IESO

Section 4.1 Repayment of Advances.

The IESO will duly and punctually pay all amounts owing under this Agreement in accordance with the terms and subject to the conditions of this Agreement.

Section 4.2 IESO will Maintain its Corporate Existence.

The IESO will at all times maintain its corporate existence.

Section 4.3 Maintenance of Properties.

The IESO will cause all property owned by the IESO or any Material Subsidiary to be maintained and kept in good condition, repair and working order, all as in the judgment of the IESO or any Material Subsidiary may be necessary for the proper operation of such property, except as and to the extent that the IESO or any Material Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 4.3 shall prevent the IESO or any Material Subsidiary from discontinuing the maintenance of any such property or decommissioning any such property if such discontinuance or decommissioning is, in the judgment of the IESO or any such Material Subsidiary, desirable in the conduct of its business or the business of any such Material Subsidiary, or has been directly or indirectly requested or required by the Province of Ontario.

Section 4.4 Insurance.

The IESO will cause all property owned by the IESO or any Material Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the mature and to the extent that such property is usually insured by companies operating similar businesses.

Section 4.5 Conduct of Business.

The IESO will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in accordance with good business practice.

Section 4.6 Negative Pledge.

The IESO will not, and will not permit any Material Subsidiary to, create, incur or assume any Lien, charging the interest of the IESO or any Material Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, all amounts owing under this Agreement are secured equally and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) the creation, incurrence or assumption of any Purchase Money Mortgage;

(b) the grant of any Lien in the normal course of business to any banks or financial institutions for present or future Indebtedness of the IESO or any Material Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) any extension, renewal or replacement of any of the Liens referred to in Sections 4.6(a), (b) or (c), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased; and

(e) any Lien charging the interest of the IESO or any Material Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 4.6(a), (b) or (c), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 4.6(e) which is outstanding at such time does not exceed 10% of Consolidated Assets at such time.

Section 4.7 Payment of OFA Expenses

In addition to any liability of the IESO to the OFA under any other provision of this Agreement, the IESO will, on demand, reimburse and indemnify OFA for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OFA in connection with the Agreement (including those services incurred in the preservation of rights under or enforcement of this Agreement at any time during the continuance of a Default or Event of Default and for any reasonable loss or expense incurred by OFA as a result of any failure by the IESO to fulfill any of its obligations under this Agreement). All such costs, charges and expenses shall bear interest at the Province of Ontario's cost of funds plus 0.25 percent per annum (as determined by the OFA) calculated and payable monthly not in advance from in each case from the date on which the OFA incurs the cost, charge or expense until the date on which the IESO reimbursement the OFA therefor. The OFA agrees, acting reasonably, to invoice the IESO for any such costs, charges and expense as they are incurred, together with interest at the aforesaid rate (with interest on overdue interest).

Section 4.8 Reporting.

The IESO will promptly provide to the OFA any reports or supporting documents that the OFA may request from time to time.

Section 4.9 Late Repayment of Advance.

In the event that the IESO fails to repay the principal amount of any Advance and all interest accrued thereon when due, the IESO shall pay interest on the unpaid amount of such Advance at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment.

ARTICLE 5
EVENTS OF DEFAULT AND REMEDIES

Section 5.1 Event of Default.

Wherever used in this Agreement, the term "Event of Default" means any of the following:

(a) the IESO's failure to pay any interest upon any Advance when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) failure to pay the principal amount of any Advance on the applicable Repayment Date or the Advances Outstanding, all interest accrued thereon and all other amounts owing under this Agreement on September 30, 2022;

(c) failure on the part of the IESO to observe or perform its obligations set forth in Section 4.1;

(d) failure on the part of the IESO to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 20 days after the date on which written notice of such failure shall have been given to the IESO by the OFA;

(e) any representation or warranty made by the IESO in this Agreement or in any certificate or other document at any time delivered hereunder to the OFA was incorrect or misleading in any material respect;

(f) one or more breaches by the IESO of its covenants under one or more evidences of Indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $5 million, which breaches:

(i) constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist, or

(ii) have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived or rescinded);

(g) the IESO or any Material Subsidiary:

(i) becomes unable to meet its obligations as they generally become due or has ceased paying its current obligations in the ordinary course of business as they generally become due;

(ii) admits in writing its inability to pay its debts generally or makes a general assignment for the benefit its creditors or files a proposal or other scheme

of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) institutes or has instituted against it any proceeding seeking:

(A) to adjudicate it as bankrupt or insolvent,

(B) liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors, or

(C) the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets,

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismissed or unstayed for a period of 30 days, or any remedy sought in any such proceeding (including the entry of order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

(iv) takes any corporate action to authorize any of the actions in Sections 5.l (g)(i) to (iii); or

(h) if there shall be rendered against the IESO or any Material Subsidiary a final judgment or judgments for the payment of money in an aggregate amount in excess of $5 million by a court or courts of competent jurisdiction, and the IESO or any Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 5.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case the OFA may at its option, in addition to any other remedy available to the OFA at law, by written notice to the IESO, take any or all of the following actions:

(a) suspend the right of the IESO to request any further Advance until the Event of Default has been cured to the OFA's satisfaction or, if the Event of Default is not

cured within three (3) Business Days after the date on which written notice of such Event of Default shall have been given to the IESO by the OFA, declare all amounts owing hereunder including all interest accrued to be due and payable immediately, by a notice in writing to the IESO, and upon any such declaration all such amounts shall become immediately due and payable.

(b) invoke the Intercept pursuant to section 5.7 of this Agreement to require payment of any amount due and payable under this Agreement.

Section 5.3 Suits for Enforcement by the OFA.

If an Event of Default occurs and is continuing, the OFA may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in the OFA by this Agreement or by law.

Section 5.4 OFA May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of the IESO under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property of the IESO, or if any other judicial proceedings relative to the IESO, its creditors or its property are pending, the OFA shall be entitled and empowered, by intention in such proceeding or otherwise:

(a) to file and prove a claim for all amounts owing under this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of the OFA (including any claim for fees and disbursements of the OFA, its agents and counsel) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claim.

Section 5.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to the OFA is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.6 Delay or Omission not Waiver.

No delay or omission of the OFA to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right or remedy given by this Article 5 or by law to OFA may be exercised from time to time, and as often as may be deemed expedient, by the OFA.

Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of even date herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the *Capital Investment Plan Act, 1993* (the "**Intercept Letter**"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("**Appropriated Funds**"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("**Intercept**").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

(e) The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or

inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail.

ARTICLE 6
REPRESENTATIONS AND WARRANTIES OF IESO

Section 6.1 Representations and Warranties of IESO

The IESO represents and warrants to the OFA that:

(a) the borrowing of money (including principal and accrued interest) by the IESO and the execution, delivery and performance of this Agreement are within the powers and capacities of the IESO and have been duly authorized by all necessary legal action and proper proceedings;

(b) the execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the compliance with the terms and conditions of this Agreement will not conflict with or result in a breach of any of the terms or provisions of the constituting documents or by-laws of the IESO, laws of Ontario, including laws of Canada applicable therein, applicable to the IESO or any contractual or other obligation binding on the IESO;

(c) this Agreement will, when executed and delivered, constitute the legal, valid and binding obligation of the IESO enforceable against it in accordance with its terms; and

(d) the monies advanced under this Agreement shall be used only by the IESO for the purposes set out in Section 2.2.

Section 6.2 Continuation of Representation and Warranties

The representations and warranties set out in Section 6.1 herein shall survive the execution and delivery of this Agreement, the making of each Advance by the OFA, notwithstanding any investigations or examinations which may be made by counsel for the OFA.

ARTICLE 7
GENERAL

Section 7.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy or other means of electronic communication addressed:

If to the IESO, to it at:

Independent Electricity System Operator
120 Adelaide Street West, Suite 1600
Toronto, ON M5H 1T1

Attention: Chief Financial Officer
Telephone: (416)969-6232
Facsimile: (905)403-6913

If to the OFA, to it at:

Ontario Financing Authority 1 Dundas Street West
Suite 1400 Toronto, Ontario M7A 1Y7

Attention: Executive Director & Chief Investment Officer – Capital Markets Division
Telephone: (416)325-8930
Facsimile: (416)860-8346

provided that any Borrowing Notice or Election Notice shall be addressed as indicated on Schedule 1 or Schedule 2 respectively.

Any communication hereunder shall be deemed to have been validly and effectively given if (a) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p.m. (Toronto time), otherwise on the next Business Day, (b) transmitted by facsimile or other means of electronic communication, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice give in accordance with this Section 7.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 7.1.

Section 7.2 Successors and Assigns.

This Agreement shall be binding on and enure to the benefit of the OFA and the IESO and their respective successors and permitted assigns, except that the IESO shall not, without the

prior written consent of the OFA assign, pledge or hypothecate any rights or obligations with respect to this Agreement.

Section 7.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of the Parties.

Section 7.4 Waiver.

(1) No waiver of any provisions of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) of this Agreement nor shall such waiver be binding unless executed in writing by the party to be bound by the waiver.

(2) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude another or further exercise of such right or the exercise of any other right.

Section 7.5 Further Assurances.

Each of the IESO and the OFA shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement

Section 7.6 Severability.

In case any provision in this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement shall not in any way be affected or impaired thereby.

Section 7.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 7.8 Entire Agreement.

This Agreement, including the schedules hereto and any other agreements expressly referred to herein, constitutes the whole agreement between the Parties with respect to the matters dealt with in it, and it supersedes any prior agreement, undertakings, discussions and the like respecting the matters dealt with in this Agreement and entered into by the Parties before the date the OFA signs this Agreement.

Section 7.9 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Agreement.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first written above.

ONTARIO FINANCING AUTHORITY

Per: _____

Name: Gadi Mayman
Title: Chief Executive Officer

I have authority to bind the corporation.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; Treasurer

I have authority to bind the corporation.

SCHEDULE 1

FORM OF BORROWING NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The principal amount of the Proposed Advance is $_____;
(c) The Repayment Date of the Proposed Advance is _____. [Not earlier than 5 days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:

Authorized Signatory

SCHEDULE 2

FORM OF ELECTION NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is _____.

(b) The aggregate amount of the proposed Continued Advance is $_____, which is comprised of:

i. principal amount (or portion thereof) of Advance which is to be continued $_____; and
ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date $_____;

(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): $ _____

(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _____. [Insert date not earlier than 5 days and not later than 95 days after the current Repayment Date for the Advance.]

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: $_____
The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Name:

Authorized Signatory

SCHEDULE 3 – FORM OF GRID NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $2,000,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR (the "**IESO**"), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY** ("**OFA**") at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement (as defined below).

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the Revolving Credit Facility Agreement dated **[INSERT DATE]** as amended, supplemented or restated from time to time, between the Borrower and the OFA (the "Agreement"). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:
Authorized Signatory

Revolving Credit Facility Grid Note

Ontario Financing Authority
Line of Credit Grid Note

Entity : **Independent Electricity System Operator**
Loan Limit:

Project:
Schedule of loan transactions to:
Loan Advanced to:

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days

From:	William Tan
To:	Lisa Stein
Cc:	Sarah Neville; Sarah Harris; Caroline Swerdlyk
Subject:	RE: Waiver - FHP Agreement, 5-day minimum period exception
Date:	Thursday, March 08, 2018 12:00:12 PM
Attachments:	(draft) OFHP IESO waiver .docx RE FHP Agreement 5-day minimum period exception.msg

Hello Lisa,
Please find the attached draft waiver. (Highlighted in yellow are details subject to change). Also, attached is Cash Management's approval. Please review the waiver and provide your comments.
Thanks,
Will

From: Sarah Neville
Sent: Wednesday, March 07, 2018 4:29 PM
To: William Tan
Cc: Sarah Harris ; Lisa Stein ; Caroline Swerdlyk
Subject: RE: Waiver - FHP Agreement, 5-day minimum period exception
Hi William – I am copying Caroline to bring her into the correspondence.
I expect that determining whether or not to grant the waiver will be a business decision. I will ask Lisa to loop in Caroline on her review of the agreement and advice tomorrow.
If you could provide a form of waiver tomorrow, Lisa can do a preliminary review and provide feedback. Waiver documents themselves are fairly straightforward.
Thanks very much,
Sarah

From: William Tan
Sent: Wednesday, March 07, 2018 4:18 PM
To: Sarah Neville <Sarah.Neville@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: RE: Waiver - FHP Agreement, 5-day minimum period exception
Hi Sarah N,
I think I will need resourcing next week. Caroline covered for Lisa last year on the FHP Agreement and is familiar with it.
Thanks,
Will

From: Sarah Neville
Sent: Wednesday, March 07, 2018 4:05 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: RE: Waiver - FHP Agreement, 5-day minimum period exception
Hi Lisa – As you are intimately familiar with these documents I am sending this your way.
Will, I note, both Lisa and I are going to be away until Mar 19, Lisa as of end of day tomorrow and me as of end of day Friday. If you think this will need resourcing next week please advise as soon as possible so that I can allocate to another lawyer.
Sarah

From: William Tan

Sent: Wednesday, March 07, 2018 3:58 PM
To: Sarah Neville <Sarah.Neville@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: Waiver - FHP Agreement, 5-day minimum period exception

Hello Sarah N,

As an exception, IESO has requested OFA to waive the 5 day minimum repayment period for a 1 day repayment period. Carlos has indicated that this would occur infrequently. I am currently awaiting confirmation from Settlements and Cash Management if they have any concerns from an operational standpoint. IESO will have specific amounts/details this Friday. In the interim I will draft a waiver.

I will require assistance to review the waiver.Please advise who will be available to work with me on this waiver. Additional details are below.

Thanks,

Will

From: Carlos Yep
Sent: Wednesday, March 07, 2018 3:43 PM
To: William Tan <William.Tan@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: FHP Agreement, 5-day minimum period exception

Hi Will

The waiver for the 5 day minimum is expected to occur on an infrequent but periodic basis.

Regards

Carlos

From: William Tan
Sent: Wednesday, March 07, 2018 3:33 PM
To: Carlos Yep <Carlos.Yep@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>; CASHP <CASHP@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FHP Agreement, 5-day minimum period exception

Hello all,

IESO has asked OFA for a one-time exception to waive the minimum period for advances of 5 days (FHP Credit Facility Agreement). IESO has asked for an advance period of 1 day, so it may use money expected from OPG to repay its advance on the same day it matures.

IESO's current outstanding advance of $322M, matures on March 21, 2018. IESO will require an additional advance of $208M (to pay power generators) for a total of $530M, but will only require this for 1 day because IESO expects to receive funds from OPG to repay its advances on March 22. Rather than incurring additional interest costs of borrowing until March 26, 2018 (5 day minimum), IESO would prefer to match the maturity of its advances and expected cash inflow from OPG.

Please let me know if your respective areas have any concerns or issues from an operational standpoint.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA

Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca
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Ontario Financing Authority
1 Dundas Street West
Suite 1400
Toronto ON M7A 1Y7
Phone: 416-325-8000

Office ontarien de financement
1 rue Dundas ouest
Bureau 1400
Toronto ON M7A 1Y7

March 7, 2018

Kimberly Marshall
Independent Electricity System Operator
120 Adelaide Street, Suite 1600
Toronto, M5H 1T1

Re: **$530,000,000 Borrowing and Election Notice Dated March 21, 2018 waiver 5 day minimum advance period.**

Dear Kimberly,

The Ontario Financing Authority ("OFA") is in receipt of the Borrowing Notice and Election Notice provided by Independent Electricity System Operator ("IESO") to the OFA dated March 21, 2018 for the new proposed advance of $208,000,000 (the "March 21, 2018 Borrowing Notice") and proposed Continued Advance of $332,400,560.14 (the "March 21, 2018 Election Notice) under the FHP Revolving Credit Facility Agreement 2017-2022 between IESO and OFA dated November 6, 2017, as amended (the "Credit Agreement"), the terms defined therein being used herein as therein defined.

For the sole purpose of the March 21, 2018 Borrowing Notice and Election Notice, OFA hereby agrees to modify the requirement set out in section 3.2 of the Credit Agreement that the Repayment Date of the Advance which shall not b earlier than 5 days and not later than 95 days after the date of the request Advance. OFA also agrees to modify the requirement set out in section 3.3 that any Advance and any amount of interest on such Advance (together, the "Continued Advance")for a further period of at least 5 says and up to a maximum of 95 days beginning on the then current Repayment Date. IESO consents to a Repayment Date of 1 day from the date of the proposed Advance and proposed Continued Advance under the Borrowing Notice and Election Notice, for the full principal amount of the proposed Advance and proposed Continued Advance.

Accordingly, OFA waives the requirement as set out in section 3.2 and Schedule 1 of the Credit Agreement for IESO to provide the following certification in the March 21, 2018 Borrowing Notice:

> "(c) The Repayment Date of the Proposed Advance is_____. [Not earlier than 5 days and not later than 95 days after the date of the Proposed Advance.]"

Additionally, OFA waives the requirement as set out in section 3.3 and Schedule 2 of the Credit Agreement for IESO to provide the following certification in the March 21, 2018 Election Notice:

"(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _____. [Insert date not earlier than 5 days and not later than 95 days after the current Repayment Date for the Advance.]"

Subject to the foregoing, section 3.2 and 3.3 of the Credit Agreement applies to all future Proposed Advances.

Best Regards,

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael D. Manning
Title: Executive Director & Chief Investment Officer,
Capital Markets Division

From: Salvatore Alfano []
To: William Tan [William.Tan@ofina.on.ca]; Carlos Yep [Carlos.Yep@ofina.on.ca]; SETTLEMENT [SETTLEMENT@ofina.on.ca]; CASHP [CASHP@ofina.on.ca]
CC: Sarah Harris [Sarah.Harris@ofina.on.ca]
Subject: RE: FHP Agreement, 5-day minimum period exception
Date: Thursday, March 08, 2018 10:57:36

Hi,

We would have no concerns from an operational standpoint.

Sal

From: William Tan
Sent: Wednesday, March 07, 2018 3:33 PM
To: Carlos Yep <Carlos.Yep@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>; CASHP <CASHP@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FHP Agreement, 5-day minimum period exception

Hello all,

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Please let me know if your respective areas have any concerns or issues from an operational standpoint.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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From: Sarah Harris
To: William Tan
Subject: RE: draft: OFHP email to OFA stakeholders
Date: Tuesday, November 14, 2017 10:09:05 AM
Attachments: Dear al1.version 3 (003).docx

Hi Will,
I've made some changes – I'm trying to get the draft to you before Opal's meeting, so it still needs polishing. Please take a look and fill in any highlighted parts.
We can discuss after my meeting with Opal.
Thanks,
Sarah

From: William Tan
Sent: Friday, November 10, 2017 3:51 PM
To: Sarah Harris
Subject: RE: draft: OFHP email to OFA stakeholders
Hello Sarah,
I have made the suggested changes.
Thanks,
Will

From: Sarah Harris
Sent: Thursday, November 09, 2017 9:28 AM
To: William Tan <William.Tan@ofina.on.ca>
Subject: RE: draft: OFHP email to OFA stakeholders
Thanks, Will.
Please see my further comments.
Thanks,
Sarah

From: William Tan
Sent: Wednesday, November 08, 2017 12:24 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: RE: draft: OFHP email to OFA stakeholders
Hello Sarah,
I have made the suggested changes.
Thanks,
Will

From: Sarah Harris
Sent: Wednesday, November 08, 2017 8:44 AM
To: William Tan <William.Tan@ofina.on.ca>
Subject: RE: draft: OFHP email to OFA stakeholders
Hi Will,
Thanks for the draft. Please see my attached comments and send me a revised draft.
Thanks,
Sarah

From: William Tan

Sent: Tuesday, November 07, 2017 6:46 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: draft: OFHP email to OFA stakeholders

Hello Sarah,

Below is the draft email to OFA stakeholders.

Dear all,

Below is the structure for the OFA IESO's existing Credit Facility for $475 million and new $2B OFHP Credit Facility as follows:

OFA:IESO Facility	New FHP facility
Current credit facilities $975 million	$ -
Reduction due to FHP ($500 million)	$ -
Increase due to FHP	$ - $2,000 million
Totals Credit Facilities $475 million	$2,000 million

The FHP Credit Facility has the following key provisions:

- Revolving Credit Facility;
- 5 year term which expires September 30, 2022;
- Draws – to be based on minimum of 5 days to a maximum of 95 days;
- Flexibility to roll-over the entire/portion of the principle or interest;
- Option to create additional subcategories strictly for OFHP purposes by identifying the subcategory on the Borrowing Notice form (advancement form).

Key dates (*approximate numbers):

- November 6, 2017

i. $2 billion OFHP Credit Facility Agreement signed;
ii. Existing Credit Facility changes effective November 21;

- November 17, 2017

i. to receive OFHP Borrowing Notice from IESO to advance $825 million* + $225 million* (new advancement) for November 21, advancement (approximate numbers);
ii. to receive existing Credit Facility Election Notice from IESO to extend $10 million* + $2 million* (new advancement) for November 21, advancement;

- November 21, 2017, anticipated end of day balances

i. OFHP Credit Facility outstanding balance $1.05 billion*
ii. Existing credit Facility $12 million*.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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Dear all,

We have executed the following credit facilities.

1) $2B OFA-IESO Credit Facility in relation to the Ontario Fair Hydro Plan (FHP).

The FHP Credit Facility has the following key provisions:

- Revolving Credit Facility with a maximum limit at any time of C$2 billion;
- Term: 5 year term which expires September 30, 2022, with last draw possible on September 22, 2022;
- Draws: ~~—~~to be based on minimum of 5 days to a maximum of 95 days;
- IESO may~~Flexibility to~~ roll-over the entire/portion of the principal and interest;
- Notice Period: For an advance or a rollover, IESO is required to provide~~give~~ ~~T~~two business day prior notice given not later than 10:00 a.m.;~~[What is notice period for draws and rollover?]~~?
- Business day convention: Following;
- Use of Proceeds~~Funds~~: Proceeds of Advances may be used only for IESO's financing needs and requirements of any kind arising in connection with the IESO's role with respect to and obligations under the OFHP.~~IESO will use funds in the implementation and administration of the Fair Hydro Plan Act, 2017. The revolving credit facility is for the purposes of providing short to medium term financing related to the OFHP; and[The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the Electricity Act, 1998.\\\What is Use of Proceeds?]Option~~IESO may specify to create additional subcategories strictly for OFHP purposes by identifying the subcategory on the Borrowing Notice form (advancement form).~~
-
- Interest Rate on Advances: Annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum. ~~[What is default interest rate?]~~
-

2) **Amending Agreement to reduce limit on Existing IESO-OFA $975M Revolving Credit Facility to $475M (with an Effective Date of November 21, end of day)**

The existing Credit Facility has the following key provisions ~~are confirmed~~:

- ~~Revolving Credit Facility with a maximum limit at any time of $475M;~~
- Revolving Credit Facility with a maximum limit at any time of $475M;
- Term: ~~year term which~~Aagreement expires December 30, 2019, with last draw possible on November 30, 2019;
- Draws: to be based on minimum of 28 days to a maximum of 95 days;
- IESO may ~~Flexibility to~~ roll-over the entire/portion of the principal and interest;

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Commented [WT1]: I found the trade ticket confirming this and confirmed it with Carlos.

SH: You only needed to look to the agreement. Which section is it covered in?

Commented [WT2R1]: Okay, Section 1.5 Non-Business Day. "….actions shall be taken the next succeeding Business day"

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Commented [SH3]: You have to be able to make it meaningful for recipients, in a language they can understand. Include enough information in clear language, that doesn't require them to look up a regulation.

Commented [SH4]: You need to provide more context like – Interest Rate on Advances. Also specify if this is the rate for overdue payments

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Commented [SH5]: General Note: Mirror the structure, content and phrasing of the sections below to those above, making adjustments where it makes sense.

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Commented [SH6]: 3 year term is not helpful, since there are only two years left

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- Notice Period : For an advance or a rollover, IESO is required to provide two business day prior notice given not later than 10:00 a.m.;
- Business day convention: Following; and
- Use of Proceeds: IESO shall use the proceeds of Advances for liquidity purposes.
- Interest Rate on Advances: Annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum.

NEXT DRAW FROM IESO

~~3) [Fill in all the key similar details as is provided for the FHP Facility]~~

November 17, 2017 -Three Notices to be received from IESO:

1) **Existing $975M Credit Facility for RRRP Program**: IESO will send Election Notice instructions to rollover $10,649,081.37 + estimated new advance $2 million (IESO WILL pay accrued interest of X for Oct 20 to Nov 21 period to OFA)
2) **Existing $975M Credit Facility for RPP Program:** IESO to send Election Notice to NOT rollover $825,639,102.00 (IESO WILL pay accrued interest of X for Oct 20 to Nov 21 period to OFA)
3) **$2B FHP Facility:** IESO to send new borrowing notice under for first advance of approximately $1.05B

NOTE: In the Borrowing Notice for the $2B FHP Facility, IESO will specify that instead of funds transfer) the maturing $825,639,102.00 under the Existing $975M Facility, it will instead use the $825,639,102.00 to fund a portion of the 'new' $1.05B advance under the $2B FHP Facility. As a result, for the Advance under $2B facility, the OFA will only transferring net amount of approximately $225 million (that is the difference between $1.05B and $825,639,102.00)

November 21, 2017 – The following transfers are to occur:

1) OFA to transfer to IESO total funds for the following
- **(i)** Existing $975M Credit Facility for RRRP Program: amount of new advance of approximately $2 million
- **(ii)** $2B FHP Facility: amount of new advance of approximately $225 million

2) IESO to transfer to OFA total funds for the following
- Existing $975M Credit Facility for RRRP Program: accrued interest totalling X for (being y for RRRP and z for RPP)~~November 2117, 2017 (intraday)~~

~~instructions for first advance under the FHP Credit Facility;~~

November 21, 2017, anticipated end of day balances

- effective end of day; and
- Approximately $1.05 billion~~*~~ advanced under the FHP Credit Facility.

~~Cash netting of $825,639,102 is observed in **Section 3.2(3) Procedure for Advances of the $2B FHP Credit Facility.**~~

Commented [WT7]: I found the trade ticket for this and confirmed it with Carlos. SH: You only needed to look to the agreement. Which section is it covered in?

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Commented [SH10]: Again, you need to explain more clearly on the November 17th Notice above for the FHP facility about the First Advance. My wording in the comment box above is colloquial, and you need to "Explain' it. Please come me to discuss.

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Best regards,

From: William Tan
To: Sarah Harris
Subject: RE: draft: OFHP email to OFA stakeholders
Date: Wednesday, November 08, 2017 8:47:51 AM

Good morning Sarah,
I hope all is well. I'll get to it.

From: Sarah Harris
Sent: Wednesday, November 08, 2017 8:44 AM
To: William Tan
Subject: RE: draft: OFHP email to OFA stakeholders

Hi Will,
Thanks for the draft. Please see my attached comments and send me a revised draft.
Thanks,
Sarah

From: William Tan
Sent: Tuesday, November 07, 2017 6:46 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: draft: OFHP email to OFA stakeholders

Hello Sarah,
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Dear all,
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Current credit facilities $975 million	$ -
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Totals Credit Facilities $475 million	$2,000 million

The FHP Credit Facility has the following key provisions:

- Revolving Credit Facility;
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- Draws – to be based on minimum of 5 days to a maximum of 95 days;
- Flexibility to roll-over the entire/portion of the principle or interest;
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Key dates (*approximate numbers):

- November 6, 2017

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Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
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- November 21, 2017, anticipated end of day balances

i. OFHP Credit Facility outstanding balance $1.05 billion*
ii. Existing credit Facility $12 million*.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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From: Sarah Harris
To: William Tan
Subject: RE: draft: OFHP email to OFA stakeholders
Date: Wednesday, November 08, 2017 8:43:42 AM
Attachments: Dear al1.docx

Hi Will,

Thanks for the draft. Please see my attached comments and send me a revised draft.

Thanks,

Sarah

From: William Tan

Sent: Tuesday, November 07, 2017 6:46 PM

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Hello Sarah,

Below is the draft email to OFA stakeholders.

Dear all,

Below is the structure for the OFA IESO's existing Credit Facility for $475 million and new $2B OFHP Credit Facility as follows:

OFA:IESO Facility	New FHP facility
Current credit facilities $975 million	$ -
Reduction due to FHP ($500 million)	$ -
Increase due to FHP	$ - $2,000 million
Totals Credit Facilities $475 million	$2,000 million

The FHP Credit Facility has the following key provisions:

- Revolving Credit Facility;
- 5 year term which expires September 30, 2022;
- Draws – to be based on minimum of 5 days to a maximum of 95 days;
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Key dates (*approximate numbers):

- November 6, 2017

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[Fill in all the key similar details as is provided for the FHP Facility]

For your reference, I have summarized forthcoming transactions in relation to next IESO draw on November 21st

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3) ~~[Fill in all the key similar details as is provided for the FHP Facility]~~

November 21~~17~~, 2017 (intraday)

-
- $2 billion FHP Credit Facility~~ Agreement~~:
  - (i) FHP Borrowing Notice instructions for first advance under the FHP Credit Facility;
  - (ii) ~~to receive FHP Borrowing Notice from IESO to~~ $$1.05 billion. (~~Note:~~ $825,639,102 ~~million*~~ + $225 million* (new advance) ~~for~~ November 21, advance~~ment~~);
  - (iii) IESO will pay-off accrued interest~~1, advance (approximate numbers)~~; and
  - (iv) Effectively, IESO is using $825,639,102 under the new FHP facility to pay-off the $825,639,102 amount that is maturing (for the Regulated Price Plan Variance) under the existing $975M facility (OFA to recognize the cash-netting). ~~;~~
  - ~~i.~~
- ~~ii.~~ Existing $975M Credit Facility:
  - (i) Election Notice instructions ~~to receive existing Credit Facility Election Notice from IESO~~
  - (ii) $12,649,081.37($10,649,081.37 ~~million*~~ + $2 million* (new advance~~ement~~) for November 21, advance~~ement~~);
  - (iii) IESO to pay-off accrued Interest; and
  - (iv) Effectively, IESO is rolling-over the $10,649,081.37 under the existing credit facility. ~~;~~

~~ii.~~

November 21, 2017, anticipated end of day balances

-
- $1.05 billion* advanced under the FHP Credit Facility.

Cash netting of $825,639,102 is observed in **Section 3.2(3) Procedure for Advances of the $2B FHP Credit Facility.**

~~ii.~~ *"Respecting the first Advance to be made under this Agreement (the "**First** specified portion thereof (the "**Repayment Amount**") shall be used to repay a portion of the IESO's outstanding indebtedness to the OFA under the credit agreement between the Parties dated January 1, 2005, as amended (the "**Existing Credit Facility**"). The amount of the Repayment Amount shall be detailed in the Borrowing Notice issued in respect of the First Advance. Concurrently with the First Advance, OFA shall provide to IESO an updated grid in respect of the grid note issued under the Existing Credit Facility evidencing the repayment of the Repayment Amount thereunder."*

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November 21~~17~~, 2017 (intraday)

-
- $2 billion FHP Credit Facility~~ Agreement~~:
  - (i) FHP Borrowing Notice instructions for first advance under the FHP Credit Facility;
  - (ii) ~~to receive FHP Borrowing Notice from IESO to~~ $$1.05 billion. (~~Note:~~ $825,639,102 ~~million*~~ + $225 million* (new advance) ~~for~~ November 21, advance~~ment~~);
  - (iii) IESO will pay-off accrued interest~~1, advance (approximate numbers)~~; and
  - (iv) Effectively, IESO is using $825,639,102 under the new FHP facility to pay-off the $825,639,102 amount that is maturing (for the Regulated Price Plan Variance) under the existing $975M facility (OFA to recognize the cash-netting). ~~;~~
  - ~~i.~~
- ~~ii.~~ Existing $975M Credit Facility:
  - (i) Election Notice instructions ~~to receive existing Credit Facility Election Notice from IESO~~
  - (ii) $12,649,081.37($10,649,081.37 ~~million*~~ + $2 million* (new advance~~ement~~) for November 21, advance~~ement~~);
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~~ii.~~

November 21, 2017, anticipated end of day balances

-
- $1.05 billion* advanced under the FHP Credit Facility.

Cash netting of $825,639,102 is observed in **Section 3.2(3) Procedure for Advances of the $2B FHP Credit Facility.**

~~ii.~~ *"Respecting the first Advance to be made under this Agreement (the "**First** specified portion thereof (the "**Repayment Amount**") shall be used to repay a portion of the IESO's outstanding indebtedness to the OFA under the credit agreement between the Parties dated January 1, 2005, as amended (the "**Existing Credit Facility**"). The amount of the Repayment Amount shall be detailed in the Borrowing Notice issued in respect of the First Advance. Concurrently with the First Advance, OFA shall provide to IESO an updated grid in respect of the grid note issued under the Existing Credit Facility evidencing the repayment of the Repayment Amount thereunder."*

Best regards,

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	OFA:IESO Facility	New FHP facility
Current credit facilities	$975 million	$ -
Reduction due to FHP	($500 million)	$ -
Increase due to FHP	$ -	$2,000 million
Totals Credit Facilities	$475 million	$2,000 million

The FHP Credit Facility has the following key provisions:

- Revolving Credit Facility;
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Key dates (*approximate numbers):

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2) Amending Agreement **to reduce** limit on Existing IESO-OFA $975M Revolving Credit Facility to $475M (with an **Effective Date of November 21**, end of day)

The following provisions are confirmed:

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November 21, 2017, anticipated end of day balances

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1) $2B OFA-IESO Credit Facility in relation to the Ontario Fair Hydro Plan (FHP).

The FHP Credit Facility has the following key provisions:

- Revolving Credit Facility with a maximum limit at any time of C$2 billion;
- 5 year term which expires September 30, 2022, with last draw possible on September 22, 2022 ~~X~~;
- Draws ~~–~~ to be based on minimum of 5 days to a maximum of 95 days;
- Flexibility to roll-over the entire/portion of the principal and interest;
- Two business day prior notice given not later than 10:00 a.m.;~~[What is notice period for draws and rollover?]?~~
- Business day convention: Following;~~[What is the business day convention?]~~
- ~~[~~The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the Electricity Act, 1998. Advances may be used only for IESO's financing needs and requirements of any kind arising in connection with the IESO's role with respect to and obligations under the FHP.~~What is Use of Proceeds?]Option~~ Option to create additional subcategories strictly for OFHP purposes by identifying the subcategory on the Borrowing Notice form (advancement form);~~.~~
- Annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum. ~~[What is default interest rate?]~~
-

2) Amending Agreement **to reduce** limit on Existing IESO-OFA $975M Revolving Credit Facility to $475M (with an Effective Date of November 21, end of day)

The following provisions are confirmed:

- ~~Revolving Credit Facility with a maximum limit at any time of $475M;~~

- Revolving Credit Facility with a maximum limit at any time of $475M;
- 3 year term which expires December 30, 2019, with last draw possible on November 30, 2019;
- Draws – to be based on minimum of 28 days to a maximum of 95 days;
- Flexibility to roll-over the entire/portion of the principal and interest;
- Two business day prior notice given not later than 10:00 a.m.;
- Business day convention: Following;
- The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the Electricity Act, 1998, as such regulation may be amended or replaced from time to time, provided that Advances may be used only for liquidity purposes.

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- Annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum.

3) ~~[Fill in all the key similar details as is provided for the FHP Facility]~~

~~i.~~• $2 billion OFHP Credit Facility Agreement signed;
~~ii.~~• Existing Credit Facility changes effective November 21.~~;~~

November 17, 2017

- $2 billion FHP Credit Facility Agreement: to receive FHP Borrowing Notice from IESO ~~to $~~for billion. (~~Note:~~ $825,639,102~~ million*~~ + $225 million* (new advance) for November 21, interest will be paid-off ~~1, advance (approximate numbers)~~);

~~i.~~

- ~~ii.~~ Existing $975M Credit Facility to receive existing Credit Facility Election Notice from IESO rollover $12,649,081.37($10,649,081.37~~ million*~~ + $2 million* (new advance~~ement~~) for advancement) Accrued Interest will be paid-off.~~;~~

~~ii.~~

November 21, 2017, anticipated end of day balances

~~i.~~• FHP Credit Facility outstanding balance $1.05 billion*
- Existing credit Facility $12 million*.
- Summary
  - i. $825,639,102 will mature under the existing credit facility.
  - ii. $12,649,081.37* will remain on the existing credit facility.
  - iii. $1.05 billion* will be advanced under the FHP Credit Facility.

IESO will **not** be transferring back $825,639,102 and OFA will be sending the net amount to IESO.

~~ii.~~

Best regards,

Commented [SH3]: Explain how $825M (give the exact number) will be allowed to mature under existing facility and that those funds will be applied to new advance under FHP, IESO will not be transferreing back the 825M, and OFA will be sending net amount. Aalso mention interest will be paid off

Commented [SH4]: Be more exact with the numbers that are being rolled over and mention IESO will transfer interest.

From: William Tan
To: Sarah Harris
Subject: RE: draft: OFHP email to OFA stakeholders
Date: Wednesday, November 08, 2017 12:24:17 PM
Attachments: Dear al1.version 2.docx

Hello Sarah,

I have made the suggested changes.

Thanks,

Will

From: Sarah Harris
Sent: Wednesday, November 08, 2017 8:44 AM
To: William Tan
Subject: RE: draft: OFHP email to OFA stakeholders

Hi Will,

Thanks for the draft. Please see my attached comments and send me a revised draft.

Thanks,

Sarah

From: William Tan
Sent: Tuesday, November 07, 2017 6:46 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: draft: OFHP email to OFA stakeholders

Hello Sarah,

Below is the draft email to OFA stakeholders.

Dear all,

Below is the structure for the OFA IESO's existing Credit Facility for $475 million and new $2B OFHP Credit Facility as follows:

OFA:IESO Facility	New FHP facility
Current credit facilities $975 million	$ -
Reduction due to FHP ($500 million)	$ -
Increase due to FHP	$ - $2,000 million
Totals Credit Facilities $475 million	$2,000 million

The FHP Credit Facility has the following key provisions:

- Revolving Credit Facility;
- 5 year term which expires September 30, 2022;
- Draws – to be based on minimum of 5 days to a maximum of 95 days;
- Flexibility to roll-over the entire/portion of the principle or interest;
- Option to create additional subcategories strictly for OFHP purposes by identifying the subcategory on the Borrowing Notice form (advancement form).

Key dates (*approximate numbers):

- November 6, 2017

i. $2 billion OFHP Credit Facility Agreement signed;
ii. Existing Credit Facility changes effective November 21;

- November 17, 2017

i. to receive OFHP Borrowing Notice from IESO to advance $825 million* + $225 million* (new advancement) for November 21, advancement (approximate numbers);
ii. to receive existing Credit Facility Election Notice from IESO to extend $10 million* + $2 million* (new advancement) for November 21, advancement;

- November 21, 2017, anticipated end of day balances

i. OFHP Credit Facility outstanding balance $1.05 billion*
ii. Existing credit Facility $12 million*.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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- Annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum. ~~[What is default interest rate?]~~
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2) Amending Agreement **to reduce** limit on Existing IESO-OFA $975M Revolving Credit Facility to $475M (with an Effective Date of November 21, end of day)

The following provisions are confirmed:

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Commented [SH4]: Be more exact with the numbers that are being rolled over and mention IESO will transfer interest.

From: Sarah Harris
To: William Tan
Subject: RE: draft: OFHP email to OFA stakeholders
Date: Tuesday, November 14, 2017 10:09:05 AM
Attachments: Dear al1.version 3 (003).docx

Hi Will,
I've made some changes – I'm trying to get the draft to you before Opal's meeting, so it still needs polishing. Please take a look and fill in any highlighted parts.
We can discuss after my meeting with Opal.
Thanks,
Sarah

From: William Tan
Sent: Friday, November 10, 2017 3:51 PM
To: Sarah Harris
Subject: RE: draft: OFHP email to OFA stakeholders
Hello Sarah,
I have made the suggested changes.
Thanks,
Will

From: Sarah Harris
Sent: Thursday, November 09, 2017 9:28 AM
To: William Tan <William.Tan@ofina.on.ca>
Subject: RE: draft: OFHP email to OFA stakeholders
Thanks, Will.
Please see my further comments.
Thanks,
Sarah

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Subject: RE: draft: OFHP email to OFA stakeholders
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Subject: draft: OFHP email to OFA stakeholders

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ii. to receive existing Credit Facility Election Notice from IESO to extend $10 million* + $2 million* (new advancement) for November 21, advancement;

- November 21, 2017, anticipated end of day balances

i. OFHP Credit Facility outstanding balance $1.05 billion*
ii. Existing credit Facility $12 million*.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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- Draws: ~~—~~to be based on minimum of 5 days to a maximum of 95 days;
- IESO may~~Flexibility to~~ roll-over the entire/portion of the principal and interest;
- Notice Period: For an advance or a rollover, IESO is required to provide~~give~~ ~~T~~two business day prior notice given not later than 10:00 a.m.;~~[What is notice period for draws and rollover?]~~?
- Business day convention: Following;
- Use of Proceeds~~Funds~~: Proceeds of Advances may be used only for IESO's financing needs and requirements of any kind arising in connection with the IESO's role with respect to and obligations under the OFHP.~~IESO will use funds in the implementation and administration of the Fair Hydro Plan Act, 2017. The revolving credit facility is for the purposes of providing short to medium term financing related to the OFHP; and[The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the Electricity Act, 1998.\\\What is Use of Proceeds?]Option~~IESO may specify to create additional subcategories strictly for OFHP purposes by identifying the subcategory on the Borrowing Notice form (advancement form).~~
-
- Interest Rate on Advances: Annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum. ~~[What is default interest rate?]~~
-

2) **Amending Agreement to reduce limit on Existing IESO-OFA $975M Revolving Credit Facility to $475M (with an Effective Date of November 21, end of day)**

The existing Credit Facility has the following key provisions ~~are confirmed~~:

- ~~Revolving Credit Facility with a maximum limit at any time of $475M;~~
- Revolving Credit Facility with a maximum limit at any time of $475M;
- Term: ~~year term which~~Aagreement expires December 30, 2019, with last draw possible on November 30, 2019;
- Draws: to be based on minimum of 28 days to a maximum of 95 days;
- IESO may ~~Flexibility to~~ roll-over the entire/portion of the principal and interest;

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Commented [WT1]: I found the trade ticket confirming this and confirmed it with Carlos.

SH: You only needed to look to the agreement. Which section is it covered in?

Commented [WT2R1]: Okay, Section 1.5 Non-Business Day. "….actions shall be taken the next succeeding Business day"

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Commented [SH3]: You have to be able to make it meaningful for recipients, in a language they can understand. Include enough information in clear language, that doesn't require them to look up a regulation.

Commented [SH4]: You need to provide more context like – Interest Rate on Advances. Also specify if this is the rate for overdue payments

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Commented [SH5]: General Note: Mirror the structure, content and phrasing of the sections below to those above, making adjustments where it makes sense.

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Commented [SH6]: 3 year term is not helpful, since there are only two years left

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- Notice Period : For an advance or a rollover, IESO is required to provide two business day prior notice given not later than 10:00 a.m.;
- Business day convention: Following; and
- Use of Proceeds: IESO shall use the proceeds of Advances for liquidity purposes.
- Interest Rate on Advances: Annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum.

NEXT DRAW FROM IESO

~~3) [Fill in all the key similar details as is provided for the FHP Facility]~~

November 17, 2017 -Three Notices to be received from IESO:

1) **Existing $975M Credit Facility for RRRP Program**: IESO will send Election Notice instructions to rollover $10,649,081.37 + estimated new advance $2 million (IESO WILL pay accrued interest of X for Oct 20 to Nov 21 period to OFA)
2) **Existing $975M Credit Facility for RPP Program:** IESO to send Election Notice to NOT rollover $825,639,102.00 (IESO WILL pay accrued interest of X for Oct 20 to Nov 21 period to OFA)
3) **$2B FHP Facility:** IESO to send new borrowing notice under for first advance of approximately $1.05B

NOTE: In the Borrowing Notice for the $2B FHP Facility, IESO will specify that instead of funds transfer) the maturing $825,639,102.00 under the Existing $975M Facility, it will instead use the $825,639,102.00 to fund a portion of the 'new' $1.05B advance under the $2B FHP Facility. As a result, for the Advance under $2B facility, the OFA will only transferring net amount of approximately $225 million (that is the difference between $1.05B and $825,639,102.00)

November 21, 2017 – The following transfers are to occur:

1) OFA to transfer to IESO total funds for the following
- **(i)** Existing $975M Credit Facility for RRRP Program: amount of new advance of approximately $2 million
- **(ii)** $2B FHP Facility: amount of new advance of approximately $225 million

2) IESO to transfer to OFA total funds for the following
- Existing $975M Credit Facility for RRRP Program: accrued interest totalling X for (being y for RRRP and z for RPP)~~November 2117, 2017 (intraday)~~

~~instructions for first advance under the FHP Credit Facility;~~

November 21, 2017, anticipated end of day balances

- effective end of day; and
- Approximately $1.05 billion~~*~~ advanced under the FHP Credit Facility.

~~Cash netting of $825,639,102 is observed in **Section 3.2(3) Procedure for Advances of the $2B FHP Credit Facility.**~~

Commented [WT7]: I found the trade ticket for this and confirmed it with Carlos. SH: You only needed to look to the agreement. Which section is it covered in?

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Commented [SH10]: Again, you need to explain more clearly on the November 17th Notice above for the FHP facility about the First Advance. My wording in the comment box above is colloquial, and you need to "Explain' it. Please come me to discuss.

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Best regards,

From: Ryan Blackbyrne
To: Sarah Harris
Subject: RE: status update
Date: Tuesday, October 09, 2018 9:26:38 AM

Hi Sarah,

- Tara let us know on Friday that Gadi will not be signing the Loan Act Package materials until after the briefing meeting he has this morning
- No further update provided by Linda since our conversations/emails that you were cc'd on - September 25th.
- Working with Maryam on response to HSBC regarding new terms of business to reflect MiFIDII
- Working with Malle on some of the proposed changes to the briefing note for rebranding Green Bonds
- Working with JF on briefing note regarding fallback language (IBOR and related rates)
- Training Manual materials work in progress

Thanks,
Ryan

From: Ryan Blackbyrne
Sent: Tuesday, September 25, 2018 10:11 AM
To: Sarah Harris
Subject: FW: status update

Hi Sarah,

- Opal signed-off on the Loan Act OIC briefing note with minor comments yesterday afternoon. The note has now been passed along to Tara.
- The due diligence call went well this morning. Opal has asked me to find out how to get a recording of the call which I am in the process of doing
- Patrick has provided me with a draft copy of the Loan Act OIC's
- I spoke with Linda this morning regarding OPG borrowing. She reiterated that she does not expect OPG to do any more borrowing in 2018 but this could change at any time. It sounds like further borrowing requirements going forward after the existing facility expires on December 31, 2018 are fairly uncertain at this time. However, the expectation is that OPG will request a further $700M in borrowing over 3 years (2019,2020,2021) which could take the form of a new facility or an extension of the existing facility. Linda and Ron are in continuous contact with OPG and will keep us updated of developments. Linda requested I update her on the remaining borrowing authority numbers and the remaining borrowing available under the existing facility that expires on December 31, 2018. I emailed these figures to her this morning (and cc'd you).
- I am currently completing the minutes from the IBOR meeting last week (Mike requested I record the the minutes in Elizabeth's absence) I will post them to the IBOR portal when complete.

Thanks,
Ryan

From: Ryan Blackbyrne
Sent: Tuesday, September 18, 2018 9:15 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>

Subject: status update

Hi Sarah,

- Linda is meeting with OPG this week to discuss their plans looking forward. She did not expect any further OPG borrowing under the existing facility in 2018. She said she expects OPG to request a new 3-year $700M credit facility that would become active when the existing credit-facility expires December 31, 2018. I will follow up with her after her meeting with OPG
- Waiting to hear back from Patrick on draft LRC approval form and DM/CO memos. He is also in process of preparing draft OIC
- Working with Andrea on briefing notes requested by Tara McGrath related to Loan Act and Refinancing Act OIC's
- Working on training manual materials

Thanks,

Ryan

From: Sarah Harris
To: Ryan Blackbyrne
Subject: Re: $120M note - Original Agreement - April 1, 1999 .pdf
Date: Wednesday, November 29, 2017 8:11:39 AM

Hi Ryan,

Lisa will likely need the amendments for the agreements too.

Could you please let her know that IESO had been looking to execute by tomorrow in line with execution with the security agreement - that would be very tight, but if we can get them drafts ASAP, today even, that would be the goal.

Thanks,
Sarah

Thanks

Sent from my iPhone

On Nov 28, 2017, at 7:23 PM, Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca> wrote:

> Hi Lisa,
>
> Here is the original $120M note agreement.
> The original $160M revolving credit agreement to follow.
>
> Thanks,
>
> <$120M note - Original Agreement - April 1, 1999 .pdf>
>
> Sent from my iPhone

From: Andrea Dalgarno
To: Opal Kandelas
Cc: Sarah Harris
Subject: Re: BN - Lending Directive for Loan to OCRC.docx
Date: Tuesday, March 27, 2018 5:49:52 PM

Hi,

Will do bright and early in the a.m.

Have a nice evening.

Andrea

Sent from my iPhone

On Mar 27, 2018, at 4:59 PM, Opal Kandelas <Opal.Kandelas@ofina.on.ca> wrote:

> Hi Andrea,
> Could you please send Garth a template of an LRC note? Once he has drafted the briefing note and LRC note we can assist with review. There are still though a lot of moving pieces here so this could be a very interesting project!
> Thanks,
> Opal.
>
> ---
>
> **From:** Garth Parish
> **Sent:** Tuesday, March 27, 2018 3:46 PM
> **To:** Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Malle Hanslep (MOF) <Malle.Hanslep@ontario.ca>
> **Cc:** Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>; Dimitri Markoulakis (MOF) <Dimitri.Markoulakis@ontario.ca>; Mara Bakic <Mara.Bakic@ofina.on.ca>; Anna Strathy <Anna.Strathy@ofina.on.ca>
> **Subject:** RE: BN - Lending Directive for Loan to OCRC.docx
> Hi Opal,
> Yes, will do.
> Regards,
> Garth
>
> ---
>
> **From:** Opal Kandelas
> **Sent:** March-27-18 3:34 PM
> **To:** Garth Parish <Garth.Parish@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Malle Hanslep (MOF) <Malle.Hanslep@ontario.ca>
> **Cc:** Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>; Dimitri Markoulakis (MOF) <Dimitri.Markoulakis@ontario.ca>; Mara Bakic <Mara.Bakic@ofina.on.ca>; Anna Strathy <Anna.Strathy@ofina.on.ca>
> **Subject:** RE: BN - Lending Directive for Loan to OCRC.docx
> Hi Garth,
> Would you please share a briefing note, draft Minister's directive and any other pertinent materials with us. The date for submitting a package for the April 16 LRC has long passed, but we can work towards getting this item to the DMO. An LRC Note will need to be prepared by CEFD as soon as possible. I've cc'd Anna so that she is aware. Please send Anna a brief description of the issue so as to inform her discussions with

DMO.
Thanks,
Opal

From: Garth Parish
Sent: Tuesday, March 27, 2018 2:29 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>; Malle Hanslep (MOF) <Malle.Hanslep@ontario.ca>
Cc: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Dimitri Markoulakis (MOF) <Dimitri.Markoulakis@ontario.ca>; Mara Bakic <Mara.Bakic@ofina.on.ca>
Subject: RE: BN - Lending Directive for Loan to OCRC.docx

Hi Sarah,
As Malle says, the best approach and the approach we, including Gadi, are recommending is that the "commitment" (in whatever form) be provided by MOH. However, it appears as though the loan will be required eventually and will only work under a 35 year amortization (again Gadi has agreed to this amortization in principle), so we will need to amend the OIC. Given that our Plan B, which may be needed, is to provide some joint assurance MOF/MOH to HOOPP by April 30, I would like to work with Capital Markets to try to get the OIC in place so that we can use Plan B if necessary.
If you agree, just let me know what you need from me.
Thanks,
Garth

From: Sarah Harris
Sent: March-27-18 1:11 PM
To: Malle Hanslep (MOF) <Malle.Hanslep@ontario.ca>
Cc: Garth Parish <Garth.Parish@ofina.on.ca>; Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Dimitri Markoulakis (MOF) <Dimitri.Markoulakis@ontario.ca>
Subject: RE: BN - Lending Directive for Loan to OCRC.docx

Malle,
Thank you very much for your quick response.
Garth – I'm not familiar with the various inputs Malle has mentioned below with the loan, and the timing for getting these. Is it possible to obtain all the required approvals, etc. prior to April 30th? As Malle indicates, a binding commitment doesn't seem possible without these elements. On the other hand, if it is possible, we could try to make the case for including an amending OIC for the April 16th LRC.
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Sent: Tuesday, March 27, 2018 12:49 PM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: Garth Parish <Garth.Parish@ofina.on.ca>; Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Dimitri Markoulakis (MOF) <Dimitri.Markoulakis@ontario.ca>
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Also just thinking general about this project, is it anticipated that any other approvals or signing of agreements, etc. would be proposed during the writ period?
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From: Sarah Harris [mailto:Sarah.Harris@ofina.on.ca]
Sent: March 27, 2018 12:21 PM
To: Hanslep, Malle (MOF)
Cc: Parish, Garth (OFA); Dalgarno, Andrea (OFA); Kandelas, Opal (OFA)
Subject: FW: BN - Lending Directive for Loan to OCRC.docx
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I am writing to you to inquire about the timing for an approval for an OIC in relation to a loan that the OFA may be making to St. Michael's, as detailed below.
In short, the OFA has the available room under its existing lending OICs (i.e. the OICs where the OFA borrows from Her Majesty, and then in turn makes loans to public bodies), but the expiry dates of the existing OICs are shorter than the proposed maturity. The OICs expire in 2041 and the loan would mature in late 2054. In order for the St. Micheal's loan to occur, there has to be a binding assurance to HOOPP by April 30th that funds will be available to be advance in the summer of 2019. In order for us to provide this, we would need to get approval for an amending OIC to extend the expiry dates of the existing OICs to 2055.
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A wrinkle is that they need to provide a binding assurance to HOOPP by April 30 that they have the funds although the effective date of the loan and the transfer of funds won't take place until July/August of 2019. This means that the loan wouldn't be paid off until late 2054.
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Regards,
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From: Garth Parish
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Cc: Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Daki Proudfoot <Daki.Proudfoot@ofina.on.ca>; Mara Bakic <Mara.Bakic@ofina.on.ca>; Bonnie Lemcke <Bonnie.Lemcke@ofina.on.ca>
Subject: RE: BN - Lending Directive for Loan to OCRC.docx
Hi Andrea,
That's great. Thank you very much.
We may have some updates/comments to follow.
Thanks,
Garth

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Sent: December-06-17 12:30 PM
To: Garth Parish <Garth.Parish@ofina.on.ca>
Cc: Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Daki Proudfoot <Daki.Proudfoot@ofina.on.ca>
Subject: RE: BN - Lending Directive for Loan to OCRC.docx
Hi Garth,
I have been asked to respond to your query. Attached is the most current listing we have available of the OFA loans under the two OIC's. This listing was finalized in conjunction with Daki in Corporate Finance.
Based on this July 11, 2017 listing, the remaining authority under the two OIC's are as follows:

1) OIC 675/97 (the currently active one) has remaining authority of $721,594,955.57 as of July 11, 2017

2) OIC 767/99 has authority in the amount of $656,000,000.00 as of July 11, 2017

So it seems, we should be able to draw on OIC 675/97 for the additional loans you reference given it was noted in the BN you attached that the 2017-2018 OFA Borrowing and On-lending Plan was set at $486 million and apparently $250 million of that was postponed to 2018-2019.
Let me know should you have any further question or concerns.
Regards,
Andrea

From: Garth Parish
Sent: Tuesday, December 05, 2017 3:37 PM
To: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Cc: Bonnie Zhang <Bonnie.Zhang@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: BN - Lending Directive for Loan to OCRC.docx
Hi Jean-Francois,
You will see in the highlighted section below that Lisa is asking that we confirm that 2 OFA loans we are working on:

- $150 million to the Ontario Cannabis Retail Corporation

- $100 million to St Michael's hospital

are covered by the "existing on-lending OIC's".
I don't know who would keep a registry of the OICs and what loans they cover. Would your group have this registry?
Thanks,
Garth

From: Lisa Stein
Sent: December-04-17 1:25 PM
To: Garth Parish <Garth.Parish@ofina.on.ca>
Cc: Bonnie Zhang <Bonnie.Zhang@ofina.on.ca>
Subject: BN - Lending Directive for Loan to OCRC.docx
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I'm still working on the directive for the OCRC loan. In the meantime, can you please confirm that this loan is covered by the existing on-lending OICs (as referenced in the draft note)?
Thank you,
Lisa

Lisa N. Stein
Legal Counsel
Ontario Financing Authority
416-325-2320
****
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From: Jean-Francois Beaupre
To: Opal Kandelas
Cc: Sarah Harris
Subject: Re: BN - Lending Directive for Loan to OCRC.docx
Date: Tuesday, December 05, 2017 8:00:16 PM

Thanks Opal.

J-F

On Dec 5, 2017, at 6:37 PM, Opal Kandelas <Opal.Kandelas@ofina.on.ca> wrote:

> Hi J-F,
>
> There is a spreadsheet listing the OFA loans in the common directory. Andrea worked with CFB to update it earlier this year.
>
> I will ask her to have a look and respond to Garth.
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> Sent from my iPad
>
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From: Andrea Dalgarno
To: Opal Kandelas
Cc: Sarah Harris
Subject: Re: BN - Lending Directive for Loan to OCRC.docx
Date: Tuesday, March 27, 2018 5:49:52 PM

Hi,

Will do bright and early in the a.m.

Have a nice evening.

Andrea

Sent from my iPhone

On Mar 27, 2018, at 4:59 PM, Opal Kandelas <Opal.Kandelas@ofina.on.ca> wrote:

> Hi Andrea,
> Could you please send Garth a template of an LRC note? Once he has drafted the briefing note and LRC note we can assist with review. There are still though a lot of moving pieces here so this could be a very interesting project!
> Thanks,
> Opal.
>
> ---
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> **Subject:** RE: BN - Lending Directive for Loan to OCRC.docx
> Hi Opal,
> Yes, will do.
> Regards,
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>
> ---
>
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> **Subject:** RE: BN - Lending Directive for Loan to OCRC.docx
> Hi Garth,
> Would you please share a briefing note, draft Minister's directive and any other pertinent materials with us. The date for submitting a package for the April 16 LRC has long passed, but we can work towards getting this item to the DMO. An LRC Note will need to be prepared by CEFD as soon as possible. I've cc'd Anna so that she is aware. Please send Anna a brief description of the issue so as to inform her discussions with

DMO.
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Sent: Wednesday, December 06, 2017 1:52 PM
To: Andrea Dalgarno <Andrea.Dalgarno@ofina.on.ca>
Cc: Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Daki Proudfoot <Daki.Proudfoot@ofina.on.ca>; Mara Bakic <Mara.Bakic@ofina.on.ca>; Bonnie Lemcke <Bonnie.Lemcke@ofina.on.ca>
Subject: RE: BN - Lending Directive for Loan to OCRC.docx
Hi Andrea,
That's great. Thank you very much.
We may have some updates/comments to follow.
Thanks,
Garth

From: Andrea Dalgarno
Sent: December-06-17 12:30 PM
To: Garth Parish <Garth.Parish@ofina.on.ca>
Cc: Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; Daki Proudfoot <Daki.Proudfoot@ofina.on.ca>
Subject: RE: BN - Lending Directive for Loan to OCRC.docx
Hi Garth,
I have been asked to respond to your query. Attached is the most current listing we have available of the OFA loans under the two OIC's. This listing was finalized in conjunction with Daki in Corporate Finance.
Based on this July 11, 2017 listing, the remaining authority under the two OIC's are as follows:

1) OIC 675/97 (the currently active one) has remaining authority of $721,594,955.57 as of July 11, 2017

2) OIC 767/99 has authority in the amount of $656,000,000.00 as of July 11, 2017

So it seems, we should be able to draw on OIC 675/97 for the additional loans you reference given it was noted in the BN you attached that the 2017-2018 OFA Borrowing and On-lending Plan was set at $486 million and apparently $250 million of that was postponed to 2018-2019.
Let me know should you have any further question or concerns.
Regards,
Andrea

From: Garth Parish
Sent: Tuesday, December 05, 2017 3:37 PM
To: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Cc: Bonnie Zhang <Bonnie.Zhang@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FW: BN - Lending Directive for Loan to OCRC.docx
Hi Jean-Francois,
You will see in the highlighted section below that Lisa is asking that we confirm that 2 OFA loans we are working on:

- $150 million to the Ontario Cannabis Retail Corporation

- $100 million to St Michael's hospital

are covered by the "existing on-lending OIC's".
I don't know who would keep a registry of the OICs and what loans they cover. Would your group have this registry?
Thanks,
Garth

From: Lisa Stein
Sent: December-04-17 1:25 PM
To: Garth Parish <Garth.Parish@ofina.on.ca>
Cc: Bonnie Zhang <Bonnie.Zhang@ofina.on.ca>
Subject: BN - Lending Directive for Loan to OCRC.docx
Hi Garth,
Please find attached some comments and suggested amendments to the draft briefing note, attached. I did not review the attachments; however, as discussed on Friday, they still reference the loan to St. Michael's hospital as well (and these references should be deleted).
I'm still working on the directive for the OCRC loan. In the meantime, can you please confirm that this loan is covered by the existing on-lending OICs (as referenced in the draft note)?
Thank you,
Lisa

Lisa N. Stein
Legal Counsel
Ontario Financing Authority
416-325-2320
****
This message, including any attachments, is intended only for the use of the individual(s) to which it is addressed and contains information that is privileged/confidential. Any other distribution, copying or disclosure is strictly prohibited. If you are not the intended recipient or have received this message in error, please notify the sender immediately by reply e-mail and permanently delete this message, including any attachments, without reading it or making a copy. Thank you.
****

From: Sarah Harris
To: Jean-Francois Beaupre
Cc: Opal Kandelas
Subject: Re: Do we need to consider filing anythIng?
Date: Monday, December 11, 2017 9:51:13 PM

Thanks, JF. That helps. Just being cautious and asking question as it's the FAO

Sent from my iPhone

On Dec 11, 2017, at 8:30 PM, Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca> wrote:

> I do not think we should deviate from the Fall Economic Statement and Fiscal Review which is the official public disclosure document of the government, albeit a political one. I realize that there are some diverging opinions on the accounting for FHP and pensions with the AG (which Gadi acknowledged at the town hall last week), but I would not recommend filing anything currently as this would conflict with the government's current fiscal position numbers, notwithstanding the added pressure of an upcoming election next year. Who knows, maybe they will revise the figures in Q3 or the 2018-19 Budget numbers, but I doubt it.
>
> We should probably not make any filings based on news appearing in the general media (unless said news is also approved by MOF communications, which it is not at this time).
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> On Dec 11, 2017, at 6:23 PM, Sarah Harris <Sarah.Harris@ofina.on.ca> wrote:
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> > http://www.ctvnews.ca/mobile/canada/ontario-on-track-for-4b-deficit-in-2017-2018-fao-1.3716358
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From: William Tan
To: Lisa Stein
Cc: Sarah Harris
Subject: Re: IESO $2B and $475M Credit Facilities
Date: Friday, May 18, 2018 11:08:27 AM

Sorry, please disregard this email. I didn't see Sarah's other email updating you in this.

Sent from my iPhone

> On May 18, 2018, at 11:02 AM, William Tan <William.Tan@ofina.on.ca> wrote:
>
> Hello Lisa,
>
> Olga (IESO) provided the borrowing notices with signature under company seal. Do you mind reviewing the attached and commenting if you have any concerns?
>
> Thanks,
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> Will
>
> Sent from my iPhone
>
> Begin forwarded message:
>
> From: "Olga Whiteley" <Olga.Whiteley@ieso.ca<mailto:Olga.Whiteley@ieso.ca>>
> To: "William Tan" <William.Tan@ofina.on.ca<mailto:William.Tan@ofina.on.ca>>, "Sarah Harris" <Sarah.Harris@ofina.on.ca<mailto:Sarah.Harris@ofina.on.ca>>
> Cc: "Anthony Martinello" <Anthony.Martinello@ieso.ca<mailto:Anthony.Martinello@ieso.ca>>, "Victor Buza" <Victor.Buza@ieso.ca<mailto:Victor.Buza@ieso.ca>>
> Subject: RE: IESO $2B and $475M Credit Facilities
>
> Hello Will and Sarah,
> Please see attached borrowing notices with IESO's corporate seal applied to Peter Gregg's signature (CEO). I will forward the originals to you on Monday.
> Thank you very much for your help with all this.
> Regards.
>
> Olga Whiteley | Treasury and Pension Operations
> Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913
> Station A, Box 4474, Toronto, ON M5W 4E5
> Web: www.ieso.ca[ieso.ca]<https://urldefense.proofpoint.com/v2/url?u=http-3A__www.ieso.ca_&d=DwMFAg&c=qG_YucLTZOaBAapRaQkKEgrMWFFl0Cr1_eykjn9FtiQ&r=UzJb6zZSoj7Xb_d6xyTscTOc1rO9oteiNCfjim7d6-g&m=GH2nlZ39XOtn7ou06gZKSlHR0fHHl_rNOCgXN5pV_Qto&s=1aPPhzOjrw_PDR2gkMNsO3f35JqbwujaYbPbR1iPO-o&e=> | Email: olga.whiteley@ieso.ca<mailto:olga.whiteley@ieso.ca>
>
> From: William Tan [mailto:William.Tan@ofina.on.ca]
> Sent: May 17, 2018 3:54 PM
> To: Anthony Martinello; Olga Whiteley
> Cc: Sarah Harris
> Subject: RE: IESO $2B and $475M Credit Facilities
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> Hello Anthony and Olga,
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> I apologise for the multiple emails. I have additional solutions as I am having a fluid conversation with my legal department.
>
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> 1. Certified resolution of the board of directors for IESO authorizing both the Fair Hydro Plan Credit Agreement and for the Existing Credit Facility authorizing the signatory and Updated Incumbency Certificate.
>
> 2. A delegation of authority from the (former) IESO CFO to the IESO CEO (or other authorized signatories).
>
> 3. A general signing authority resolution of the IESO Board of Directors.
>
> 4. By-law or other document in place providing authorization to the IESO CEO.
>
> 5. A certificate from the IESO Corporate Secretary stating that the IESO CEO has signing authority.
>
> 6. A signature under seal of the corporation.
>
> Thanks,
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> Subject: RE: IESO $2B and $475M Credit Facilities
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> Can you please request the following documents from your legal department:
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> 2. a general signing authority resolution of the IESO Board of Directors
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> Will
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> Hello Anthony,
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> Unfortunately the documents required are key documents. Could you please check on the status of the documents? I will seek any possible solutions from my end.
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> Thanks,
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> Cc: Olga Whiteley <Olga.Whiteley@ieso.ca<mailto:Olga.Whiteley@ieso.ca>>; Sarah Harris <Sarah.Harris@ofina.on.ca<mailto:Sarah.Harris@ofina.on.ca>>
> Subject: RE: IESO $2B and $475M Credit Facilities
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> Will,
> I have requested our legal group to address your request and prepare an updated cert….it is pending.
> I'm not sure this cert will be ready by today or tomorrow…let me know if this is a problem.
> As for the IESO CEO signing the draw, the resolution you already have notes that the CFO delegate can sign and thus the IESO CEO (CFO's boss) is now signing the draws.
>
> Regards.
>
>
> From: William Tan [mailto:William.Tan@ofina.on.ca]
> Sent: May 10, 2018 3:12 PM
> To: Anthony Martinello
> Cc: CASHP; SETTLEMENT; Carlos Yep; James Devine; Ricky Lai; Olga Whiteley; Sarah Harris
> Subject: FW: IESO $2B and $475M Credit Facilities
>
> Hello Anthony,
>
> As per our earlier conversation, we would require updated signing authority documents.
>
> Please provide the following:
>
>
> 1. Certified resolution of the board of directors for IESO authorizing both the Fair Hydro Plan Credit Agreement and for the Existing Credit Facility authorizing the signatory.
>
> 2. Updated Incumbency Certificate.
>
> Attached is an example of the documents.
>
> Thanks,
>
> Will
>
> From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
> Sent: Thursday, May 10, 2018 11:47 AM
> To: CASHP <CASHP@ofina.on.ca<mailto:CASHP@ofina.on.ca>>; SETTLEMENT <SETTLEMENT@ofina.on.ca<mailto:SETTLEMENT@ofina.on.ca>>; Carlos Yep <Carlos.Yep@ofina.on.ca<mailto:Carlos.Yep@ofina.on.ca>>; James Devine <James.Devine@ofina.on.ca<mailto:James.Devine@ofina.on.ca>>; Ricky Lai <Ricky.Lai@ofina.on.ca<mailto:Ricky.Lai@ofina.on.ca>>; William Tan <William.Tan@ofina.on.ca<mailto:William.Tan@ofina.on.ca>>
> Cc: Olga Whiteley <Olga.Whiteley@ieso.ca<mailto:Olga.Whiteley@ieso.ca>>
> Subject: IESO $2B and $475M Credit Facilities
>
> Hi,
>
> The IESO's CFO, Kim Marshall, is no longer with the IESO effective May-1-2018.
>
> We are actively recruiting for a CFO, but no CFO and no acting CFO is yet named……the new CFO is not expected to be in place until July 2018.
>
> For the $2B and $475MM facilities, we will be drawing on these next week……..are you ok if I sign the OFA notices or do you require the IESO CEO (remember no CFO is present).
>
> Please advise.
>
> Regards.
>

> Anthony Martinello CPA CA, CFA
> Director, Treasury & Pension Operations
> Independent Electricity System Operator (IESO) | T: 905-403-6944
> Station A, Box 4474, Toronto, ON, M5W 4E5
> www.ieso.ca[ieso.ca][na01.safelinks.protection.outlook.com]<https://na01.safelinks.protection.outlook.com/?url=https%3A%2F%2Furldefense.proofpoint.com%2Fv2%2Furl%3Fu%3Dhttps-3A__na01.safelinks.protection.outlook.com_-3Furl-3Dhttps-253A-252F-252Furldefense.proofpoint.com-252Fv2-252Furl-253Fu-253Dhttp-2D3A-5F-5Fwww.ieso.ca-5F-2526d-253DDwMFAg-2526c-253DqG-5FYucLTZOaBAapRaQkKEgrMWFFI0Cr1-5Feykjn9FitQ-2526r-253DUzJb6zZSoj7Xb-5Fd6xyTscTOc1rO9oteiNCfjim7d6-2Dg-2526m-253DKh3uiAFzemRbfpjOmqhVR3t38tqDSvvAoTcAkhUkEH8-2526s-253DVbhfydIgtUAQxYG0-5FRK2pJCOftB6BTywDmOwSMOHFQo-2526e-253D-26data-3D01-257C01-257CAnthony.Martinello-2540ieso.ca-257C86da2c1dcb444929a8ba08d5b6aa290b-257C7cd55abd63f243c58f4bd38ea458add8-257C0-26sdata-3DkcwReXsHFKlDV7Z8uIGkpAvXkJ0L0aNR-252FjfofNSPU-252Fw-253D-26reserved-3D0%26d%3DDwMFAg%26c%3DqG_YucLTZOaBAapRaQkKEgrMWFFI0Cr1_eykjn9FitQ%26r%3DUzJb6zZSoj7Xb_d6xyTscTOc1rO9oteiNCfjim7d6-g%26m%3D19pfQyutPeFTSLc7T2WN-4f98Sh2MPOOWdGs0HtFeYM%26s%3DT1easZVsi7vu8ocYr2WOv29yq0XUY57rWXLZi_28JD8%26e%3D&data=01%7C01%7COlga.Whiteley%40ieso.ca%7Cb8b29ae1f3fc4efd507708d5bc2ffc54%7C7cd55abd63f243c58f4bd38ea458add8%7C0&sdata=kr7P3DNsejf7lVvbElkPXJjOR17GC1vv5YXXvx5uTsA%3D&reserved=0>

>
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>
> _____
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> <SAMF170118051810190.pdf>
> <SAMF170118051810200.pdf>

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Cc: Sarah Harris
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Date: Friday, May 18, 2018 11:08:27 AM

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Sent from my iPhone

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>
> From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
> Sent: Thursday, May 10, 2018 11:47 AM
> To: CASHP <CASHP@ofina.on.ca<mailto:CASHP@ofina.on.ca>>; SETTLEMENT <SETTLEMENT@ofina.on.ca<mailto:SETTLEMENT@ofina.on.ca>>; Carlos Yep <Carlos.Yep@ofina.on.ca<mailto:Carlos.Yep@ofina.on.ca>>; James Devine <James.Devine@ofina.on.ca<mailto:James.Devine@ofina.on.ca>>; Ricky Lai <Ricky.Lai@ofina.on.ca<mailto:Ricky.Lai@ofina.on.ca>>; William Tan <William.Tan@ofina.on.ca<mailto:William.Tan@ofina.on.ca>>
> Cc: Olga Whiteley <Olga.Whiteley@ieso.ca<mailto:Olga.Whiteley@ieso.ca>>
> Subject: IESO $2B and $475M Credit Facilities
>
> Hi,
>
> The IESO's CFO, Kim Marshall, is no longer with the IESO effective May-1-2018.
>
> We are actively recruiting for a CFO, but no CFO and no acting CFO is yet named……the new CFO is not expected to be in place until July 2018.
>
> For the $2B and $475MM facilities, we will be drawing on these next week……..are you ok if I sign the OFA notices or do you require the IESO CEO (remember no CFO is present).
>
> Please advise.
>
> Regards.
>

> Anthony Martinello CPA CA, CFA
> Director, Treasury & Pension Operations
> Independent Electricity System Operator (IESO) | T: 905-403-6944
> Station A, Box 4474, Toronto, ON, M5W 4E5
> www.ieso.ca[ieso.ca][na01.safelinks.protection.outlook.com]<https://na01.safelinks.protection.outlook.com/?url=https%3A%2F%2Furldefense.proofpoint.com%2Fv2%2Furl%3Fu%3Dhttps-3A__na01.safelinks.protection.outlook.com_-3Furl-3Dhttps-253A-252F-252Furldefense.proofpoint.com-252Fv2-252Furl-253Fu-253Dhttp-2D3A-5F-5Fwww.ieso.ca-5F-2526d-253DDwMFAg-2526c-253DqG-5FYucLTZOaBAapRaQkKEgrMWFFI0Cr1-5Feykjn9FitQ-2526r-253DUzJb6zZSoj7Xb-5Fd6xyTscTOc1rO9oteiNCfjim7d6-2Dg-2526m-253DKh3uiAFzemRbfpjOmqhVR3t38tqDSvvAoTcAkhUkEH8-2526s-253DVbhfydIgtUAQxYG0-5FRK2pJCOftB6BTywDmOwSMOHFQo-2526e-253D-26data-3D01-257C01-257CAnthony.Martinello-2540ieso.ca-257C86da2c1dcb444929a8ba08d5b6aa290b-257C7cd55abd63f243c58f4bd38ea458add8-257C0-26sdata-3DkcwReXsHFKlDV7Z8uIGkpAvXkJ0L0aNR-252FjfofNSPU-252Fw-253D-26reserved-3D0%26d%3DDwMFAg%26c%3DqG_YucLTZOaBAapRaQkKEgrMWFFI0Cr1_eykjn9FitQ%26r%3DUzJb6zZSoj7Xb_d6xyTscTOc1rO9oteiNCfjim7d6-g%26m%3D19pfQyutPeFTSLc7T2WN-4f98Sh2MPOOWdGs0HtFeYM%26s%3DT1easZVsi7vu8ocYr2WOv29yq0XUY57rWXLZi_28JD8%26e%3D&data=01%7C01%7COlga.Whiteley%40ieso.ca%7Cb8b29ae1f3fc4efd507708d5bc2ffc54%7C7cd55abd63f243c58f4bd38ea458add8%7C0&sdata=kr7P3DNsejf7lVvbElkPXJjOR17GC1vv5YXXvx5uTsA%3D&reserved=0>

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> <SAMF170118051810190.pdf>
> <SAMF170118051810200.pdf>

From: Jean-Francois Beaupre
To: Opal Kandelas
Cc: John Kim; Sarah Harris; Gavin He; Ryan Blackbyrne
Subject: Re: IESO - OEFC credit facilities : permitted liens
Date: Thursday, November 16, 2017 5:27:34 PM

Thanks Opal and John. We will wait for your changes John.

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> > **Cc:** Gavin He <Gavin.He@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>
> > **Subject:** Re: IESO - OEFC credit facilities : permitted liens
> > Thanks Sarah, yes Opal will provide comments.
> >
> > On Nov 16, 2017, at 4:02 PM, Sarah Harris <Sarah.Harris@ofina.on.ca> wrote:
> >
> > > Hi JF,
> > > I only have one small edit on where FHP definition is introduced, otherwise looks good to me. Opal appears to be logged off for the day, but I expect she may take a look on the Go Train.
> > > Thanks,
> > > Sarah
> > >
> > > **From:** Jean-Francois Beaupre

Sent: Thursday, November 16, 2017 3:48 PM
To: Gavin He <Gavin.He@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: John Kim <John.Kim@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Dear all,
Please find attached for your review and consideration my suggested edits following our discussion. Happy to incorporate any additional comments you may have.
I did not cc OFA Legal on this draft.
Thanks,
J-F

From: Gavin He
Sent: Thursday, November 16, 2017 8:21 AM
To: Sarah Harris <Sarah.Harris@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: RE: IESO - OEFC credit facilities : permitted liens

Hi all,
We have confirmed with the IESO that the reason for their requested change to the definition of the "permitted liens" in the OEFC credit facility agreements are the same for the request to OFA. The IESO wants to be able to grant security to the OPG Trust, and address the possibility that the Clean Energy Adjustment funds collected by IESO might be considered to be subject to a lien. The IESO does not want to be inadvertently in default.
We have drafted the attached BN for internal approval (Ron and Gadi) process. Could you please review and let us know if you have any concerns? It would be much appreciated if you could provide us your feedback around noon today, given the limited timeframe on this request.
This has been reviewed by Legal last night and I have incorporated the feedback from Sarah N. (in Lisa's absence).
Please let me know if you have any questions.
Thanks,
Gavin He

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Wednesday, November 15, 2017 6:49 AM
To: John Kim <John.Kim@ofina.on.ca>
Cc: Victor Buza <Victor.Buza@ieso.ca>

Subject: IESO - OEFC credit facilities : permitted liens

John,

As discussed yesterday, it likely is best to add to the definition of “Permitted Liens” in the two OEFC facilities to address a) IESO granting security to the OPG Trust during the first 4 years of fair hydro program and b) the possibility that the Clean Energy Adjustment funds collected by IESO might be considered to be subject to a lien. The IESO does not want to be inadvertently in default.

Happy to discuss further. I am out of the office most of this week on IESO business matters but available by cell 289-795-9426, or if necessary you may connect with Victor.

Regards.

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From: Sarah Harris
To: Victor Buza
Subject: Re: IESO - Update Incumbency Certificate
Date: Tuesday, June 19, 2018 4:14:48 PM

Thank you, Victor. Have a good night.

Sarah

Sent from my iPhone

On Jun 19, 2018, at 3:48 PM, Victor Buza <Victor.Buza@ieso.ca> wrote:

> Thanks for you quick response Sarah – attached you will find the executed, updated Incumbency Certificate for IESO (amended as suggested).
> Regards,
> Victor
>
> ---
>
> **From:** Sarah Harris [mailto:Sarah.Harris@ofina.on.ca]
> **Sent:** June 19, 2018 12:55 PM
> **To:** Victor Buza
> **Cc:** Anthony Martinello; Olga Whiteley; William Tan; Lisa Stein
> **Subject:** RE: IESO/OFA - Signing Authority Documents
>
> Victor,
>
> Thank you very much for the draft.
>
> Overall, the certificate looks fine. The only comment we have is that we don't think the last paragraph at the bottom of the page (certification by Barb Anderson for Michael Lyle) is necessary; if that is your standard, however, that's fine.
>
> If it possible to have the draft executed by end of day, that will be helpful ensuring the payment is released ASAP.
>
> Thanks,
> Sarah
>
> ---
>
> **From:** Victor Buza [mailto:Victor.Buza@ieso.ca]
> **Sent:** Tuesday, June 19, 2018 12:28 PM
> **To:** Sarah Harris <Sarah.Harris@ofina.on.ca>
> **Cc:** Anthony Martinello <Anthony.Martinello@ieso.ca>; Olga Whiteley <Olga.Whiteley@ieso.ca>; William Tan <William.Tan@ofina.on.ca>
> **Subject:** RE: IESO/OFA - Signing Authority Documents
>
> Hi Sarah. Following our call earlier and per item #1 of Will's email below, attached

please find the updated form of Incumbency Certificate. Please confirm that this updated form is acceptable and we will proceed to have it executed.

In addition, for your convenience, I also attach the original certified Board Resolution authorizing, among other things, the "Chief Financial Officer or her delegate" with respect to making draws under the Fair Hydro Plan Credit Agreement and for the Existing Credit Facility.

Please call me if you have any questions.

Regards,
Victor

Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079

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From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: June 18, 2018 5:22 PM
To: Olga Whiteley; Anthony Martinello
Cc: Sarah Harris
Subject: RE: IESO - Signing Authority Documents

Hello Olga,

My legal department replied back to me and unfortunately a redacted board resolution and certificate of incumbency is required.

Thanks,

Will

From: William Tan [mailto:William.Tan@ofina.on.ca]
Sent: June 18, 2018 3:45 PM
To: Anthony Martinello; Olga Whiteley
Cc: Sarah Harris; Carlos Yep; James Devine; Ricky Lai
Subject: RE: IESO - Signing Authority Documents

Hello Anthony and Olga,

I am following-up to get an indication of the solution you wish to pursue. Also, when will you be providing the documents. As a heads-up I will be out-of-the-office on Tuesday. For signatory related documents please coordinate with Sarah Harris.

Thanks,

Will

From: William Tan
Sent: Monday, June 18, 2018 11:38 AM
To: 'Anthony Martinello' <Anthony.Martinello@ieso.ca>; Olga Whiteley <Olga.Whiteley@ieso.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>; James Devine <James.Devine@ofina.on.ca>; Ricky Lai <Ricky.Lai@ofina.on.ca>
Subject: IESO - Signing Authority Documents

Hello Anthony,

As per conversation regarding the required signing authority documents for Barb Anderson VP, & CFO on the election notices for June 20. Please provide completed documents for one of the following options below before June 20.

While option 6 is a suitable solution, it should be viewed as a temporary solution. Therefore, I recommend option 1, as a comprehensive long-term solution.

Options provided in May, 2018:

1. Certified resolution of the board of directors for IESO authorizing both the Fair Hydro Plan Credit Agreement and for the Existing Credit Facility authorizing the signatory and Updated Incumbency Certificate.
2. ~~A delegation of authority from the (former) IESO CFO to the IESO CEO (or other authorized signatories).~~
3. A general signing authority resolution of the IESO Board of Directors.
4. By-law or other document in place providing authorization to the IESO ~~CEO~~ CFO.
5. A certificate from the IESO Corporate Secretary stating that the IESO ~~CEO~~ CFO has signing authority.
6. A signature under seal of the corporation.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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<Incumbency Certificate June 19 2018 - EXECUTED.pdf>

From: Sarah Harris
To: Victor Buza
Subject: Re: IESO - Update Incumbency Certificate
Date: Tuesday, June 19, 2018 4:14:48 PM

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Sent from my iPhone

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> Please call me if you have any questions.
> Regards,

Victor

Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079
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Sent: June 18, 2018 5:22 PM
To: Olga Whiteley; Anthony Martinello
Cc: Sarah Harris
Subject: RE: IESO - Signing Authority Documents

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Thanks,

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Sent: June 18, 2018 3:45 PM
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Thanks,

Will

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Sent: Monday, June 18, 2018 11:38 AM
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Subject: IESO - Signing Authority Documents

Hello Anthony,

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-

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4. By-law or other document in place providing authorization to the IESO ~~CEO~~ CFO.
5. A certificate from the IESO Corporate Secretary stating that the IESO ~~CEO~~ CFO has signing authority.
6. A signature under seal of the corporation.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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From: John Kim
To: Lisa Stein
Cc: Sarah Harris; William Tan; Opal Kandelas
Subject: Re: IESO OEFC credit facilities
Date: Friday, November 24, 2017 6:28:57 PM

Hi Lisa,

As you will recall, we circulated earlier version of the note which you had reviewed and Sarah Neville as well. My understanding was the Legal took the position that this was a business decision. I can share the latest version of the note Monday. I am off today so am not sure where things are but understood that an effort would be made to bring everyone onside.

Thanks,

John

Sent from my iPad

On Nov 24, 2017, at 5:17 PM, Lisa Stein <Lisa.Stein@ofina.on.ca> wrote:

> Hi John,
> Do you have a status update regarding the IESO's request to amend the IESO-OEFC credit facilities? I understand that a briefing note is being circulated – please let me know if you require legal review.
> Thank you,
> Lisa
> ***Lisa N. Stein***
> Legal Counsel
> Ontario Financing Authority
> 416-325-2320
> **********
> This message, including any attachments, is intended only for the use of the individual(s) to which it is addressed and contains information that is privileged/confidential. Any other distribution, copying or disclosure is strictly prohibited. If you are not the intended recipient or have received this message in error, please notify the sender immediately by reply e-mail and permanently delete this message, including any attachments, without reading it or making a copy. Thank you.
> **********

From: Jean-Francois Beaupre
To: Ryan Blackbyrne; Sarah Harris
Subject: Re: IESO / OEFC - $120MM and $160MM
Date: Thursday, November 09, 2017 10:39:15 PM

Gavin seems rather confused... but I am in agreement that the $475M amendment no. 10 probably should not have referenced FHP permitted liens but the intercept provision was fine.

JF

On Nov 9, 2017, at 8:56 PM, Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca> wrote:

> Hi Gavin,
> Happy to jump on a call tomorrow. My calendar is up to date.
> Thanks,
> Ryan
>
> ---
>
> **From:** Gavin He
> **Sent:** Thursday, November 09, 2017 8:50 PM
> **To:** Lisa Stein <Lisa.Stein@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
> **Cc:** Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
> **Subject:** RE: IESO / OEFC - $120MM and $160MM
> Hi Lisa/Ryan,
> If it's easier, I can set up a quick meeting to chat about this too if you prefer.
> Thanks,
> Gavin He
>
> ---
>
> **From:** Gavin He
> **Sent:** Thursday, November 09, 2017 5:50 PM
> **To:** Lisa Stein <Lisa.Stein@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
> **Cc:** Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
> **Subject:** RE: IESO / OEFC - $120MM and $160MM
> Hi Lisa/Ryan,
> Thank you very much for the responses and that's helpful!
> I will go back to IESO to verify what's their rationale to for the request. But before I go back, I just want to make sure that I understand the concerns/suggestions from our side first.
> The change we made for the OFA credit facility agreement was to allow IESO to take liens related to FHP in the event if IESO can't pay OFA back the loan, correct? What was the reason for this change? And wouldn't the same reason apply for the loans that IESO has with OEFC? And if IESO can't pay back the loans to OEFC, should they still be able to take any liens related to FHP, or not? But if they were able to do so under the OFA credit facility agreement, are there any reasons that they cannot do the same under

the OEFC credit facility agreement?
I understand that the $120M and $160M credit facilities are not for FHP purposes, but I think this is a separate question from whether they can take liens related to FHP if IESO can't pay OEFC back the loans? Similarly, I believe the existing $475M IESO credit facility with OFA was not for the FHP purpose, but the agreement was amended by the amendment #10 to include the FHP lien clause in the actual agreement, right? So I am just a bit confused about this process and trying to find out whether we should apply a consistent approach for OEFC's credit facilities before I push this back to IESO.
Also, a separate question on the $160M credit facility agreement. Since it was amended to be used for FHP purpose previously, do we need to amend that now since a separate facility agreement was created specifically for FHP purposes? Or that amendment automatically expires when the $2B FHP credit facility was created, and for sure we don't need to update anything in the $160M credit facility agreement to that effect?
Thanks,
Gavin He

From: Lisa Stein
Sent: Thursday, November 09, 2017 12:49 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM
I also recommend asking the IESO for the exact details of the proposed amendments.

From: Ryan Blackbyrne
Sent: Thursday, November 09, 2017 12:19 PM
To: Gavin He <Gavin.He@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: IESO / OEFC - $120MM and $160MM
Hi Gavin,
Thank you for your note. After reviewing your note and the attached agreements we had a few comments:

- <!--[if !supportLists]-->● <!--[endif]-->We understand that the $160M credit facility agreement will not be used for FHP purposes, although an amendment was made earlier in 2017 to allow advances for the purposes of FHP.
- <!--[if !supportLists]-->● <!--[endif]-->It is our assumption that the $160M credit facility agreement was amended in April, 2017, pursuant to Reg. 280/14 as a potential temporary option for FHP funding requirements until such time as a separate facility agreement was created specifically for FHP purposes (i.e. the $2B OFA-IESO credit facility)
- <!--[if !supportLists]-->● <!--[endif]-->There is an existing $120M loan agreement, maturing June 30, 2020, which is not a credit facility, but a fixed term loan. No amendments were made here in relation to FHP, as it is non-revolving and used

for capital purposes.

<!--[if !supportLists]-->● <!--[endif]-->Since the $160M credit facility agreement will not be used for FHP purposes, it is not clear to us why the change to definition of Permitted Liens is required, and how not making this change would prevent IESO from performing its obligations under the OFHP Act. Please clarify.

<!--[if !supportLists]-->● <!--[endif]-->Kindly confirm with Anthony why IESO believes these amendments are necessary in respect of the $160M credit facility and $120M loan agreement.

We look forward to hearing back from you. Happy to discuss further as always.

Thank You,

Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M7A 1Y7
416-325-8143
ryan.blackbyrne@ofina.on.ca

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Tuesday, November 07, 2017 4:07 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>
Subject: IESO - OEFC Nov 7

Ryan,

As discussed with Will today, I understand you will be co-ordinating the proposed 2 amendments to the existing IESO-OEFC credit facilities.

For starters, there are no expected changes being asked to the existing agreement's key business content (e.g. amounts, dates, interest, notices etc.), rather given that IESO-OFA have just finished two new agreements pertaining to the new fair hydro program, ….I suggest we just copy and paste the salient sections from these agreements that would now be relevant to the OEFC agreements for fair hydro namely;

1.DRAFT

The definition of "Permitted Liens" is amended by deleting the word "and" at the end of subsection (xx); replacing the "." at the end of subsection (xx) and replacing it with "; and" ; and adding the following subsection (xx):

"(xx) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

2.DRAFT

The OFA agreements had required an intercept provision, …..not sure if the same applies to OEFC if yes:

“Section 5.7 Intercept
(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of November 6th , 2017 herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the Capital Investment Plan Act, 1993 (the “Intercept Letter”), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO (“Appropriated Funds”), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA’s compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA (“Intercept”).
(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO’s failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.
(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.
(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.
The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail.”
3.
If any… other relevant updates that make sense to do now……I do not anticipate any material ones.
We need your support to expedite the above in order to avoid delays in the Fair Hydro implementation.
Regards.
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named recipient(s) above and may contain information that is privileged, confidential and/or exempt from disclosure under applicable law. If you are not the intended recipient(s), any dissemination, distribution or copying of this e-mail message or any files transmitted with it is strictly prohibited. If you have received this message in error, or are not the named recipient(s), please notify the sender immediately and delete this e-mail message.

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From: Gavin He
Sent: Thursday, November 09, 2017 8:29 AM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Hi Lisa, Sarah, and William,

Following my email on Tuesday, EFB has drafted the attached note on the IESO's request on the OEFC credit facility, including the background information, our recommendation, and the rationale. Could you please review the accuracy of the note and would you be able to provide me with your feedback before noon today?

Sorry for the short turnaround time, but we all would like to move on this as soon as possible.

Thanks,

Gavin He

From: Lisa Stein
Sent: Wednesday, November 08, 2017 9:55 AM
To: Gavin He <Gavin.He@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Sarah Neville <Sarah.Neville@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Thanks for the update Gavin.

From: Gavin He
Sent: Tuesday, November 07, 2017 4:02 PM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
Cc: William Tan <William.Tan@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Sarah Neville <Sarah.Neville@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Hi Lisa/Sarah H.,

We touched based with IESO and they told us that the OEFC agreements do not contemplate a general grant of security by IESO over its assets as is currently under discussion with the OPG Trust relative to the implementation of the OFHP. The changes

required to allow for such a grant would be to amend the permitted liens and negative covenant language in the OEFC agreements so as to make it the same as, or very similar to, the language in the two OFA Agreements that were signed recently.
We will get a policy direction soon and will draft a note for you to review once it's ready.
Regards,
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From: Lisa Stein
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To: John Kim <John.Kim@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>
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Subject: RE: IESO / OEFC - $120MM and $160MM
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From: John Kim
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Cc: William Tan <William.Tan@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>; Opal Kandelas <Opal.Kandelas@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>
Subject: Re: IESO / OEFC - $120MM and $160MM
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> > **Date:** November 5, 2017 at 11:02:50 AM EST

To: William Tan <William.Tan@ofina.on.ca>
Cc: Lisa Stein <Lisa.Stein@ofina.on.ca>, Sarah Harris <Sarah.Harris@ofina.on.ca>, Victor Buza <Victor.Buza@ieso.ca>
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Sent: November 01, 2017 12:56 PM
To: 'William Tan'
Cc: 'Lisa Stein'; 'Sarah Harris'; 'John Kim'; Victor Buza
Subject: IESO / OEFC - $120MM and $160MM

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To: Sarah Harris
Cc: William Tan; Lisa Stein; Opal Kandelas; Gavin He
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From: Jean-Francois Beaupre
To: Ryan Blackbyrne; Sarah Harris
Subject: Re: IESO / OEFC - $120MM and $160MM
Date: Thursday, November 09, 2017 10:39:15 PM

Gavin seems rather confused... but I am in agreement that the $475M amendment no. 10 probably should not have referenced FHP permitted liens but the intercept provision was fine.

JF

On Nov 9, 2017, at 8:56 PM, Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca> wrote:

> Hi Gavin,
> Happy to jump on a call tomorrow. My calendar is up to date.
> Thanks,
> Ryan
>
> ---
>
> **From:** Gavin He
> **Sent:** Thursday, November 09, 2017 8:50 PM
> **To:** Lisa Stein <Lisa.Stein@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
> **Cc:** Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
> **Subject:** RE: IESO / OEFC - $120MM and $160MM
> Hi Lisa/Ryan,
> If it's easier, I can set up a quick meeting to chat about this too if you prefer.
> Thanks,
> Gavin He
>
> ---
>
> **From:** Gavin He
> **Sent:** Thursday, November 09, 2017 5:50 PM
> **To:** Lisa Stein <Lisa.Stein@ofina.on.ca>; Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
> **Cc:** Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
> **Subject:** RE: IESO / OEFC - $120MM and $160MM
> Hi Lisa/Ryan,
> Thank you very much for the responses and that's helpful!
> I will go back to IESO to verify what's their rationale to for the request. But before I go back, I just want to make sure that I understand the concerns/suggestions from our side first.
> The change we made for the OFA credit facility agreement was to allow IESO to take liens related to FHP in the event if IESO can't pay OFA back the loan, correct? What was the reason for this change? And wouldn't the same reason apply for the loans that IESO has with OEFC? And if IESO can't pay back the loans to OEFC, should they still be able to take any liens related to FHP, or not? But if they were able to do so under the OFA credit facility agreement, are there any reasons that they cannot do the same under

the OEFC credit facility agreement?
I understand that the $120M and $160M credit facilities are not for FHP purposes, but I think this is a separate question from whether they can take liens related to FHP if IESO can't pay OEFC back the loans? Similarly, I believe the existing $475M IESO credit facility with OFA was not for the FHP purpose, but the agreement was amended by the amendment #10 to include the FHP lien clause in the actual agreement, right? So I am just a bit confused about this process and trying to find out whether we should apply a consistent approach for OEFC's credit facilities before I push this back to IESO.
Also, a separate question on the $160M credit facility agreement. Since it was amended to be used for FHP purpose previously, do we need to amend that now since a separate facility agreement was created specifically for FHP purposes? Or that amendment automatically expires when the $2B FHP credit facility was created, and for sure we don't need to update anything in the $160M credit facility agreement to that effect?
Thanks,
Gavin He

From: Lisa Stein
Sent: Thursday, November 09, 2017 12:49 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>; Gavin He <Gavin.He@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM
I also recommend asking the IESO for the exact details of the proposed amendments.

From: Ryan Blackbyrne
Sent: Thursday, November 09, 2017 12:19 PM
To: Gavin He <Gavin.He@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>; Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>; Lisa Stein <Lisa.Stein@ofina.on.ca>
Subject: IESO / OEFC - $120MM and $160MM
Hi Gavin,
Thank you for your note. After reviewing your note and the attached agreements we had a few comments:

- <!--[if !supportLists]-->● <!--[endif]-->We understand that the $160M credit facility agreement will not be used for FHP purposes, although an amendment was made earlier in 2017 to allow advances for the purposes of FHP.
- <!--[if !supportLists]-->● <!--[endif]-->It is our assumption that the $160M credit facility agreement was amended in April, 2017, pursuant to Reg. 280/14 as a potential temporary option for FHP funding requirements until such time as a separate facility agreement was created specifically for FHP purposes (i.e. the $2B OFA-IESO credit facility)
- <!--[if !supportLists]-->● <!--[endif]-->There is an existing $120M loan agreement, maturing June 30, 2020, which is not a credit facility, but a fixed term loan. No amendments were made here in relation to FHP, as it is non-revolving and used

for capital purposes.

<!--[if !supportLists]-->● <!--[endif]-->Since the $160M credit facility agreement will not be used for FHP purposes, it is not clear to us why the change to definition of Permitted Liens is required, and how not making this change would prevent IESO from performing its obligations under the OFHP Act. Please clarify.

<!--[if !supportLists]-->● <!--[endif]-->Kindly confirm with Anthony why IESO believes these amendments are necessary in respect of the $160M credit facility and $120M loan agreement.

We look forward to hearing back from you. Happy to discuss further as always.

Thank You,

Ryan Blackbyrne
Documentation & Analysis Specialist
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M7A 1Y7
416-325-8143
ryan.blackbyrne@ofina.on.ca

From: Anthony Martinello [mailto:Anthony.Martinello@ieso.ca]
Sent: Tuesday, November 07, 2017 4:07 PM
To: Ryan Blackbyrne <Ryan.Blackbyrne@ofina.on.ca>
Cc: Jean-Francois Beaupre <Jean-Francois.Beaupre@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>; John Kim <John.Kim@ofina.on.ca>; Victor Buza <Victor.Buza@ieso.ca>
Subject: IESO - OEFC Nov 7

Ryan,

As discussed with Will today, I understand you will be co-ordinating the proposed 2 amendments to the existing IESO-OEFC credit facilities.

For starters, there are no expected changes being asked to the existing agreement's key business content (e.g. amounts, dates, interest, notices etc.), rather given that IESO-OFA have just finished two new agreements pertaining to the new fair hydro program, ….I suggest we just copy and paste the salient sections from these agreements that would now be relevant to the OEFC agreements for fair hydro namely;

1.DRAFT

The definition of "Permitted Liens" is amended by deleting the word "and" at the end of subsection (xx); replacing the "." at the end of subsection (xx) and replacing it with "; and" ; and adding the following subsection (xx):

"(xx) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP."

2.DRAFT

The OFA agreements had required an intercept provision, …..not sure if the same applies to OEFC if yes:

“Section 5.7 Intercept
(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of November 6th , 2017 herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the Capital Investment Plan Act, 1993 (the “Intercept Letter”), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO (“Appropriated Funds”), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA’s compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA (“Intercept”).
(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO’s failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.
(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.
(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.
The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail.”
3.
If any… other relevant updates that make sense to do now……I do not anticipate any material ones.
We need your support to expedite the above in order to avoid delays in the Fair Hydro implementation.
Regards.
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Sent: Thursday, November 09, 2017 8:29 AM
To: Lisa Stein <Lisa.Stein@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; William Tan <William.Tan@ofina.on.ca>
Subject: RE: IESO / OEFC - $120MM and $160MM

Hi Lisa, Sarah, and William,

Following my email on Tuesday, EFB has drafted the attached note on the IESO's request on the OEFC credit facility, including the background information, our recommendation, and the rationale. Could you please review the accuracy of the note and would you be able to provide me with your feedback before noon today?

Sorry for the short turnaround time, but we all would like to move on this as soon as possible.

Thanks,

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To:	Sarah Harris
Cc:	William Tan; Ryan Blackbyrne; Lisa Stein; Jean-Francois Beaupre; Opal Kandelas; Gavin He
Subject:	Re: IESO granting of security on ieso assets to opg trust
Date:	Monday, November 13, 2017 11:25:31 AM

Hi Sarah,

We will have a call with Anthony tomorrow. Until we sort this out, it would be helpful if no additional contacts are made.

Thanks.

John

Sent from my iPhone

On Nov 13, 2017, at 10:33 AM, Anthony Martinello <Anthony.Martinello@ieso.ca> wrote:

> Ryan, Will, John
>
> The IESO will be seeking IESO Board approval on Nov 22 to grant the security/priority on ieso assets to the OPG trust.
>
> Let me know if you wish to discuss...i would like to give the Board any comments that OFA and OEFC may have on this granting. Regards
>
> ---
>
> **From:** William.Tan@ofina.on.ca
> **Sent:** November 6, 2017 4:14 PM
> **To:** Victor.Buza@ieso.ca
> **Cc:** Lisa.Stein@ofina.on.ca; Sarah.Harris@ofina.on.ca; Anthony.Martinello@ieso.ca; John.Kim@ofina.on.ca
> **Subject:** RE: Signatures for FHP and Amending Agreement No. 10
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> Ryan, Will, John
>
> The IESO will be seeking IESO Board approval on Nov 22 to grant the security/priority on ieso assets to the OPG trust.
>
> Let me know if you wish to discuss...i would like to give the Board any comments that OFA and OEFC may have on this granting. Regards
>
> ---
>
> **From:** William.Tan@ofina.on.ca
> **Sent:** November 6, 2017 4:14 PM
> **To:** Victor.Buza@ieso.ca
> **Cc:** Lisa.Stein@ofina.on.ca; Sarah.Harris@ofina.on.ca; Anthony.Martinello@ieso.ca; John.Kim@ofina.on.ca
> **Subject:** RE: Signatures for FHP and Amending Agreement No. 10
>
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From: Sarah Harris
To: Olga Whiteley
Subject: Re: IESO/OEFC $160M Credit Facility - Notice for Sep 4/18
Date: Wednesday, August 29, 2018 2:30:25 PM

My pleasure!

Sent from my iPhone

On Aug 29, 2018, at 2:10 PM, Olga Whiteley <Olga.Whiteley@ieso.ca> wrote:

> Thanks for your help Sarah!
>
> **From:** Sarah Harris [mailto:Sarah.Harris@ofina.on.ca]
> **Sent:** August 29, 2018 10:10 AM
> **To:** Olga Whiteley
> **Cc:** Nurudin Kaba; LeRoy Ahyee; Carlos Yep; William Tan
> **Subject:** RE: IESO/OEFC $160M Credit Facility - Notice for Sep 4/18
>
> **CAUTION:** This email originated from outside of the organization. Exercise caution when clicking on links or opening attachments even if you recognize the sender.
>
> Hello Olga,
> Please find attached a notice with draft language for the advance. Please note that the Use of Funds should also state "IESO Corporate Requirements", as this was updated in Amending Agreement #6.
> Thanks,
> Sarah
>
> **From:** William Tan
> **Sent:** Tuesday, August 28, 2018 2:51 PM
> **To:** 'Olga Whiteley' <Olga.Whiteley@ieso.ca>
> **Cc:** Nurudin Kaba <Nurudin.Kaba@ofina.on.ca>; LeRoy Ahyee <LeRoy.Ahyee@ofina.on.ca>; Sarah Harris <Sarah.Harris@ofina.on.ca>; Carlos Yep <Carlos.Yep@ofina.on.ca>
> **Subject:** RE: IESO/OEFC $160M Credit Facility - Notice for Sep 4/18
> Hello Olga,
> I am currently reviewing the agreement and will advise on suitable language to use on the Borrowing Notice.
> Thanks,
> Will
>
> **From:** Olga Whiteley [mailto:Olga.Whiteley@ieso.ca]
> **Sent:** Tuesday, August 28, 2018 9:46 AM
> **To:** CASHP <CASHP@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>
> **Cc:** Anthony Martinello <Anthony.Martinello@ieso.ca>
> **Subject:** IESO/OEFC $160M Credit Facility - Notice for Sep 4/18
> Please find attached notice for September 4 regarding IESO's $160M facility.
> Regards.
> **Olga Whiteley** | Treasury and Pension Operations
> Independent Electricity System Operator (IESO) | T: (905) 403-6917 | F: (905) 403-6913

Station A, Box 4474, Toronto, ON M5W 4E5
Web: www.ieso.ca [ieso.ca] [na01.safelinks.protection.outlook.com] | Email: olga.whiteley@ieso.ca
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From: William Tan
To: Sarah Harris
Subject: Redacted FHP Agreement
Date: Tuesday, November 28, 2017 11:16:12 AM
Attachments: FHP Agreement (Redacted).docx

Hello Sarah,

From the guidance I received yesterday, IESO wishes to share the FHP Agreement with TD Bank. TD Bank wants to ensure that OPG's eventual FHP related debt does not rank ahead of the TD Bank outstanding line of credit with IESO and we are to redact sections of the FHP Agreement that are proprietary.

I am taking a conservative view. I recommend to remove quantitative descriptions, dates and non-standard lien, event default provisions and Intercept Provision. Without the opportunity to compare our agreement against TD Bank's agreement sections on Permitted Liens, Event Default, Covenants of IESO, Negative Pledge etc. we may not know exactly what is proprietary.

Please find he attached FHP Agreement. I have highlighting the areas in yellow that I recommend to redact.

Thanks,

Will

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

as Borrower

and

ONTARIO FINANCING AUTHORITY

as Lender

REVOLVING CREDIT FACILITY AGREEMENT

Date: November ___, 2017

REVOLVING CREDIT FACILITY AGREEMENT

THIS AGREEMENT is made as of the ____ day of November 2017,

BETWEEN:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, a statutory corporation without share capital existing under Part II of the *Electricity Act, 1998* (the "**IESO**") (as Borrower)

AND

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* (the "**OFA**" and together with the IESO, the "**Parties**") (as Lender)

RECITALS:

WHEREAS the IESO has requested a revolving credit facility for up to a maximum principal amount of $2 billion from the OFA for the purpose of supporting the IESO's role in the implementation and administration of the *Ontario Fair Hydro Plan Act, 2017*.

THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the Parties agree as follows:

ARTICLE 1

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"Advances" means advances made by the OFA to the IESO under Article 3 and "Advance" means any one of such advances, and in the case of an election by the IESO under Section 3.3, includes a "Continued Advance", as defined in Section 3.3(1), as applicable.

"Advances Outstanding" means, at any time, an amount equal to the aggregate principal amount of all Advances outstanding at such time.

"Agreement", "herein", "hereby", "hereor', "hereunder" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression "Article" or "Section" followed by a number means the specified Article or Section of this Agreement.

"Borrowing Notice" has the meaning specified in Section 3.2(1).

"Business Day" means any day that is not a day on which banks are generally authorized or required by law or executive order to be closed in the City of Toronto.

"**Clean Energy Adjustment"** has the same meaning as that term is defined in the OFHP.

"Commitment" means, at any time, an amount equal to $2 billion.

"Consolidated Assets" means, at any time, the book value of the assets of the IESO and the Subsidiaries, determined as of such time on a consolidated basis in accordance with GAAP.

Commented [WT1]: Redact accounting standards?

"**Continued Advance"** has the meaning specified in Section 3.3(1).

"Credit Facility" means the revolving credit facility to be made available to the IESO by the OFA under this Agreement for the purposes specified in Section 2.2.

"**Current Repayment Date**" has the meaning specified in Section 3.3(2).

"Default" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"Dollars" or **"$**" means lawful currency of Canada.

"Election Notice" has the meaning specified in Section 3.3(2).

"Event of Default" has the meaning specified in Section 5.1.

"**First Advance**" has the meaning specified in Section 3.2(3).

"GAAP" means accounting policies and standards as established by the Chartered Professional Accountants of Canada, at the relevant time and applied on a consistent basis.

"Grid Note" has the meaning specified in Section 3.2(2).

"Indebtedness" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) every obligation of such Person for borrowed money;

(b) every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments;

(c) every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) every capital lease obligation of such Person;

(f) the Swap Termination Value of each Swap Contract of such Person; and

(g) every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"Lien" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"Material Subsidiary" means, at any time, a Subsidiary which has consolidated assets with a book value of more than $25 million determined in accordance with GAAP.

"**New Repayment Date**" has the meaning specified in Section 3.3(2).

"**OFHP**" means the *Ontario Fair Hydro Plan Act, 2017*,S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

"Permitted Liens" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) any obligations or duties, affecting the property of the IESO to any municipality or governmental, statutory or public authority, with respect to any franchise, grant, license

or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by the IESO or such Material Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by the IESO or such Material Subsidiary;

(d) any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) the right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) any undetermined or inchoate Liens and charges incidental to the current operations of the IESO or a Material Subsidiary that have not at the time been filed against the IESO or such Material Subsidiary; provided, however, that if any such Lien or charge shall have been filed, the IESO or such Material Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) any Lien the validity of which is being contested at the time by the IESO or a Material Subsidiary in good faith and the enforcement of which has been stayed;

(h) any easements, rights-of-way and servitudes that in the opinion of the IESO will not in the aggregate materially and adversely impair the use or value of the land for the purpose for which it is held or occupied by the IESO or a Material Subsidiary;

(i) any Liens and privileges arising out of judgments or awards with respect to which the IESO or a Material Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall have secured a stay of execution pending such appeal or proceedings for review;

(j) any other Liens of a nature similar to the foregoing which do not in the opinion of the IESO, acting reasonably, materially impair the use of the property subject thereto or the operation of the business of the IESO or any Material Subsidiary or the value of such property for the purpose of any such business; and

(k) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other

lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

"Person" means any individual, corporation, partnership joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"Purchase Money Mortgage" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or part of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"Repayment Date" means, in respect of the repayment of Advances, the repayment date contained in the most recent Borrowing Notice or Election Notice.

"Stated Maturity" when used with respect to any Indebtedness or any installment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such installment of interest is due and payable.

"Subsidiary" means:

(a) a corporation more than 50% of the voting power or the outstanding Voting Shares of which is owned, directly or indirectly, by the IESO or by one or more other Subsidiaries or by the IESO and one or more other Subsidiaries; or

(b) any Person (other than a corporation) in which the IESO, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

"Swap Contract" means any agreement whether or not in writing, relating to any transaction or derivative transaction including a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction currency swap, cross-currency rate swap, swaption, currency option or other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.

"Swap Termination Value" means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap contracts:

(a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and

(b) for any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.

"Voting Shares" of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings.

The division of this Agreement into Articles and Sections and the insertion of headings are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and vice versa and words importing gender may include any gender. In this Agreement, (a) the words "including" and "includes" mean "including (or includes) without limitation", and (b) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" each mean "to but excluding".

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with GAAP.

Commented [WT2]: Redact accounting standards?

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the next succeeding Business Day.

ARTICLE 2
REVOLVING CREDIT FACILITY

Section 2.1 Availability.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO. The OFA shall make each Advance in Dollars.

Section 2.2 Use of Proceeds.

The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the *Electricity Act, 1998*, as such regulation may be amended or replaced from time to time, subject to the condition that proceeds of Advances may be used only for IESO's financing needs and requirements of any kind arising in connection with the IESO's role with respect to and obligations under the OFHP.

Section 2.3 Credit Facility Limit.

The Advances Outstanding shall not at any time exceed the Commitment. The Credit Facility shall revolve and no payment under the Credit Facility shall reduce the Commitment.

Section 2.4 Mandatory Repayment.

Subject to Sections 2.5 and 5.2, the IESO shall repay each Advance together with the interest accrued thereon on the applicable Repayment Date, and, in any event, shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder on September 30, 2022.

Section 2.5 Prepayments.

The IESO is not entitled to prepay any part of the Advances Outstanding or the interest accrued thereon without the prior written consent of the OFA.

Section 2.6 Payments under this Agreement.

(1) The OFA shall make Advances to the IESO under this Agreement to or to the order of the IESO by wire transfer of immediately available funds in accordance with wire transfer instructions given by the IESO to the OFA from time to time, or in such other manner as the IESO may specify to the OFA from time to time.

(2) The IESO shall make any payment required hereunder to be made by it to the OFA, to or to the order of the OFA, by wire transfer of immediately available funds in accordance with wire transfer instruction given by the OFA to the IESO from time to time, or in such other manner as the OFA may specify to the IESO from time to time. The IESO shall make each such payment in Canadian Dollars.

Section 2.7 Computations of Interest.

(1) All computations of interest shall be made by the OFA taking into account the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest is payable on the basis of a year of 365 days or 366 days, as the case may be.

(2) For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Agreement for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

Section 2.8 Limit on Rate of Interest.

(1) Notwithstanding any provision contained in this Agreement, the IESO shall not be obliged to make any payments of interest or other amounts payable to the OFA hereunder in excess of the amount or rate which would be prohibited by applicable law or would result in the receipt by the OFA of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada)).

(2) In the event that any such payments are limited or prohibited as provided in Section 2.8(1), the OFA shall have no further obligation to make any Advances available hereunder and the Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, shall become immediately due and payable.

Section 2.9 Application of Payments.

All payments made by the IESO under this Agreement shall be applied firstly to the payment of interest payable to the OFA on late payments of principal or interest hereunder, secondly, to the payment of accrued and unpaid interest payable to the OFA hereunder and thirdly, to the payment of the outstanding principal amount of any Advances payable to the OFA.

ARTICLE 3
ADVANCES

Section 3.1 Advances.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO under the Credit Facility from time to time on any Business Day prior to September 23, 2022.

Section 3.2 Procedure for Advances.

(1) Subject to Section 3.3(5), each Advance shall be made subject to two Business Days' prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each notice of an Advance (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1, other than a Borrowing Notice that is included in an Election Notice as permitted by Section 3.3(3). Each Borrowing Notice shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance; (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall not be earlier than 5 days and not later than 95 days after the date of the requested Advance. Each Borrowing Notice shall also certify the use of proceeds of the Advance which shall in any case be in accordance with Section 2.2. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, the IESO shall execute and deliver to the OFA a grid promissory note in respect of Advances substantially in the form of Schedule 3 (the "**Grid Note**"). The IESO authorizes the OFA to record on the Grid Note (a) the date and amount of each Advance or Continued Advance; (b) the applicable rate of interest for each Advance or Continued Advance; (c) the Repayment Date of each Advance or Continued Advance; (d) the date and amount of each payment of interest and each payment of principal or portion thereof in respect of each Advance or Continued Advance; and (e) Advances Outstanding. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such Advances and repayments; provided that the failure of the OFA to record any amount, rate or date shall not affect the obligation of the IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement.

(3) Respecting the first Advance to be made under this Agreement (the "**First Advance**"), a specified portion thereof (the "**Repayment Amount**") shall be used to repay a portion of the IESO's outstanding indebtedness to the OFA under the credit agreement between the Parties dated January 1, 2005, as amended (the "**Existing Credit Facility**"). The amount of the Repayment Amount shall be detailed in the Borrowing Notice issued in respect of the First Advance. Concurrently with the First Advance, OFA shall provide to IESO an updated grid in respect of the grid note issued under the Existing Credit Facility evidencing the repayment of the Repayment Amount thereunder.

Section 3.3 Elections Regarding Advances.

(1) The IESO may elect to continue all or a portion of the principal amount of any Advance and any amount of interest on such Advance (together, the "**Continued Advance**") for a further period of at least 5 days and up to a maximum of 95 days beginning on the then current Repayment Date in accordance with Section 3.3(2).

(2) Each notice to continue an Advance for a further period (an "**Election Notice**") shall be provided by the IESO to the OFA at least two Business Days prior to the Repayment Date of the Advance (the "**Current Repayment Date**"), and in each case, not later than

10:00 a.m. (Toronto time). Each such Election Notice shall be given substantially in the form of Schedule 2 and shall be irrevocable and binding upon the IESO and shall specify: (a) the Current Repayment Date; (b) the new aggregate total amount of the proposed Continued Advance; (c) the amount of interest or principal, if any, to be paid or re-paid by the IESO with respect to such Advance on the Current Repayment Date; and (d) the new Repayment Date of the proposed Continued Advance, which shall be no earlier than 5 days and not later than 95 days after the current Repayment Date (the "**New Repayment Date"**). If the IESO fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date.

(3) An Election Notice with respect to a proposed Continued Advance may include a Borrowing Notice for a further Advance proposed to be made on the Current Repayment Date. The Repayment Date of such further Advance shall be the New Repayment Date of the Continued Advance that is specified in the Election Notice. Such Borrowing Notice shall be given substantially in the form of Schedule 2.

(4) The calculation of interest on a Continued Advance shall be determined in the same manner as an Advance under Section 3.4 and shall be recorded on the Grid Note in accordance with Section 3.2(2).

(5) Any portion of an Advance not continued for a further period in accordance with Section 3.3(2) shall be repayable on the applicable Repayment Date.

(6) The Credit Facility shall at all times rank *pari passu* with all other unsubordinated and unsecured Indebtedness of the IESO, subject to the existence of any Liens that secure Indebtedness, as permitted by subections 4.6 (a) through (e) hereof.

(7) All amounts owing in respect of the Advances shall be paid without exercising any right of set off or counterclaim by the IESO.

Section 3.4 Interest on Advances.

(1) The IESO shall pay interest on the unpaid principal amount of each Advance in accordance with this Section 3.4 from and including the date of such Advance until the principal amount of such Advance is repaid in full.

(2) Interest shall accrue on the principal amount of each Advance from and including the date of the Advance to but excluding the Repayment Date of such Advance, at an annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum, before as well as after the date such principal amount or interest thereon becomes due hereunder and both before and after Default and shall be payable on the Repayment Date for such Advance. Any amount of interest arising hereunder which is not paid when due shall bear interest at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment. The amount of interest payable on an Advance will be calculated by the

OFA by dividing the interest rate applicable to the Advance by 365 or 366, as the case may be, and multiplying the result by the principal amount of the Advance and further multiplying the result by the number of days in the period from the date of the Advance to the Repayment Date of the Advance.

(3) If the IESO elects to continue an Advance in accordance with Section 3.3(2), the OFA shall determine the interest rate applicable after the original Repayment Date of the Advance and endorse the said rate on the grid forming part of the Grid Note in respect of Advances held by it.

Section 3.5 Conditions Precedent

The obligation of the OFA to make the Advances to the IESO pursuant to Section 2.1 is subject to the following conditions being satisfied to the OFA's satisfaction at the time of making each Advance:

(a) that the representations and warranties of the IESO contained in this Agreement are true and correct as at the date of making the Advance;

(b) that no Event of Default has occurred and is continuing;

(c) that there shall, in the reasonable opinion of the OFA, have been no material adverse change in the financial condition of the IESO or a Material Subsidiary; and

(d) that the OFA has received such other documentation which it has reasonably requested to ensure that the IESO is in compliance with the terms and conditions of this Agreement, including certified true copies of any necessary resolutions, a written legal opinion from counsel to the IESO confirming that the borrowing is within the legal powers of the IESO and that the Agreement is a direct, unsecured obligation of the IESO enforceable against the IESO in form satisfactory to the OFA.

ARTICLE 4
COVENANTS OF THE IESO

Section 4.1 Repayment of Advances.

The IESO will duly and punctually pay all amounts owing under this Agreement in accordance with the terms and subject to the conditions of this Agreement.

Section 4.2 IESO will Maintain its Corporate Existence.

The IESO will at all times maintain its corporate existence.

Section 4.3 Maintenance of Properties.

The IESO will cause all property owned by the IESO or any Material Subsidiary to be maintained and kept in good condition, repair and working order, all as in the judgment of the IESO or any Material Subsidiary may be necessary for the proper operation of such property, except as and to the extent that the IESO or any Material Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 4.3 shall prevent the IESO or any Material Subsidiary from discontinuing the maintenance of any such property or decommissioning any such property if such discontinuance or decommissioning is, in the judgment of the IESO or any such Material Subsidiary, desirable in the conduct of its business or the business of any such Material Subsidiary, or has been directly or indirectly requested or required by the Province of Ontario.

Section 4.4 Insurance.

The IESO will cause all property owned by the IESO or any Material Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the mature and to the extent that such property is usually insured by companies operating similar businesses.

Section 4.5 Conduct of Business.

The IESO will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in accordance with good business practice.

Section 4.6 Negative Pledge.

The IESO will not, and will not permit any Material Subsidiary to, create, incur or assume any Lien, charging the interest of the IESO or any Material Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, all amounts owing under this Agreement are secured equally and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) the creation, incurrence or assumption of any Purchase Money Mortgage;

(b) the grant of any Lien in the normal course of business to any banks or financial institutions for present or future Indebtedness of the IESO or any Material Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) any extension, renewal or replacement of any of the Liens referred to in Sections 4.6(a), (b) or (c), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased; and

(e) any Lien charging the interest of the IESO or any Material Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 4.6(a), (b) or (c), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 4.6(e) which is outstanding at such time does not exceed 10% of Consolidated Assets at such time.

Section 4.7 Payment of OFA Expenses

In addition to any liability of the IESO to the OFA under any other provision of this Agreement, the IESO will, on demand, reimburse and indemnify OFA for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OFA in connection with the Agreement (including those services incurred in the preservation of rights under or enforcement of this Agreement at any time during the continuance of a Default or Event of Default and for any reasonable loss or expense incurred by OFA as a result of any failure by the IESO to fulfill any of its obligations under this Agreement). All such costs, charges and expenses shall bear interest at the Province of Ontario's cost of funds plus 0.25 percent per annum (as determined by the OFA) calculated and payable monthly not in advance from in each case from the date on which the OFA incurs the cost, charge or expense until the date on which the IESO reimbursement the OFA therefor. The OFA agrees, acting reasonably, to invoice the IESO for any such costs, charges and expense as they are incurred, together with interest at the aforesaid rate (with interest on overdue interest).

Section 4.8 Reporting.

The IESO will promptly provide to the OFA any reports or supporting documents that the OFA may request from time to time.

Section 4.9 Late Repayment of Advance.

In the event that the IESO fails to repay the principal amount of any Advance and all interest accrued thereon when due, the IESO shall pay interest on the unpaid amount of such Advance at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment.

ARTICLE 5
EVENTS OF DEFAULT AND REMEDIES

Section 5.1 Event of Default.

Wherever used in this Agreement, the term "Event of Default" means any of the following:

(a) the IESO's failure to pay any interest upon any Advance when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) failure to pay the principal amount of any Advance on the applicable Repayment Date or the Advances Outstanding, all interest accrued thereon and all other amounts owing under this Agreement on September 30, 2022;

(c) failure on the part of the IESO to observe or perform its obligations set forth in Section 4.1;

(d) failure on the part of the IESO to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 20 days after the date on which written notice of such failure shall have been given to the IESO by the OFA;

(e) any representation or warranty made by the IESO in this Agreement or in any certificate or other document at any time delivered hereunder to the OFA was incorrect or misleading in any material respect;

(f) one or more breaches by the IESO of its covenants under one or more evidences of Indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $5 million, which breaches:

(i) constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist, or

(ii) have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived or rescinded);

(g) the IESO or any Material Subsidiary:

(i) becomes unable to meet its obligations as they generally become due or has ceased paying its current obligations in the ordinary course of business as they generally become due;

(ii) admits in writing its inability to pay its debts generally or makes a general assignment for the benefit its creditors or files a proposal or other scheme

of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) institutes or has instituted against it any proceeding seeking:

(A) to adjudicate it as bankrupt or insolvent,

(B) liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors, or

(C) the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets,

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismissed or unstayed for a period of 30 days, or any remedy sought in any such proceeding (including the entry of order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

(iv) takes any corporate action to authorize any of the actions in Sections 5.1 (g)(i) to (iii); or

(h) if there shall be rendered against the IESO or any Material Subsidiary a final judgment or judgments for the payment of money in an aggregate amount in excess of $5 million by a court or courts of competent jurisdiction, and the IESO or any Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 5.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case the OFA may at its option, in addition to any other remedy available to the OFA at law, by written notice to the IESO, take any or all of the following actions:

(a) suspend the right of the IESO to request any further Advance until the Event of Default has been cured to the OFA's satisfaction or, if the Event of Default is not

cured within three (3) Business Days after the date on which written notice of such Event of Default shall have been given to the IESO by the OFA, declare all amounts owing hereunder including all interest accrued to be due and payable immediately, by a notice in writing to the IESO, and upon any such declaration all such amounts shall become immediately due and payable.

(b) invoke the Intercept pursuant to section 5.7 of this Agreement to require payment of any amount due and payable under this Agreement.

Section 5.3 Suits for Enforcement by the OFA.

If an Event of Default occurs and is continuing, the OFA may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in the OFA by this Agreement or by law.

Section 5.4 OFA May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of the IESO under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property of the IESO, or if any other judicial proceedings relative to the IESO, its creditors or its property are pending, the OFA shall be entitled and empowered, by intention in such proceeding or otherwise:

(a) to file and prove a claim for all amounts owing under this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of the OFA (including any claim for fees and disbursements of the OFA, its agents and counsel) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claim.

Section 5.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to the OFA is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.6 Delay or Omission not Waiver.

No delay or omission of the OFA to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right or remedy given by this Article 5 or by law to OFA may be exercised from time to time, and as often as may be deemed expedient, by the OFA.

Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of even date herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the *Capital Investment Plan Act, 1993* (the "**Intercept Letter**"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("**Appropriated Funds**"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("**Intercept**").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

(e) The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or

inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail.

ARTICLE 6
REPRESENTATIONS AND WARRANTIES OF IESO

Section 6.1 Representations and Warranties of IESO

The IESO represents and warrants to the OFA that:

(a) the borrowing of money (including principal and accrued interest) by the IESO and the execution, delivery and performance of this Agreement are within the powers and capacities of the IESO and have been duly authorized by all necessary legal action and proper proceedings;

(b) the execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the compliance with the terms and conditions of this Agreement will not conflict with or result in a breach of any of the terms or provisions of the constituting documents or by-laws of the IESO, laws of Ontario, including laws of Canada applicable therein, applicable to the IESO or any contractual or other obligation binding on the IESO;

(c) this Agreement will, when executed and delivered, constitute the legal, valid and binding obligation of the IESO enforceable against it in accordance with its terms; and

(d) the monies advanced under this Agreement shall be used only by the IESO for the purposes set out in Section 2.2.

Section 6.2 Continuation of Representation and Warranties

The representations and warranties set out in Section 6.1 herein shall survive the execution and delivery of this Agreement, the making of each Advance by the OFA, notwithstanding any investigations or examinations which may be made by counsel for the OFA.

ARTICLE 7
GENERAL

Section 7.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy or other means of electronic communication addressed:

If to the IESO, to it at:

Independent Electricity System Operator
120 Adelaide Street West, Suite 1600
Toronto, ON M5H 1T1

Attention: Chief Financial Officer
Telephone: (416)969-6232
Facsimile: (905)403-6913

If to the OFA, to it at:

Ontario Financing Authority 1 Dundas Street West
Suite 1400 Toronto, Ontario M7A 1Y7

Attention: Executive Director & Chief Investment Officer – Capital Markets Division
Telephone: (416)325-8930
Facsimile: (416)860-8346

provided that any Borrowing Notice or Election Notice shall be addressed as indicated on Schedule 1 or Schedule 2 respectively.

Any communication hereunder shall be deemed to have been validly and effectively given if (a) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p.m. (Toronto time), otherwise on the next Business Day, (b) transmitted by facsimile or other means of electronic communication, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice give in accordance with this Section 7.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 7.1.

Section 7.2 Successors and Assigns.

This Agreement shall be binding on and enure to the benefit of the OFA and the IESO and their respective successors and permitted assigns, except that the IESO shall not, without the

prior written consent of the OFA assign, pledge or hypothecate any rights or obligations with respect to this Agreement.

Section 7.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of the Parties.

Section 7.4 Waiver.

(1) No waiver of any provisions of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) of this Agreement nor shall such waiver be binding unless executed in writing by the party to be bound by the waiver.

(2) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude another or further exercise of such right or the exercise of any other right.

Section 7.5 Further Assurances.

Each of the IESO and the OFA shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement

Section 7.6 Severability.

In case any provision in this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement shall not in any way be affected or impaired thereby.

Section 7.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 7.8 Entire Agreement.

This Agreement, including the schedules hereto and any other agreements expressly referred to herein, constitutes the whole agreement between the Parties with respect to the matters dealt with in it, and it supersedes any prior agreement, undertakings, discussions and the like respecting the matters dealt with in this Agreement and entered into by the Parties before the date the OFA signs this Agreement.

Section 7.9 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Agreement.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first written above.

ONTARIO FINANCING AUTHORITY

Per: _____

Name: Gadi Mayman
Title: Chief Executive Officer

I have authority to bind the corporation.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; Treasurer

I have authority to bind the corporation.

SCHEDULE 1

FORM OF BORROWING NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The principal amount of the Proposed Advance is $_____;
(c) The Repayment Date of the Proposed Advance is _____. [Not earlier than 5 days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:

Authorized Signatory

SCHEDULE 2

FORM OF ELECTION NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is _____.

(b) The aggregate amount of the proposed Continued Advance is $_____, which is comprised of:
   i. principal amount (or portion thereof) of Advance which is to be continued $_____; and
   ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date $_____;

(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): $ _____

(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _____. [Insert date not earlier than 5 days and not later than 95 days after the current Repayment Date for the Advance.]

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: $_____
The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Name:

Authorized Signatory

SCHEDULE 3 – FORM OF GRID NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $2,000,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR (the "**IESO**"), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY** ("**OFA**") at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement (as defined below).

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the Revolving Credit Facility Agreement dated **[INSERT DATE]** as amended, supplemented or restated from time to time, between the Borrower and the OFA (the "Agreement"). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:
Authorized Signatory

Revolving Credit Facility Grid Note

Ontario Financing Authority
Line of Credit Grid Note

Entity : Independent Electricity System Operator
Loan Limit:

Project:
Schedule of loan transactions to:
Loan Advanced to:

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days

From: William Tan
To: Sarah Harris
Subject: Redacted FHP Agreement
Date: Tuesday, November 28, 2017 11:16:12 AM
Attachments: FHP Agreement (Redacted).docx

Hello Sarah,

From the guidance I received yesterday, IESO wishes to share the FHP Agreement with TD Bank. TD Bank wants to ensure that OPG's eventual FHP related debt does not rank ahead of the TD Bank outstanding line of credit with IESO and we are to redact sections of the FHP Agreement that are proprietary.

I am taking a conservative view. I recommend to remove quantitative descriptions, dates and non-standard lien, event default provisions and Intercept Provision. Without the opportunity to compare our agreement against TD Bank's agreement sections on Permitted Liens, Event Default, Covenants of IESO, Negative Pledge etc. we may not know exactly what is proprietary.

Please find he attached FHP Agreement. I have highlighting the areas in yellow that I recommend to redact.

Thanks,

Will

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

as Borrower

and

ONTARIO FINANCING AUTHORITY

as Lender

REVOLVING CREDIT FACILITY AGREEMENT

Date: November ___, 2017

REVOLVING CREDIT FACILITY AGREEMENT

THIS AGREEMENT is made as of the ____ day of November 2017,

BETWEEN:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, a statutory corporation without share capital existing under Part II of the *Electricity Act, 1998* (the "**IESO**") (as Borrower)

AND

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* (the "**OFA**" and together with the IESO, the "**Parties**") (as Lender)

RECITALS:

WHEREAS the IESO has requested a revolving credit facility for up to a maximum principal amount of $2 billion from the OFA for the purpose of supporting the IESO's role in the implementation and administration of the *Ontario Fair Hydro Plan Act, 2017*.

THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the Parties agree as follows:

ARTICLE 1

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"Advances" means advances made by the OFA to the IESO under Article 3 and "Advance" means any one of such advances, and in the case of an election by the IESO under Section 3.3, includes a "Continued Advance", as defined in Section 3.3(1), as applicable.

"Advances Outstanding" means, at any time, an amount equal to the aggregate principal amount of all Advances outstanding at such time.

"Agreement", "herein", "hereby", "hereor', "hereunder" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression "Article" or "Section" followed by a number means the specified Article or Section of this Agreement.

"Borrowing Notice" has the meaning specified in Section 3.2(1).

"Business Day" means any day that is not a day on which banks are generally authorized or required by law or executive order to be closed in the City of Toronto.

"**Clean Energy Adjustment"** has the same meaning as that term is defined in the OFHP.

"Commitment" means, at any time, an amount equal to $2 billion.

"Consolidated Assets" means, at any time, the book value of the assets of the IESO and the Subsidiaries, determined as of such time on a consolidated basis in accordance with GAAP.

Commented [WT1]: Redact accounting standards?

"**Continued Advance"** has the meaning specified in Section 3.3(1).

"Credit Facility" means the revolving credit facility to be made available to the IESO by the OFA under this Agreement for the purposes specified in Section 2.2.

"**Current Repayment Date**" has the meaning specified in Section 3.3(2).

"Default" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"Dollars" or **"$**" means lawful currency of Canada.

"Election Notice" has the meaning specified in Section 3.3(2).

"Event of Default" has the meaning specified in Section 5.1.

"**First Advance**" has the meaning specified in Section 3.2(3).

"GAAP" means accounting policies and standards as established by the Chartered Professional Accountants of Canada, at the relevant time and applied on a consistent basis.

"Grid Note" has the meaning specified in Section 3.2(2).

"Indebtedness" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) every obligation of such Person for borrowed money;

(b) every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments;

(c) every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) every capital lease obligation of such Person;

(f) the Swap Termination Value of each Swap Contract of such Person; and

(g) every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"Lien" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"Material Subsidiary" means, at any time, a Subsidiary which has consolidated assets with a book value of more than $25 million determined in accordance with GAAP.

"**New Repayment Date**" has the meaning specified in Section 3.3(2).

"**OFHP**" means the *Ontario Fair Hydro Plan Act, 2017*,S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

"Permitted Liens" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) any obligations or duties, affecting the property of the IESO to any municipality or governmental, statutory or public authority, with respect to any franchise, grant, license

or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by the IESO or such Material Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by the IESO or such Material Subsidiary;

(d) any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) the right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) any undetermined or inchoate Liens and charges incidental to the current operations of the IESO or a Material Subsidiary that have not at the time been filed against the IESO or such Material Subsidiary; provided, however, that if any such Lien or charge shall have been filed, the IESO or such Material Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) any Lien the validity of which is being contested at the time by the IESO or a Material Subsidiary in good faith and the enforcement of which has been stayed;

(h) any easements, rights-of-way and servitudes that in the opinion of the IESO will not in the aggregate materially and adversely impair the use or value of the land for the purpose for which it is held or occupied by the IESO or a Material Subsidiary;

(i) any Liens and privileges arising out of judgments or awards with respect to which the IESO or a Material Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall have secured a stay of execution pending such appeal or proceedings for review;

(j) any other Liens of a nature similar to the foregoing which do not in the opinion of the IESO, acting reasonably, materially impair the use of the property subject thereto or the operation of the business of the IESO or any Material Subsidiary or the value of such property for the purpose of any such business; and

(k) any Lien arising from the IESO's role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other

lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

"Person" means any individual, corporation, partnership joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"Purchase Money Mortgage" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or part of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"Repayment Date" means, in respect of the repayment of Advances, the repayment date contained in the most recent Borrowing Notice or Election Notice.

"Stated Maturity" when used with respect to any Indebtedness or any installment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such installment of interest is due and payable.

"Subsidiary" means:

(a) a corporation more than 50% of the voting power or the outstanding Voting Shares of which is owned, directly or indirectly, by the IESO or by one or more other Subsidiaries or by the IESO and one or more other Subsidiaries; or

(b) any Person (other than a corporation) in which the IESO, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

"Swap Contract" means any agreement whether or not in writing, relating to any transaction or derivative transaction including a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction currency swap, cross-currency rate swap, swaption, currency option or other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.

"Swap Termination Value" means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap contracts:

(a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and

(b) for any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.

"Voting Shares" of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings.

The division of this Agreement into Articles and Sections and the insertion of headings are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and vice versa and words importing gender may include any gender. In this Agreement, (a) the words "including" and "includes" mean "including (or includes) without limitation", and (b) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" each mean "to but excluding".

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with GAAP.

Commented [WT2]: Redact accounting standards?

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the next succeeding Business Day.

ARTICLE 2
REVOLVING CREDIT FACILITY

Section 2.1 Availability.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO. The OFA shall make each Advance in Dollars.

Section 2.2 Use of Proceeds.

The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the *Electricity Act, 1998*, as such regulation may be amended or replaced from time to time, subject to the condition that proceeds of Advances may be used only for IESO's financing needs and requirements of any kind arising in connection with the IESO's role with respect to and obligations under the OFHP.

Section 2.3 Credit Facility Limit.

The Advances Outstanding shall not at any time exceed the Commitment. The Credit Facility shall revolve and no payment under the Credit Facility shall reduce the Commitment.

Section 2.4 Mandatory Repayment.

Subject to Sections 2.5 and 5.2, the IESO shall repay each Advance together with the interest accrued thereon on the applicable Repayment Date, and, in any event, shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder on September 30, 2022.

Section 2.5 Prepayments.

The IESO is not entitled to prepay any part of the Advances Outstanding or the interest accrued thereon without the prior written consent of the OFA.

Section 2.6 Payments under this Agreement.

(1) The OFA shall make Advances to the IESO under this Agreement to or to the order of the IESO by wire transfer of immediately available funds in accordance with wire transfer instructions given by the IESO to the OFA from time to time, or in such other manner as the IESO may specify to the OFA from time to time.

(2) The IESO shall make any payment required hereunder to be made by it to the OFA, to or to the order of the OFA, by wire transfer of immediately available funds in accordance with wire transfer instruction given by the OFA to the IESO from time to time, or in such other manner as the OFA may specify to the IESO from time to time. The IESO shall make each such payment in Canadian Dollars.

Section 2.7 Computations of Interest.

(1) All computations of interest shall be made by the OFA taking into account the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest is payable on the basis of a year of 365 days or 366 days, as the case may be.

(2) For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Agreement for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

Section 2.8 Limit on Rate of Interest.

(1) Notwithstanding any provision contained in this Agreement, the IESO shall not be obliged to make any payments of interest or other amounts payable to the OFA hereunder in excess of the amount or rate which would be prohibited by applicable law or would result in the receipt by the OFA of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada)).

(2) In the event that any such payments are limited or prohibited as provided in Section 2.8(1), the OFA shall have no further obligation to make any Advances available hereunder and the Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, shall become immediately due and payable.

Section 2.9 Application of Payments.

All payments made by the IESO under this Agreement shall be applied firstly to the payment of interest payable to the OFA on late payments of principal or interest hereunder, secondly, to the payment of accrued and unpaid interest payable to the OFA hereunder and thirdly, to the payment of the outstanding principal amount of any Advances payable to the OFA.

ARTICLE 3
ADVANCES

Section 3.1 Advances.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO under the Credit Facility from time to time on any Business Day prior to September 23, 2022.

Section 3.2 Procedure for Advances.

(1) Subject to Section 3.3(5), each Advance shall be made subject to two Business Days' prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each notice of an Advance (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1, other than a Borrowing Notice that is included in an Election Notice as permitted by Section 3.3(3). Each Borrowing Notice shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance; (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall not be earlier than 5 days and not later than 95 days after the date of the requested Advance. Each Borrowing Notice shall also certify the use of proceeds of the Advance which shall in any case be in accordance with Section 2.2. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, the IESO shall execute and deliver to the OFA a grid promissory note in respect of Advances substantially in the form of Schedule 3 (the "**Grid Note**"). The IESO authorizes the OFA to record on the Grid Note (a) the date and amount of each Advance or Continued Advance; (b) the applicable rate of interest for each Advance or Continued Advance; (c) the Repayment Date of each Advance or Continued Advance; (d) the date and amount of each payment of interest and each payment of principal or portion thereof in respect of each Advance or Continued Advance; and (e) Advances Outstanding. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such Advances and repayments; provided that the failure of the OFA to record any amount, rate or date shall not affect the obligation of the IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement.

(3) Respecting the first Advance to be made under this Agreement (the "**First Advance**"), a specified portion thereof (the "**Repayment Amount**") shall be used to repay a portion of the IESO's outstanding indebtedness to the OFA under the credit agreement between the Parties dated January 1, 2005, as amended (the "**Existing Credit Facility**"). The amount of the Repayment Amount shall be detailed in the Borrowing Notice issued in respect of the First Advance. Concurrently with the First Advance, OFA shall provide to IESO an updated grid in respect of the grid note issued under the Existing Credit Facility evidencing the repayment of the Repayment Amount thereunder.

Section 3.3 Elections Regarding Advances.

(1) The IESO may elect to continue all or a portion of the principal amount of any Advance and any amount of interest on such Advance (together, the "**Continued Advance**") for a further period of at least 5 days and up to a maximum of 95 days beginning on the then current Repayment Date in accordance with Section 3.3(2).

(2) Each notice to continue an Advance for a further period (an "**Election Notice**") shall be provided by the IESO to the OFA at least two Business Days prior to the Repayment Date of the Advance (the "**Current Repayment Date**"), and in each case, not later than

10:00 a.m. (Toronto time). Each such Election Notice shall be given substantially in the form of Schedule 2 and shall be irrevocable and binding upon the IESO and shall specify: (a) the Current Repayment Date; (b) the new aggregate total amount of the proposed Continued Advance; (c) the amount of interest or principal, if any, to be paid or re-paid by the IESO with respect to such Advance on the Current Repayment Date; and (d) the new Repayment Date of the proposed Continued Advance, which shall be no earlier than 5 days and not later than 95 days after the current Repayment Date (the "**New Repayment Date"**). If the IESO fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date.

(3) An Election Notice with respect to a proposed Continued Advance may include a Borrowing Notice for a further Advance proposed to be made on the Current Repayment Date. The Repayment Date of such further Advance shall be the New Repayment Date of the Continued Advance that is specified in the Election Notice. Such Borrowing Notice shall be given substantially in the form of Schedule 2.

(4) The calculation of interest on a Continued Advance shall be determined in the same manner as an Advance under Section 3.4 and shall be recorded on the Grid Note in accordance with Section 3.2(2).

(5) Any portion of an Advance not continued for a further period in accordance with Section 3.3(2) shall be repayable on the applicable Repayment Date.

(6) The Credit Facility shall at all times rank *pari passu* with all other unsubordinated and unsecured Indebtedness of the IESO, subject to the existence of any Liens that secure Indebtedness, as permitted by subections 4.6 (a) through (e) hereof.

(7) All amounts owing in respect of the Advances shall be paid without exercising any right of set off or counterclaim by the IESO.

Section 3.4 Interest on Advances.

(1) The IESO shall pay interest on the unpaid principal amount of each Advance in accordance with this Section 3.4 from and including the date of such Advance until the principal amount of such Advance is repaid in full.

(2) Interest shall accrue on the principal amount of each Advance from and including the date of the Advance to but excluding the Repayment Date of such Advance, at an annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum, before as well as after the date such principal amount or interest thereon becomes due hereunder and both before and after Default and shall be payable on the Repayment Date for such Advance. Any amount of interest arising hereunder which is not paid when due shall bear interest at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment. The amount of interest payable on an Advance will be calculated by the

OFA by dividing the interest rate applicable to the Advance by 365 or 366, as the case may be, and multiplying the result by the principal amount of the Advance and further multiplying the result by the number of days in the period from the date of the Advance to the Repayment Date of the Advance.

(3) If the IESO elects to continue an Advance in accordance with Section 3.3(2), the OFA shall determine the interest rate applicable after the original Repayment Date of the Advance and endorse the said rate on the grid forming part of the Grid Note in respect of Advances held by it.

Section 3.5 Conditions Precedent

The obligation of the OFA to make the Advances to the IESO pursuant to Section 2.1 is subject to the following conditions being satisfied to the OFA's satisfaction at the time of making each Advance:

(a) that the representations and warranties of the IESO contained in this Agreement are true and correct as at the date of making the Advance;

(b) that no Event of Default has occurred and is continuing;

(c) that there shall, in the reasonable opinion of the OFA, have been no material adverse change in the financial condition of the IESO or a Material Subsidiary; and

(d) that the OFA has received such other documentation which it has reasonably requested to ensure that the IESO is in compliance with the terms and conditions of this Agreement, including certified true copies of any necessary resolutions, a written legal opinion from counsel to the IESO confirming that the borrowing is within the legal powers of the IESO and that the Agreement is a direct, unsecured obligation of the IESO enforceable against the IESO in form satisfactory to the OFA.

ARTICLE 4
COVENANTS OF THE IESO

Section 4.1 Repayment of Advances.

The IESO will duly and punctually pay all amounts owing under this Agreement in accordance with the terms and subject to the conditions of this Agreement.

Section 4.2 IESO will Maintain its Corporate Existence.

The IESO will at all times maintain its corporate existence.

Section 4.3 Maintenance of Properties.

The IESO will cause all property owned by the IESO or any Material Subsidiary to be maintained and kept in good condition, repair and working order, all as in the judgment of the IESO or any Material Subsidiary may be necessary for the proper operation of such property, except as and to the extent that the IESO or any Material Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 4.3 shall prevent the IESO or any Material Subsidiary from discontinuing the maintenance of any such property or decommissioning any such property if such discontinuance or decommissioning is, in the judgment of the IESO or any such Material Subsidiary, desirable in the conduct of its business or the business of any such Material Subsidiary, or has been directly or indirectly requested or required by the Province of Ontario.

Section 4.4 Insurance.

The IESO will cause all property owned by the IESO or any Material Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the mature and to the extent that such property is usually insured by companies operating similar businesses.

Section 4.5 Conduct of Business.

The IESO will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in accordance with good business practice.

Section 4.6 Negative Pledge.

The IESO will not, and will not permit any Material Subsidiary to, create, incur or assume any Lien, charging the interest of the IESO or any Material Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, all amounts owing under this Agreement are secured equally and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) the creation, incurrence or assumption of any Purchase Money Mortgage;

(b) the grant of any Lien in the normal course of business to any banks or financial institutions for present or future Indebtedness of the IESO or any Material Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) any extension, renewal or replacement of any of the Liens referred to in Sections 4.6(a), (b) or (c), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased; and

(e) any Lien charging the interest of the IESO or any Material Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 4.6(a), (b) or (c), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 4.6(e) which is outstanding at such time does not exceed 10% of Consolidated Assets at such time.

Section 4.7 Payment of OFA Expenses

In addition to any liability of the IESO to the OFA under any other provision of this Agreement, the IESO will, on demand, reimburse and indemnify OFA for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OFA in connection with the Agreement (including those services incurred in the preservation of rights under or enforcement of this Agreement at any time during the continuance of a Default or Event of Default and for any reasonable loss or expense incurred by OFA as a result of any failure by the IESO to fulfill any of its obligations under this Agreement). All such costs, charges and expenses shall bear interest at the Province of Ontario's cost of funds plus 0.25 percent per annum (as determined by the OFA) calculated and payable monthly not in advance from in each case from the date on which the OFA incurs the cost, charge or expense until the date on which the IESO reimbursement the OFA therefor. The OFA agrees, acting reasonably, to invoice the IESO for any such costs, charges and expense as they are incurred, together with interest at the aforesaid rate (with interest on overdue interest).

Section 4.8 Reporting.

The IESO will promptly provide to the OFA any reports or supporting documents that the OFA may request from time to time.

Section 4.9 Late Repayment of Advance.

In the event that the IESO fails to repay the principal amount of any Advance and all interest accrued thereon when due, the IESO shall pay interest on the unpaid amount of such Advance at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment.

ARTICLE 5
EVENTS OF DEFAULT AND REMEDIES

Section 5.1 Event of Default.

Wherever used in this Agreement, the term "Event of Default" means any of the following:

(a) the IESO's failure to pay any interest upon any Advance when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) failure to pay the principal amount of any Advance on the applicable Repayment Date or the Advances Outstanding, all interest accrued thereon and all other amounts owing under this Agreement on September 30, 2022;

(c) failure on the part of the IESO to observe or perform its obligations set forth in Section 4.1;

(d) failure on the part of the IESO to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 20 days after the date on which written notice of such failure shall have been given to the IESO by the OFA;

(e) any representation or warranty made by the IESO in this Agreement or in any certificate or other document at any time delivered hereunder to the OFA was incorrect or misleading in any material respect;

(f) one or more breaches by the IESO of its covenants under one or more evidences of Indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $5 million, which breaches:

(i) constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist, or

(ii) have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived or rescinded);

(g) the IESO or any Material Subsidiary:

(i) becomes unable to meet its obligations as they generally become due or has ceased paying its current obligations in the ordinary course of business as they generally become due;

(ii) admits in writing its inability to pay its debts generally or makes a general assignment for the benefit its creditors or files a proposal or other scheme

of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) institutes or has instituted against it any proceeding seeking:

(A) to adjudicate it as bankrupt or insolvent,

(B) liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors, or

(C) the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets,

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismissed or unstayed for a period of 30 days, or any remedy sought in any such proceeding (including the entry of order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

(iv) takes any corporate action to authorize any of the actions in Sections 5.1 (g)(i) to (iii); or

(h) if there shall be rendered against the IESO or any Material Subsidiary a final judgment or judgments for the payment of money in an aggregate amount in excess of $5 million by a court or courts of competent jurisdiction, and the IESO or any Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 5.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case the OFA may at its option, in addition to any other remedy available to the OFA at law, by written notice to the IESO, take any or all of the following actions:

(a) suspend the right of the IESO to request any further Advance until the Event of Default has been cured to the OFA's satisfaction or, if the Event of Default is not

cured within three (3) Business Days after the date on which written notice of such Event of Default shall have been given to the IESO by the OFA, declare all amounts owing hereunder including all interest accrued to be due and payable immediately, by a notice in writing to the IESO, and upon any such declaration all such amounts shall become immediately due and payable.

(b) invoke the Intercept pursuant to section 5.7 of this Agreement to require payment of any amount due and payable under this Agreement.

Section 5.3 Suits for Enforcement by the OFA.

If an Event of Default occurs and is continuing, the OFA may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in the OFA by this Agreement or by law.

Section 5.4 OFA May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of the IESO under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property of the IESO, or if any other judicial proceedings relative to the IESO, its creditors or its property are pending, the OFA shall be entitled and empowered, by intention in such proceeding or otherwise:

(a) to file and prove a claim for all amounts owing under this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of the OFA (including any claim for fees and disbursements of the OFA, its agents and counsel) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claim.

Section 5.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to the OFA is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.6 Delay or Omission not Waiver.

No delay or omission of the OFA to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right or remedy given by this Article 5 or by law to OFA may be exercised from time to time, and as often as may be deemed expedient, by the OFA.

Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of even date herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the *Capital Investment Plan Act, 1993* (the "**Intercept Letter**"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("**Appropriated Funds**"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("**Intercept**").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

(e) The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or

inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail.

ARTICLE 6
REPRESENTATIONS AND WARRANTIES OF IESO

Section 6.1 Representations and Warranties of IESO

The IESO represents and warrants to the OFA that:

(a) the borrowing of money (including principal and accrued interest) by the IESO and the execution, delivery and performance of this Agreement are within the powers and capacities of the IESO and have been duly authorized by all necessary legal action and proper proceedings;

(b) the execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the compliance with the terms and conditions of this Agreement will not conflict with or result in a breach of any of the terms or provisions of the constituting documents or by-laws of the IESO, laws of Ontario, including laws of Canada applicable therein, applicable to the IESO or any contractual or other obligation binding on the IESO;

(c) this Agreement will, when executed and delivered, constitute the legal, valid and binding obligation of the IESO enforceable against it in accordance with its terms; and

(d) the monies advanced under this Agreement shall be used only by the IESO for the purposes set out in Section 2.2.

Section 6.2 Continuation of Representation and Warranties

The representations and warranties set out in Section 6.1 herein shall survive the execution and delivery of this Agreement, the making of each Advance by the OFA, notwithstanding any investigations or examinations which may be made by counsel for the OFA.

ARTICLE 7
GENERAL

Section 7.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy or other means of electronic communication addressed:

If to the IESO, to it at:

Independent Electricity System Operator
120 Adelaide Street West, Suite 1600
Toronto, ON M5H 1T1

Attention: Chief Financial Officer
Telephone: (416)969-6232
Facsimile: (905)403-6913

If to the OFA, to it at:

Ontario Financing Authority 1 Dundas Street West
Suite 1400 Toronto, Ontario M7A 1Y7

Attention: Executive Director & Chief Investment Officer – Capital Markets Division
Telephone: (416)325-8930
Facsimile: (416)860-8346

provided that any Borrowing Notice or Election Notice shall be addressed as indicated on Schedule 1 or Schedule 2 respectively.

Any communication hereunder shall be deemed to have been validly and effectively given if (a) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p.m. (Toronto time), otherwise on the next Business Day, (b) transmitted by facsimile or other means of electronic communication, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice give in accordance with this Section 7.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 7.1.

Section 7.2 Successors and Assigns.

This Agreement shall be binding on and enure to the benefit of the OFA and the IESO and their respective successors and permitted assigns, except that the IESO shall not, without the

prior written consent of the OFA assign, pledge or hypothecate any rights or obligations with respect to this Agreement.

Section 7.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of the Parties.

Section 7.4 Waiver.

(1) No waiver of any provisions of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) of this Agreement nor shall such waiver be binding unless executed in writing by the party to be bound by the waiver.

(2) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude another or further exercise of such right or the exercise of any other right.

Section 7.5 Further Assurances.

Each of the IESO and the OFA shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement

Section 7.6 Severability.

In case any provision in this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement shall not in any way be affected or impaired thereby.

Section 7.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 7.8 Entire Agreement.

This Agreement, including the schedules hereto and any other agreements expressly referred to herein, constitutes the whole agreement between the Parties with respect to the matters dealt with in it, and it supersedes any prior agreement, undertakings, discussions and the like respecting the matters dealt with in this Agreement and entered into by the Parties before the date the OFA signs this Agreement.

Section 7.9 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Agreement.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first written above.

ONTARIO FINANCING AUTHORITY

Per: _____

Name: Gadi Mayman
Title: Chief Executive Officer

I have authority to bind the corporation.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; Treasurer

I have authority to bind the corporation.

SCHEDULE 1

FORM OF BORROWING NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The principal amount of the Proposed Advance is $_____;
(c) The Repayment Date of the Proposed Advance is _____. [Not earlier than 5 days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:

Authorized Signatory

SCHEDULE 2

FORM OF ELECTION NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is _____.

(b) The aggregate amount of the proposed Continued Advance is $_____, which is comprised of:
   i. principal amount (or portion thereof) of Advance which is to be continued $_____; and
   ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date $_____;

(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): $ _____

(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _____. [Insert date not earlier than 5 days and not later than 95 days after the current Repayment Date for the Advance.]

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: $_____
The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Name:

Authorized Signatory

SCHEDULE 3 – FORM OF GRID NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $2,000,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR (the "**IESO**"), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY** ("**OFA**") at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement (as defined below).

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the Revolving Credit Facility Agreement dated **[INSERT DATE]** as amended, supplemented or restated from time to time, between the Borrower and the OFA (the "Agreement"). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:
Authorized Signatory

Revolving Credit Facility Grid Note

Ontario Financing Authority
Line of Credit Grid Note

Entity : Independent Electricity System Operator
Loan Limit:

Project:
Schedule of loan transactions to:
Loan Advanced to:

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days

From:	Andrea Dalgarno
To:	Caroline Swerdlyk
Cc:	Sarah Harris
Subject:	Revised Waiver
Date:	Monday, March 12, 2018 8:03:10 AM
Attachments:	Proposed $400M OPG Advance due March 22 2048.docx Proposed $400M OPG Advance due March 22 2048 (clean).docx

---

Hi,

It appears the incorrect Agreement Date was used on the last waiver. Let me know if you agree, I changed 16th to17th.

Regards,

Andrea Dalgarno
Documentation & Analysis Specialist
Ontario Financing Authority
Tel 416-212-7451

This message, including any attachments, is intended only for the use of the individual(s) to which it is addressed and may contain information that is privileged and confidential. Any other distribution, copying or disclosure is strictly prohibited. If you are not the intended recipient or have received this message in error, please notify us immediately by reply e-mail and permanently delete this message including any attachments, without reading it or making a copy. Thank you

Ontario Electricity Financial Corporation
1 Dundas Street West
Suite 1400
Toronto ON M7A 1Y7
(416) 325-8000

Société financière de l'industrie de l'électricité de l'Ontario
1 rue Dundas ouest
Bureau 1400
Toronto ON M7A 1Y7

March~~January~~ 1~~3~~5, 2018

Ken Hartwick
Ontario Power Generation Inc.
700 University Avenue, H18
Toronto, M5G 1X6

Re: **$~~4~~200,000,000 Proposed Advance under Borrowing Notice Dated March~~January~~ ~~5~~8, 2018**

Dear Ken,

The Ontario Electricity Financial Corporation ("OEFC") is in receipt of the Borrowing Notice provided by Ontario Power Generation ("OPG") to the OFA dated March~~January~~ ~~5~~8, 2018 for the Proposed Advance of $~~4~~200,000,000 (the "March~~January~~ ~~5~~8, 2018 Borrowing Notice") under the General Corporate Requirements Credit Facility Agreement between OPG and OEFC dated June 1~~7~~6, 2016, as amended (the "Credit Agreement"), the terms defined therein being used herein as therein defined.

For the sole purpose of the March~~January~~ ~~5~~8, 2018 Borrowing Notice, OEFC hereby agrees to modify the requirement set out in section 3.1 of the Credit Agreement that no more than 50% of the Proposed Advances for 2018 shall have a Repayment Date of no more than 30 years. As such, notwithstanding the total amount of Proposed Advances under the Credit Agreement for 2018, OEFC consents to a Repayment Date of 30 years from the date of the Proposed Advance under the Borrowing Notice, for the full principal amount of the Proposed Advance.

Accordingly, OEFC waives the requirement as set out in Section 3.2 and Schedule 1 of the Credit Agreement for OPG to provide the following certification in the ~~January~~ March ~~5~~8, 2018 Borrowing Notice:

> "The Repayment Date of any of the Proposed Advance(s) for 2018 is (a) no more than 30 years after the date of such Proposed Advance for no more than 50% of the total of all Proposed Advances for 2018 and (b) no more than 10 years after the date of the Proposed Advance for the remaining amount of the Proposed Advances for 2018."

Subject to the foregoing, section 3.1 of the Credit Agreement applies to all future Proposed Advances.

Best Regards,

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael D. Manning
Title: Chief Operating Officer

Ontario Electricity Financial Corporation
1 Dundas Street West
Suite 1400
Toronto ON M7A 1Y7
(416) 325-8000

Société financière de l'industrie de l'électricité de l'Ontario
1 rue Dundas ouest
Bureau 1400
Toronto ON M7A 1Y7

March 13, 2018

Ken Hartwick
Ontario Power Generation Inc.
700 University Avenue, H18
Toronto, M5G 1X6

Re: **$400,000,000 Proposed Advance under Borrowing Notice Dated March 5, 2018**

Dear Ken,

The Ontario Electricity Financial Corporation ("OEFC") is in receipt of the Borrowing Notice provided by Ontario Power Generation ("OPG") to the OFA dated March 5, 2018 for the Proposed Advance of $400,000,000 (the "March 5, 2018 Borrowing Notice") under the General Corporate Requirements Credit Facility Agreement between OPG and OEFC dated June 17, 2016, as amended (the "Credit Agreement"), the terms defined therein being used herein as therein defined.

For the sole purpose of the March 5, 2018 Borrowing Notice, OEFC hereby agrees to modify the requirement set out in section 3.1 of the Credit Agreement that no more than 50% of the Proposed Advances for 2018 shall have a Repayment Date of no more than 30 years. As such, notwithstanding the total amount of Proposed Advances under the Credit Agreement for 2018, OEFC consents to a Repayment Date of 30 years from the date of the Proposed Advance under the Borrowing Notice, for the full principal amount of the Proposed Advance.

Accordingly, OEFC waives the requirement as set out in Section 3.2 and Schedule 1 of the Credit Agreement for OPG to provide the following certification in the March 5, 2018 Borrowing Notice:

> "The Repayment Date of any of the Proposed Advance(s) for 2018 is (a) no more than 30 years after the date of such Proposed Advance for no more than 50% of the total of all Proposed Advances for 2018 and (b) no more than 10 years after the date of the Proposed Advance for the remaining amount of the Proposed Advances for 2018."

Subject to the foregoing, section 3.1 of the Credit Agreement applies to all future Proposed Advances.

Best Regards,

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By:_____
Name: Michael D. Manning
Title: Chief Operating Officer

From: Sarah Harris
To: Jean-Francois Beaupre
Subject: Security Agreement - CONFIDENTIAL
Date: Friday, November 17, 2017 12:12:08 PM
Attachments: IESO Security Agreement.docx

Working draft of security agreement from LSB … Opal also has copy

SECURITY AGREEMENT

THIS AGREEMENT made as of the ____ day of December, 2017,

BETWEEN:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, a statutory corporation without share capital established by the *Electricity Act, 1998*, SO, 1998,

(hereinafter referred to as the "**Grantor**"),

IN FAVOUR OF: -

[FINANCING ENTITY], a trust formed under the laws of the Province of Ontario,

(hereinafter referred to as the "**Secured Party**"),

ACKNOWLEDGED AND ACCEPTED BY:

[INDENTURE TRUSTEE], a trust company existing under the laws of Canada and duly authorized to carry on the business of a trust company in all of the provinces and territories of Canada, as indenture trustee,

(hereinafter referred to as the "**Indenture Trustee**"),

WHEREAS under Regulation 206/17 made under the *Ontario Fair Hydro Plan Act, 2017* (the "**Regulation**"), the Grantor is required to pay and remit to the Secured Party any amounts charged to the Grantor by the Secured Party in respect of Carrying Costs of the Secured Party during the period beginning on April 1, 2017 and ending on June 30, 2021 (the "**Statutory Obligation**");

AND WHEREAS the Grantor (collectively referred to as the "**Parties**") has agreed to enter into a security agreement in favour of the Secured Party as security for, inter alia, the performance of the Statutory Obligation;

AND WHEREAS this Agreement has been assigned by the Secured Party, by way of security, to the Indenture Trustee and the Indenture Trustee wishes to acknowledge and accept the terms of this Agreement;

NOW THEREFORE THIS AGREEMENT WITNESSES that, for and in consideration of the premises, mutual covenants and conditions herein contained and such other lawful and valuable consideration the receipt of sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

1. INTERPRETATION

1.1 Defined Terms

In this Agreement, unless there is something in the context or subject matter inconsistent therewith,

(a) "**Account**" shall have the meaning attributed to such term in the PPSA;

(b) "**Appropriation**" shall have the meaning ascribed to such term in the *Financial Administration Act*, R.S.O. 1990, c. F-12, as amended;

(c) "**Breach**" shall have the meaning attributed to such term in Section 6.1;

(d) "**Business Day**" means any day other than a Saturday or a Sunday on which banks generally are open for business in Toronto, Ontario;

(e) "**Carrying Costs**" shall have the meaning attributed to such term in the Regulation;

(f) "**Collateral**" shall have the meaning attributed to such term in Section 2.1;

(g) "**Excluded Accounts**" means all amounts payable to the Grantor pursuant to Appropriations;

(h) "**Money**" shall have the meaning attributed to such term in the PPSA;

(i) "**Permitted Liens**" means liens approved in writing by the Secured Party and the Indenture Trustee ;

(j) "**PPSA**" means the *Personal Property Security Act* (Ontario), as amended from time to time, and any regulations thereto;

(k) "**Proceeds**" shall have the meaning attributed to such term in the PPSA;

(l) **"Receiver"** shall have the meaning attributed to such term in Section 6.2 of this Agreement;

(m) "**Regulation**" shall have the meaning attributed to such term in the recitals hereto;

(n) "**Statutory Obligation**" shall have the meaning attributed to such term in the recitals hereto.

1.2 Other Usages

References to "this Agreement", "hereof", "herein", "hereto" and like references refer to this Security Agreement and not to any particular Article, Section or other subdivision of this Agreement.

1.3 Plural and Singular

Where the context so requires, the words importing the singular number shall include the plural and vice versa.

1.4 Headings

The division of this Agreement into Articles and Sections and the insertion of headings in this Agreement are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

1.5 Applicable Law

This Agreement and all documents delivered pursuant hereto shall be governed by and construed and interpreted in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein and the Parties do hereby attorn to the non-exclusive jurisdiction of the courts of the Province of Ontario.

1.6 Prohibited Provisions

In the event that any provision or any part of any provision hereof is deemed to be invalid by reason of the operation of any law or by reason of the interpretation placed thereon by a court, this Agreement shall be construed as not containing such provision or such part of such provision and the invalidity of such provision or such part shall not affect the validity of any other provision or the remainder of such provision hereof, and all other provisions hereof which are otherwise lawful and valid shall remain in full force and effect.

1.7 Time of the Essence

Time shall in all respects be of the essence of this Agreement.

1.8 Recitals and Schedules

Each and every one of the recitals and schedules which are referred to in this Agreement and attached to this Agreement shall form an integral part of this Agreement.

2. SECURITY INTEREST

2.1 Grant of Security Interest

As general and continuing security for the payment and performance of the Statutory Obligation, the Grantor hereby assigns, transfers, sets over and grants a first-priority security interest to the Secured Party in the following (collectively, the "**Collateral**"):

(a) all Accounts, debts, choses in action and demands of every nature and kind, which are now due, owing or accruing or growing due to or owned by or which may hereafter become due, owing or accruing or growing due to or owned by the Grantor, excluding Excluded Accounts;

(b) all deeds, documents, writings, papers and books relating to or being records of the property described in Section 2.1(a); and

(c) all Proceeds and renewals of the foregoing, in whatever form, together with all substitutions therefore.

Whenever used elsewhere in this Agreement, the expression "**security interest**" refers to the security interest created in this Section 2.1.

2.2 Attachment of Security Interest

The Grantor acknowledges and agrees that (i) value has been given, (ii) the Grantor has rights in the Collateral, and (iii) the security interest shall attach to existing Collateral upon execution of this Agreement by the Grantor and to each item of after-acquired Collateral at the time that the Grantor acquires any rights therein.

3. COVENANTS OF THE GRANTOR

3.1 Covenants

The Grantor hereby covenants and agrees with the Secured Party as follows:

(a) Not to pay any other obligations of the Grantor at any time when its Statutory Obligation to pay Carrying Costs is in arrears, except to the extent that such other obligations are satisfied from amounts payable to the Grantor pursuant to Appropriations.

(b) To promptly pay all taxes, assessments, rates, levies, payroll deductions, vacation pay, workers' compensation assessments, and any other charges which could result in the creation of a statutory lien or deemed trust in respect of the Collateral.

(c) To defend the Collateral against the claims and demands of all other persons claiming the same or an interest therein and to promptly notify the Secured Party of any such claim or demand.

(d) To deliver to the Secured Party such information concerning the Collateral or the Grantor as the Secured Party may reasonably request from time to time.

(e) To do, make, execute and deliver such further and other assignments, transfers, deeds, agreements and other documents as may be required by the Secured Party to establish in favour of the Secured Party the security interest intended to be created hereby and to accomplish the intention of this Agreement.

3.2 Performance of Covenants by the Secured Party

The Secured Party may, in its sole discretion and upon notice to and at the expense of the Grantor, perform any covenant of the Grantor under this Agreement that the Grantor fails to perform and that the Secured Party is capable of performing, provided that the Secured Party will not be obligated to perform any such covenant on behalf of the Grantor and no such performance by the

Secured Party will require the Secured Party further to perform the Grantor's covenants nor operate as a derogation of the rights and remedies of the Secured Party under this Agreement.

4. DEALING WITH COLLATERAL

4.1 Grantor's Rights before Breach

Until the occurrence of a Breach and subject to the terms hereof, the Grantor shall be entitled to deal with the Collateral in the ordinary course of business, provided however, that no such action shall be taken which would impair the effectiveness of the security interests created hereby or the value of the Collateral or which would be inconsistent with or violate the Regulation, the provisions of this Agreement or any other written agreement between the Secured Party and the Grantor.

4.2 General Restrictions

The Grantor shall not, without the prior written consent of the Secured Party:

(a) sell, lease or otherwise dispose of the Collateral or any part thereof except in the ordinary course of business;

(b) release, surrender or abandon possession of the Collateral or any part thereof; or

(c) enter into or grant, create, assume or suffer to exist any mortgage, charge, hypothec, assignment, pledge, lien or other security interest or encumbrance affecting any of the Collateral except the Permitted Liens.

4.3 Release by the Secured Party

The Secured Party may, at its discretion but subject to the written approval of the Indenture Trustee, at any time release from the security interest created by this Agreement any part or parts of the Collateral or any other security or any surety for the Statutory Obligation either with or without sufficient consideration therefor without thereby releasing any other part of the Collateral or any person from this Agreement.

5. REPRESENTATIONS AND WARRANTIES

5.1 Representations and Warranties

The Grantor hereby represents and warrants to the Secured Party, the matters set out below:

(a) **Incorporation and Qualifications** – The Grantor is a statutory corporation amalgamated under the laws of the Province of Ontario, with requisite power and authority to own its properties, to conduct its business as such properties are currently owned and such business is presently conducted by it, and to execute, deliver and carry out the terms of this Agreement.

(b) **Corporate Authority and Power** – The Grantor has the requisite power and authority to execute and deliver this Agreement and to carry out its terms. The

execution, delivery and performance of all obligations under this Agreement have been duly authorized by all necessary action on the part of the Grantor under all applicable laws.

(c) **No Other Business Names or Styles** – The Grantor does not carry on business under or use any name or style other than the name(s) specified in Schedule A to this Agreement including.

(d) **Non-Conflict** – Neither the execution nor the performance of this Agreement requires the approval of any regulatory agency having jurisdiction over the Grantor nor is this Agreement in contravention of or in conflict with the by-laws or resolutions of the directors or shareholders of the Grantor or of the provisions of any agreement to which the Grantor is a party or by which any of its property may be bound or of any statute, regulation, by-law, ordinance or other law, or to the best of its knowledge of any judgement, decree, award, ruling or order to which the Grantor or any of its property may be subject, other than approvals that have been obtained.

(e) **Ownership of Collateral Free of Liens** – The Grantor is the owner of or has rights in the Collateral free and clear of any liens other than Permitted Liens.

(f) **Grantor Information** – Schedule A sets forth (a) the Grantor's jurisdiction of incorporation, (b) the location of the Grantor's registered office and business operations and records, and (c) the Grantor's exact legal name (in English and French).

(g) **Enforceability** – This Agreement constitutes a valid and legally binding obligation of the Grantor enforceable against it in accordance with its terms, subject to general equitable principles, including the fact that the availability of equitable remedies, such as injunctive relief and specific performance, is in the discretion of the court.

5.2 Reliance and Survival

All representations and warranties of the Grantor made in this Agreement or in any certificate or other document delivered by or on behalf of the Grantor to or for the benefit of the Secured Party are material, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit. The Secured Party shall be deemed to have relied upon each such representation and warranty notwithstanding any investigation made by or on behalf of the Secured Party at any time.

6. BREACH AND ENFORCEMENT

6.1 Enforceability of Security

The security hereby constituted shall become enforceable upon the occurrence of any of the following events each of which shall constitute a "**Breach**":

(a) the Grantor is in breach of the Statutory Obligation;

(b) any representation or warranty made or deemed made by or on behalf of the Grantor to the Secured Party under or in connection with this Agreement shall be materially false on the date as of which made; or

(c) any breach by the Grantor of any of the covenants, terms or provisions of Article 3 of this Agreement.

6.2 Remedies

At any time after the happening of any Breach, the Secured Party shall have the following rights, powers and remedies:

(a) to appoint any person to be an agent or any person to be a receiver, manager or receiver and manager (herein called the "**Receiver**") of the Collateral and to remove any Receiver so appointed and to appoint another if the Secured Party so desires; it being agreed that any Receiver appointed pursuant to the provisions of this Agreement shall have all of the powers of the Secured Party hereunder;

(b) to make payments to parties having prior charges or encumbrances on the Collateral;

(c) to preserve, protect and maintain the Collateral;

(d) to enjoy and exercise all powers necessary or incidental to the performance of all functions provided for in this Agreement;

(e) to sell or dispose of all or any part of the Collateral whether by public or private sale or otherwise and on any terms so long as every aspect of the disposition is commercially reasonable, including without limitation, terms that provide time for payment on credit;

(f) to enjoy and exercise all of the rights and remedies of a secured party under the PPSA;

(g) to notify the account debtors or obligors under any Accounts (other than Excluded Accounts) of the assignment of such Accounts to the Secured Party and to direct such account debtors or obligors to make payment of all amounts due or to become due to the Grantor thereunder directly to the Secured Party and to give valid and binding receipts and discharges therefor and in respect thereof and, upon such notification and at the expense of the Grantor, to enforce collection of any such Accounts, and to adjust, settle or compromise the amount or payment thereof, in the same manner and to the same extent as the Grantor might have done; and

(h) to commence, continue or defend proceedings in any court of competent jurisdiction in the name of the Secured Party, the Receiver or the Grantor for the purpose of exercising any of the rights, powers and remedies set out in this Section, including the institution of proceedings for the appointment of a receiver, manager or receiver and manager of the Collateral.

6.3 Special Rules re Accounts

After the security hereby constituted becomes enforceable,

(a) all Money or other form of payment received by the Grantor in respect of all of its Accounts shall be received in trust for the benefit of the Secured Party hereunder, shall be segregated from other funds of the Grantor and shall be forthwith paid over to the Secured Party in the same form as so received (with any necessary endorsement) to be held as cash collateral and applied as provided by Section 6.8; and

(b) the Grantor shall not adjust, settle or compromise the amount or payment of any Accounts, or release wholly or partly any account debtor or obligor thereof, or allow any credit or discount thereon.

6.4 Receiver as Agent

The Receiver shall be deemed to be the agent of the Grantor for the purpose of establishing liability for the acts or omissions of the Receiver and the Secured Party shall not be liable for such acts or omissions and, without restricting the generality of the foregoing, the Grantor hereby irrevocably authorizes the Secured Party to give instructions to the Receiver relating to the performance of its duties as set out herein.

6.5 Expenses of Enforcement

The Grantor shall pay to the Receiver the remuneration of the Receiver and all costs and expenses (including, without limitation, legal fees and disbursements on a full indemnity basis) properly incurred by the Receiver pursuant to its appointment and the exercise of its powers hereunder, and shall pay to the Secured Party and the Receiver as required all amounts of Money (including interest thereon) borrowed or advanced by either of them pursuant to the powers set out herein, and the obligations of the Grantor to the Secured Party and the Receiver pursuant to this Section 6.5 shall be payable on demand.

6.6 Indulgences and Releases

Either the Secured Party or the Receiver may grant extensions of time and other indulgences, take and give up securities, accept compositions, grant releases and discharges, release any part of the Collateral to third parties and otherwise deal with the Grantor, debtors of the Grantor, sureties and others and with the Collateral and other security as the Secured Party or the Receiver may see fit without prejudice to the Statutory Obligation or the right of the Secured Party and the Receiver to repossess, hold, collect and realize the Collateral.

6.7 No Liability for Failure to Exercise Remedies

The Secured Party and the Receiver shall not be liable or accountable to the Grantor or to any other person for any failure to exercise any of the rights, powers and remedies set out in this Agreement, and shall not be bound to commence, continue or defend proceedings for the purpose of preserving or protecting any rights of the Secured Party, the Receiver, the Grantor or any other party in respect of the same.

6.8 Proceeds of Disposition

All Moneys received by the Secured Party or by the Receiver pursuant to Section 6.2 shall be applied as follows:

(a) first, in payment of all costs and expenses incurred by the Secured Party in the exercise of all or any of the powers granted to it under this Agreement and in payment of all of the remuneration of the Receiver and all costs and expenses properly incurred by the Receiver in the exercise of all or any of the powers granted to it under this Agreement, including, without limitation, the remuneration, costs and expenses referred to in Section 6.5;

(b) second, in payment of all amounts of Money borrowed or advanced by either of the Secured Party or the Receiver pursuant to the powers set out in this Agreement and any interest thereon;

(c) third, in payment of the Statutory Obligation, provided that if there are not sufficient Moneys to fully pay and perform the Statutory Obligation, the Secured Party may apply the Moneys available to such part or parts thereof as the Secured Party, in its sole discretion, may determine; and

(d) fourth, in payment of any surplus in accordance with applicable law.

6.9 Grantor Liable for Deficiency

If the Moneys received by the Secured Party or the Receiver pursuant to Section 6.2 are not sufficient to pay the claims set out in Section 6.8, the Grantor shall immediately pay the Secured Party the amount of such deficiency.

6.10 Restriction on Grantor

Upon the Secured Party taking possession of the Collateral or the appointment of a Receiver, all the powers, functions, rights and privileges of the Grantor or any officer, director, servant or agent of the Grantor with respect to the Collateral shall, to the extent permitted by applicable law, be suspended unless specifically continued by the written consent of the Secured Party; however, all other powers, functions, rights and privileges of the Grantor or any officer, director, servant or agent of the Grantor shall be unaffected by such events.

6.11 Rights Cumulative

All rights and remedies of the Secured Party set out in this Agreement shall be cumulative and no right or remedy contained herein is intended to be exclusive but each shall be in addition to every other right or remedy contained herein or in any existing or future security document or now or hereafter existing at law or in equity or by statute.

6.12 Care by the Secured Party

The Secured Party shall be deemed to have exercised reasonable care in the custody and preservation of any of the Collateral in the Secured Party's possession if it takes such action for

that purpose as the Grantor requests in writing, but failure of the Secured Party to comply with any such request shall not be deemed to be (or to be evidence of) a failure to exercise reasonable care, and no failure of the Secured Party to preserve or protect any rights with respect to such Collateral against prior parties, or to do any act with respect to the preservation of such Collateral not so requested by the Grantor, shall be deemed a failure to exercise reasonable care in the custody or preservation of such Collateral.

6.13 Application by Grantor re: Receiver

The Grantor hereby irrevocably waives its right to make an application to any court with respect to the appointment, powers or remuneration of the Receiver.

7. GENERAL

7.1 Waiver

Any breach by the Grantor of any of the provisions contained in this Agreement or any default by the Grantor in the observance or performance of any covenant or condition required to be observed or performed by the Grantor hereunder, may only be waived by the Secured Party in writing, provided that no such waiver by the Secured Party shall extend to or be taken in any manner to affect any subsequent breach or default or the rights resulting therefrom.

7.2 The Secured Party as Attorney

The Grantor hereby irrevocably appoints the Secured Party and any person further designated by the Secured Party to be the attorney of the Grantor for and in the name of the Grantor to execute and do any deeds, documents, transfers, demands, assignments, assurances, consents and things which the Grantor is obliged to sign, execute or do hereunder and, after the happening of any Breach, to commence, continue and defend any proceedings authorized to be taken hereunder and generally to use the name of the Grantor in the exercise of all or any of the powers hereby conferred on the Secured Party. These powers are coupled with an interest, have been given for valuable consideration (the receipt and adequacy of which is acknowledged), survive, and do not terminate upon, the bankruptcy, dissolution, winding up or insolvency of the Grantor, and are irrevocable until the Statutory Obligation has been satisfied in full and this Agreement is terminated and the security interest created herein has been released. This power of attorney extends to and is binding upon the Grantor's successors and permitted assigns. The Grantor authorizes the Secured Party to delegate in writing to another person any power and authority of the Secured Party under this power of attorney as may be necessary or desirable in the opinion of the Secured Party, and to revoke or suspend such delegation.

7.3 Further Assurances

The Grantor shall do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered, such further acts, deeds, mortgages, transfers and assurances as the Secured Party shall reasonably require for the better assuring, charging, assigning and conferring unto the Secured Party a security interest in the Collateral, or which the Grantor may hereafter become bound to charge in favour of the Secured Party, for the purpose of accomplishing and effecting the intention of this Agreement.

7.4 Amalgamation of the Grantor

The Grantor acknowledges and agrees that in the event that it amalgamates with any other persons, then (i) the Collateral and the security interest shall extend to and include all of the property and undertaking that any of the amalgamating corporations then owns, all of the property and undertaking that the amalgamated corporation thereafter acquires, all of the property and undertaking in which any of the amalgamating corporations then has any interest, and all of the property and undertaking in which the amalgamated corporation thereafter acquires any interest, and (ii) all references herein to the Grantor shall extend to and include the amalgamated corporation.

7.5 Continuing Security

The security interest constituted hereby shall be deemed to be a continuing security for the Statutory Obligation until the Statutory Obligation is paid and performed in full.

7.6 Notices

All notices and other communications provided for herein shall be in writing and shall be personally delivered to an officer or other responsible employee of the addressee or sent by facsimile, charges prepaid, at or to the applicable address or facsimile number, as the case may be, of the party set opposite its name below or at or to such other address or addresses or facsimile number or numbers as either party may from time to time designate to the other party in such manner. Any communication which is personally delivered as aforesaid shall be deemed to have been validly and effectively given on the date of such delivery if such date is a Business Day and such delivery was made during normal business hours of the recipient; otherwise, it shall be deemed to have been validly and effectively given on the Business Day next following such date of delivery. Any communication which is transmitted by facsimile as aforesaid shall be deemed to have been validly and effectively given on the date of transmission if such date is a Business Day and such transmission was made during normal business hours of the recipient; otherwise, it shall be deemed to have been validly and effectively given on the Business Day next following such date of transmission.

In the case of the Grantor:

Independent Electricity System Operator
[Address]

Attention: ■
Email: ■
Facsimile: ■

In the case of the Secured Party:

[Financing Entity]
c/o Ontario Power Generation Inc., as Manager
700 University Avenue
Toronto, Ontario
M5G 1X6

Attention: ■
Email: ■
Facsimile: ■

7.7 Assignment

The Secured Party may from time to time upon notice to, but without the consent of the Grantor, assign or transfer this Agreement to any other person (the "**Assignee**"). The Assignee shall, to the extent of the interest so assigned or transferred, be entitled to the benefit of and the right to enforce this Agreement to the same extent as if the Assignee were the Secured Party. The Grantor shall not be entitled to assign or transfer this Agreement or any of the Grantor's rights, duties or obligations hereunder without the prior written consent of the Secured Party.

7.8 Successors and Assigns

This Agreement shall enure to the benefit of the Secured Party and its successors and assigns and shall be binding upon the Grantor and its successors and permitted assigns.

7.9 Amendments

This Agreement may not be amended or otherwise modified except by an instrument in writing executed by all the Parties.

7.10 Entire Agreement

This Agreement and the agreements referred to herein and any document, agreement or instrument delivered pursuant to such agreements constitute the entire agreement between the Parties and supersede any prior agreements, undertakings, declarations, representations and undertakings, both written and verbal, in respect of the subject matter hereof.

7.11 Receipt of Agreement and Financing Statement.

The Grantor hereby acknowledges receipt of an executed copy of this Agreement and of the financing statement registered under the PPSA evidencing the security interest created hereby.

7.12 Counterpart

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which taken together shall be deemed to constitute one and the same instrument, and it shall not be necessary in making proof of this Agreement to produce or account for more than one such counterpart.

7.13 Delivery by Facsimile or Electronic Transmission

This Agreement may be executed and delivered by facsimile or electronic transmission and each of the Parties may rely on such facsimile or electronic signature as though such facsimile signature were an original signature.

[NEXT PAGE IS SIGNATURE PAGE]

IN WITNESS WHEREOF the Parties have duly executed this Agreement as of the date first written above.

[FINANCING ENTITY], by its Manager,
ONTARIO POWER GENERATION INC., as Secured Party

By: _____
Name:
Title:

By: _____
Name:
Title:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR
as Grantor

By: _____
Name:
Title:

By: _____
Name:
Title:

ACKNOWLEDGED AND ACCEPTED:

[INDENTURE TRUSTEE]
as Indenture Trustee

By: _____
Name:
Title:

By: _____
Name:
Title:

SCHEDULE A

GRANTOR INFORMATION

1. **Grantor's exact legal name: Independent Electricity System Operator**

   ■ [French]

2. **Grantor's jurisdiction of incorporation: Ontario**

3. **Grantor's registered office address: ■**

4. **Location of Grantor's business operations and records: ■**

From: Sarah Harris
To: Jean-Francois Beaupre
Subject: Security Agreement - CONFIDENTIAL
Date: Friday, November 17, 2017 12:12:08 PM
Attachments: IESO Security Agreement.docx

Working draft of security agreement from LSB … Opal also has copy

SECURITY AGREEMENT

THIS AGREEMENT made as of the ____ day of December, 2017,

BETWEEN:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, a statutory corporation without share capital established by the *Electricity Act, 1998*, SO, 1998,

(hereinafter referred to as the "**Grantor**"),

IN FAVOUR OF: -

[FINANCING ENTITY], a trust formed under the laws of the Province of Ontario,

(hereinafter referred to as the "**Secured Party**"),

ACKNOWLEDGED AND ACCEPTED BY:

[INDENTURE TRUSTEE], a trust company existing under the laws of Canada and duly authorized to carry on the business of a trust company in all of the provinces and territories of Canada, as indenture trustee,

(hereinafter referred to as the "**Indenture Trustee**"),

WHEREAS under Regulation 206/17 made under the *Ontario Fair Hydro Plan Act, 2017* (the "**Regulation**"), the Grantor is required to pay and remit to the Secured Party any amounts charged to the Grantor by the Secured Party in respect of Carrying Costs of the Secured Party during the period beginning on April 1, 2017 and ending on June 30, 2021 (the "**Statutory Obligation**");

AND WHEREAS the Grantor (collectively referred to as the "**Parties**") has agreed to enter into a security agreement in favour of the Secured Party as security for, inter alia, the performance of the Statutory Obligation;

AND WHEREAS this Agreement has been assigned by the Secured Party, by way of security, to the Indenture Trustee and the Indenture Trustee wishes to acknowledge and accept the terms of this Agreement;

NOW THEREFORE THIS AGREEMENT WITNESSES that, for and in consideration of the premises, mutual covenants and conditions herein contained and such other lawful and valuable consideration the receipt of sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

1. INTERPRETATION

1.1 Defined Terms

In this Agreement, unless there is something in the context or subject matter inconsistent therewith,

(a) "**Account**" shall have the meaning attributed to such term in the PPSA;

(b) "**Appropriation**" shall have the meaning ascribed to such term in the *Financial Administration Act*, R.S.O. 1990, c. F-12, as amended;

(c) "**Breach**" shall have the meaning attributed to such term in Section 6.1;

(d) "**Business Day**" means any day other than a Saturday or a Sunday on which banks generally are open for business in Toronto, Ontario;

(e) "**Carrying Costs**" shall have the meaning attributed to such term in the Regulation;

(f) "**Collateral**" shall have the meaning attributed to such term in Section 2.1;

(g) "**Excluded Accounts**" means all amounts payable to the Grantor pursuant to Appropriations;

(h) "**Money**" shall have the meaning attributed to such term in the PPSA;

(i) "**Permitted Liens**" means liens approved in writing by the Secured Party and the Indenture Trustee ;

(j) "**PPSA**" means the *Personal Property Security Act* (Ontario), as amended from time to time, and any regulations thereto;

(k) "**Proceeds**" shall have the meaning attributed to such term in the PPSA;

(l) **"Receiver"** shall have the meaning attributed to such term in Section 6.2 of this Agreement;

(m) "**Regulation**" shall have the meaning attributed to such term in the recitals hereto;

(n) "**Statutory Obligation**" shall have the meaning attributed to such term in the recitals hereto.

1.2 Other Usages

References to "this Agreement", "hereof", "herein", "hereto" and like references refer to this Security Agreement and not to any particular Article, Section or other subdivision of this Agreement.

1.3 Plural and Singular

Where the context so requires, the words importing the singular number shall include the plural and vice versa.

1.4 Headings

The division of this Agreement into Articles and Sections and the insertion of headings in this Agreement are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

1.5 Applicable Law

This Agreement and all documents delivered pursuant hereto shall be governed by and construed and interpreted in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein and the Parties do hereby attorn to the non-exclusive jurisdiction of the courts of the Province of Ontario.

1.6 Prohibited Provisions

In the event that any provision or any part of any provision hereof is deemed to be invalid by reason of the operation of any law or by reason of the interpretation placed thereon by a court, this Agreement shall be construed as not containing such provision or such part of such provision and the invalidity of such provision or such part shall not affect the validity of any other provision or the remainder of such provision hereof, and all other provisions hereof which are otherwise lawful and valid shall remain in full force and effect.

1.7 Time of the Essence

Time shall in all respects be of the essence of this Agreement.

1.8 Recitals and Schedules

Each and every one of the recitals and schedules which are referred to in this Agreement and attached to this Agreement shall form an integral part of this Agreement.

2. SECURITY INTEREST

2.1 Grant of Security Interest

As general and continuing security for the payment and performance of the Statutory Obligation, the Grantor hereby assigns, transfers, sets over and grants a first-priority security interest to the Secured Party in the following (collectively, the "**Collateral**"):

(a) all Accounts, debts, choses in action and demands of every nature and kind, which are now due, owing or accruing or growing due to or owned by or which may hereafter become due, owing or accruing or growing due to or owned by the Grantor, excluding Excluded Accounts;

(b) all deeds, documents, writings, papers and books relating to or being records of the property described in Section 2.1(a); and

(c) all Proceeds and renewals of the foregoing, in whatever form, together with all substitutions therefore.

Whenever used elsewhere in this Agreement, the expression "**security interest**" refers to the security interest created in this Section 2.1.

2.2 Attachment of Security Interest

The Grantor acknowledges and agrees that (i) value has been given, (ii) the Grantor has rights in the Collateral, and (iii) the security interest shall attach to existing Collateral upon execution of this Agreement by the Grantor and to each item of after-acquired Collateral at the time that the Grantor acquires any rights therein.

3. COVENANTS OF THE GRANTOR

3.1 Covenants

The Grantor hereby covenants and agrees with the Secured Party as follows:

(a) Not to pay any other obligations of the Grantor at any time when its Statutory Obligation to pay Carrying Costs is in arrears, except to the extent that such other obligations are satisfied from amounts payable to the Grantor pursuant to Appropriations.

(b) To promptly pay all taxes, assessments, rates, levies, payroll deductions, vacation pay, workers' compensation assessments, and any other charges which could result in the creation of a statutory lien or deemed trust in respect of the Collateral.

(c) To defend the Collateral against the claims and demands of all other persons claiming the same or an interest therein and to promptly notify the Secured Party of any such claim or demand.

(d) To deliver to the Secured Party such information concerning the Collateral or the Grantor as the Secured Party may reasonably request from time to time.

(e) To do, make, execute and deliver such further and other assignments, transfers, deeds, agreements and other documents as may be required by the Secured Party to establish in favour of the Secured Party the security interest intended to be created hereby and to accomplish the intention of this Agreement.

3.2 Performance of Covenants by the Secured Party

The Secured Party may, in its sole discretion and upon notice to and at the expense of the Grantor, perform any covenant of the Grantor under this Agreement that the Grantor fails to perform and that the Secured Party is capable of performing, provided that the Secured Party will not be obligated to perform any such covenant on behalf of the Grantor and no such performance by the

Secured Party will require the Secured Party further to perform the Grantor's covenants nor operate as a derogation of the rights and remedies of the Secured Party under this Agreement.

4. DEALING WITH COLLATERAL

4.1 Grantor's Rights before Breach

Until the occurrence of a Breach and subject to the terms hereof, the Grantor shall be entitled to deal with the Collateral in the ordinary course of business, provided however, that no such action shall be taken which would impair the effectiveness of the security interests created hereby or the value of the Collateral or which would be inconsistent with or violate the Regulation, the provisions of this Agreement or any other written agreement between the Secured Party and the Grantor.

4.2 General Restrictions

The Grantor shall not, without the prior written consent of the Secured Party:

(a) sell, lease or otherwise dispose of the Collateral or any part thereof except in the ordinary course of business;

(b) release, surrender or abandon possession of the Collateral or any part thereof; or

(c) enter into or grant, create, assume or suffer to exist any mortgage, charge, hypothec, assignment, pledge, lien or other security interest or encumbrance affecting any of the Collateral except the Permitted Liens.

4.3 Release by the Secured Party

The Secured Party may, at its discretion but subject to the written approval of the Indenture Trustee, at any time release from the security interest created by this Agreement any part or parts of the Collateral or any other security or any surety for the Statutory Obligation either with or without sufficient consideration therefor without thereby releasing any other part of the Collateral or any person from this Agreement.

5. REPRESENTATIONS AND WARRANTIES

5.1 Representations and Warranties

The Grantor hereby represents and warrants to the Secured Party, the matters set out below:

(a) **Incorporation and Qualifications** – The Grantor is a statutory corporation amalgamated under the laws of the Province of Ontario, with requisite power and authority to own its properties, to conduct its business as such properties are currently owned and such business is presently conducted by it, and to execute, deliver and carry out the terms of this Agreement.

(b) **Corporate Authority and Power** – The Grantor has the requisite power and authority to execute and deliver this Agreement and to carry out its terms. The

execution, delivery and performance of all obligations under this Agreement have been duly authorized by all necessary action on the part of the Grantor under all applicable laws.

(c) **No Other Business Names or Styles** – The Grantor does not carry on business under or use any name or style other than the name(s) specified in Schedule A to this Agreement including.

(d) **Non-Conflict** – Neither the execution nor the performance of this Agreement requires the approval of any regulatory agency having jurisdiction over the Grantor nor is this Agreement in contravention of or in conflict with the by-laws or resolutions of the directors or shareholders of the Grantor or of the provisions of any agreement to which the Grantor is a party or by which any of its property may be bound or of any statute, regulation, by-law, ordinance or other law, or to the best of its knowledge of any judgement, decree, award, ruling or order to which the Grantor or any of its property may be subject, other than approvals that have been obtained.

(e) **Ownership of Collateral Free of Liens** – The Grantor is the owner of or has rights in the Collateral free and clear of any liens other than Permitted Liens.

(f) **Grantor Information** – Schedule A sets forth (a) the Grantor's jurisdiction of incorporation, (b) the location of the Grantor's registered office and business operations and records, and (c) the Grantor's exact legal name (in English and French).

(g) **Enforceability** – This Agreement constitutes a valid and legally binding obligation of the Grantor enforceable against it in accordance with its terms, subject to general equitable principles, including the fact that the availability of equitable remedies, such as injunctive relief and specific performance, is in the discretion of the court.

5.2 Reliance and Survival

All representations and warranties of the Grantor made in this Agreement or in any certificate or other document delivered by or on behalf of the Grantor to or for the benefit of the Secured Party are material, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit. The Secured Party shall be deemed to have relied upon each such representation and warranty notwithstanding any investigation made by or on behalf of the Secured Party at any time.

6. BREACH AND ENFORCEMENT

6.1 Enforceability of Security

The security hereby constituted shall become enforceable upon the occurrence of any of the following events each of which shall constitute a "**Breach**":

(a) the Grantor is in breach of the Statutory Obligation;

(b) any representation or warranty made or deemed made by or on behalf of the Grantor to the Secured Party under or in connection with this Agreement shall be materially false on the date as of which made; or

(c) any breach by the Grantor of any of the covenants, terms or provisions of Article 3 of this Agreement.

6.2 Remedies

At any time after the happening of any Breach, the Secured Party shall have the following rights, powers and remedies:

(a) to appoint any person to be an agent or any person to be a receiver, manager or receiver and manager (herein called the "**Receiver**") of the Collateral and to remove any Receiver so appointed and to appoint another if the Secured Party so desires; it being agreed that any Receiver appointed pursuant to the provisions of this Agreement shall have all of the powers of the Secured Party hereunder;

(b) to make payments to parties having prior charges or encumbrances on the Collateral;

(c) to preserve, protect and maintain the Collateral;

(d) to enjoy and exercise all powers necessary or incidental to the performance of all functions provided for in this Agreement;

(e) to sell or dispose of all or any part of the Collateral whether by public or private sale or otherwise and on any terms so long as every aspect of the disposition is commercially reasonable, including without limitation, terms that provide time for payment on credit;

(f) to enjoy and exercise all of the rights and remedies of a secured party under the PPSA;

(g) to notify the account debtors or obligors under any Accounts (other than Excluded Accounts) of the assignment of such Accounts to the Secured Party and to direct such account debtors or obligors to make payment of all amounts due or to become due to the Grantor thereunder directly to the Secured Party and to give valid and binding receipts and discharges therefor and in respect thereof and, upon such notification and at the expense of the Grantor, to enforce collection of any such Accounts, and to adjust, settle or compromise the amount or payment thereof, in the same manner and to the same extent as the Grantor might have done; and

(h) to commence, continue or defend proceedings in any court of competent jurisdiction in the name of the Secured Party, the Receiver or the Grantor for the purpose of exercising any of the rights, powers and remedies set out in this Section, including the institution of proceedings for the appointment of a receiver, manager or receiver and manager of the Collateral.

6.3 Special Rules re Accounts

After the security hereby constituted becomes enforceable,

(a) all Money or other form of payment received by the Grantor in respect of all of its Accounts shall be received in trust for the benefit of the Secured Party hereunder, shall be segregated from other funds of the Grantor and shall be forthwith paid over to the Secured Party in the same form as so received (with any necessary endorsement) to be held as cash collateral and applied as provided by Section 6.8; and

(b) the Grantor shall not adjust, settle or compromise the amount or payment of any Accounts, or release wholly or partly any account debtor or obligor thereof, or allow any credit or discount thereon.

6.4 Receiver as Agent

The Receiver shall be deemed to be the agent of the Grantor for the purpose of establishing liability for the acts or omissions of the Receiver and the Secured Party shall not be liable for such acts or omissions and, without restricting the generality of the foregoing, the Grantor hereby irrevocably authorizes the Secured Party to give instructions to the Receiver relating to the performance of its duties as set out herein.

6.5 Expenses of Enforcement

The Grantor shall pay to the Receiver the remuneration of the Receiver and all costs and expenses (including, without limitation, legal fees and disbursements on a full indemnity basis) properly incurred by the Receiver pursuant to its appointment and the exercise of its powers hereunder, and shall pay to the Secured Party and the Receiver as required all amounts of Money (including interest thereon) borrowed or advanced by either of them pursuant to the powers set out herein, and the obligations of the Grantor to the Secured Party and the Receiver pursuant to this Section 6.5 shall be payable on demand.

6.6 Indulgences and Releases

Either the Secured Party or the Receiver may grant extensions of time and other indulgences, take and give up securities, accept compositions, grant releases and discharges, release any part of the Collateral to third parties and otherwise deal with the Grantor, debtors of the Grantor, sureties and others and with the Collateral and other security as the Secured Party or the Receiver may see fit without prejudice to the Statutory Obligation or the right of the Secured Party and the Receiver to repossess, hold, collect and realize the Collateral.

6.7 No Liability for Failure to Exercise Remedies

The Secured Party and the Receiver shall not be liable or accountable to the Grantor or to any other person for any failure to exercise any of the rights, powers and remedies set out in this Agreement, and shall not be bound to commence, continue or defend proceedings for the purpose of preserving or protecting any rights of the Secured Party, the Receiver, the Grantor or any other party in respect of the same.

6.8 Proceeds of Disposition

All Moneys received by the Secured Party or by the Receiver pursuant to Section 6.2 shall be applied as follows:

(a) first, in payment of all costs and expenses incurred by the Secured Party in the exercise of all or any of the powers granted to it under this Agreement and in payment of all of the remuneration of the Receiver and all costs and expenses properly incurred by the Receiver in the exercise of all or any of the powers granted to it under this Agreement, including, without limitation, the remuneration, costs and expenses referred to in Section 6.5;

(b) second, in payment of all amounts of Money borrowed or advanced by either of the Secured Party or the Receiver pursuant to the powers set out in this Agreement and any interest thereon;

(c) third, in payment of the Statutory Obligation, provided that if there are not sufficient Moneys to fully pay and perform the Statutory Obligation, the Secured Party may apply the Moneys available to such part or parts thereof as the Secured Party, in its sole discretion, may determine; and

(d) fourth, in payment of any surplus in accordance with applicable law.

6.9 Grantor Liable for Deficiency

If the Moneys received by the Secured Party or the Receiver pursuant to Section 6.2 are not sufficient to pay the claims set out in Section 6.8, the Grantor shall immediately pay the Secured Party the amount of such deficiency.

6.10 Restriction on Grantor

Upon the Secured Party taking possession of the Collateral or the appointment of a Receiver, all the powers, functions, rights and privileges of the Grantor or any officer, director, servant or agent of the Grantor with respect to the Collateral shall, to the extent permitted by applicable law, be suspended unless specifically continued by the written consent of the Secured Party; however, all other powers, functions, rights and privileges of the Grantor or any officer, director, servant or agent of the Grantor shall be unaffected by such events.

6.11 Rights Cumulative

All rights and remedies of the Secured Party set out in this Agreement shall be cumulative and no right or remedy contained herein is intended to be exclusive but each shall be in addition to every other right or remedy contained herein or in any existing or future security document or now or hereafter existing at law or in equity or by statute.

6.12 Care by the Secured Party

The Secured Party shall be deemed to have exercised reasonable care in the custody and preservation of any of the Collateral in the Secured Party's possession if it takes such action for

that purpose as the Grantor requests in writing, but failure of the Secured Party to comply with any such request shall not be deemed to be (or to be evidence of) a failure to exercise reasonable care, and no failure of the Secured Party to preserve or protect any rights with respect to such Collateral against prior parties, or to do any act with respect to the preservation of such Collateral not so requested by the Grantor, shall be deemed a failure to exercise reasonable care in the custody or preservation of such Collateral.

6.13 Application by Grantor re: Receiver

The Grantor hereby irrevocably waives its right to make an application to any court with respect to the appointment, powers or remuneration of the Receiver.

7. GENERAL

7.1 Waiver

Any breach by the Grantor of any of the provisions contained in this Agreement or any default by the Grantor in the observance or performance of any covenant or condition required to be observed or performed by the Grantor hereunder, may only be waived by the Secured Party in writing, provided that no such waiver by the Secured Party shall extend to or be taken in any manner to affect any subsequent breach or default or the rights resulting therefrom.

7.2 The Secured Party as Attorney

The Grantor hereby irrevocably appoints the Secured Party and any person further designated by the Secured Party to be the attorney of the Grantor for and in the name of the Grantor to execute and do any deeds, documents, transfers, demands, assignments, assurances, consents and things which the Grantor is obliged to sign, execute or do hereunder and, after the happening of any Breach, to commence, continue and defend any proceedings authorized to be taken hereunder and generally to use the name of the Grantor in the exercise of all or any of the powers hereby conferred on the Secured Party. These powers are coupled with an interest, have been given for valuable consideration (the receipt and adequacy of which is acknowledged), survive, and do not terminate upon, the bankruptcy, dissolution, winding up or insolvency of the Grantor, and are irrevocable until the Statutory Obligation has been satisfied in full and this Agreement is terminated and the security interest created herein has been released. This power of attorney extends to and is binding upon the Grantor's successors and permitted assigns. The Grantor authorizes the Secured Party to delegate in writing to another person any power and authority of the Secured Party under this power of attorney as may be necessary or desirable in the opinion of the Secured Party, and to revoke or suspend such delegation.

7.3 Further Assurances

The Grantor shall do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered, such further acts, deeds, mortgages, transfers and assurances as the Secured Party shall reasonably require for the better assuring, charging, assigning and conferring unto the Secured Party a security interest in the Collateral, or which the Grantor may hereafter become bound to charge in favour of the Secured Party, for the purpose of accomplishing and effecting the intention of this Agreement.

7.4 Amalgamation of the Grantor

The Grantor acknowledges and agrees that in the event that it amalgamates with any other persons, then (i) the Collateral and the security interest shall extend to and include all of the property and undertaking that any of the amalgamating corporations then owns, all of the property and undertaking that the amalgamated corporation thereafter acquires, all of the property and undertaking in which any of the amalgamating corporations then has any interest, and all of the property and undertaking in which the amalgamated corporation thereafter acquires any interest, and (ii) all references herein to the Grantor shall extend to and include the amalgamated corporation.

7.5 Continuing Security

The security interest constituted hereby shall be deemed to be a continuing security for the Statutory Obligation until the Statutory Obligation is paid and performed in full.

7.6 Notices

All notices and other communications provided for herein shall be in writing and shall be personally delivered to an officer or other responsible employee of the addressee or sent by facsimile, charges prepaid, at or to the applicable address or facsimile number, as the case may be, of the party set opposite its name below or at or to such other address or addresses or facsimile number or numbers as either party may from time to time designate to the other party in such manner. Any communication which is personally delivered as aforesaid shall be deemed to have been validly and effectively given on the date of such delivery if such date is a Business Day and such delivery was made during normal business hours of the recipient; otherwise, it shall be deemed to have been validly and effectively given on the Business Day next following such date of delivery. Any communication which is transmitted by facsimile as aforesaid shall be deemed to have been validly and effectively given on the date of transmission if such date is a Business Day and such transmission was made during normal business hours of the recipient; otherwise, it shall be deemed to have been validly and effectively given on the Business Day next following such date of transmission.

In the case of the Grantor:

Independent Electricity System Operator
[Address]

Attention: ■
Email: ■
Facsimile: ■

In the case of the Secured Party:

[Financing Entity]
c/o Ontario Power Generation Inc., as Manager
700 University Avenue
Toronto, Ontario
M5G 1X6

Attention: ■
Email: ■
Facsimile: ■

7.7 Assignment

The Secured Party may from time to time upon notice to, but without the consent of the Grantor, assign or transfer this Agreement to any other person (the "**Assignee**"). The Assignee shall, to the extent of the interest so assigned or transferred, be entitled to the benefit of and the right to enforce this Agreement to the same extent as if the Assignee were the Secured Party. The Grantor shall not be entitled to assign or transfer this Agreement or any of the Grantor's rights, duties or obligations hereunder without the prior written consent of the Secured Party.

7.8 Successors and Assigns

This Agreement shall enure to the benefit of the Secured Party and its successors and assigns and shall be binding upon the Grantor and its successors and permitted assigns.

7.9 Amendments

This Agreement may not be amended or otherwise modified except by an instrument in writing executed by all the Parties.

7.10 Entire Agreement

This Agreement and the agreements referred to herein and any document, agreement or instrument delivered pursuant to such agreements constitute the entire agreement between the Parties and supersede any prior agreements, undertakings, declarations, representations and undertakings, both written and verbal, in respect of the subject matter hereof.

7.11 Receipt of Agreement and Financing Statement.

The Grantor hereby acknowledges receipt of an executed copy of this Agreement and of the financing statement registered under the PPSA evidencing the security interest created hereby.

7.12 Counterpart

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which taken together shall be deemed to constitute one and the same instrument, and it shall not be necessary in making proof of this Agreement to produce or account for more than one such counterpart.

7.13 Delivery by Facsimile or Electronic Transmission

This Agreement may be executed and delivered by facsimile or electronic transmission and each of the Parties may rely on such facsimile or electronic signature as though such facsimile signature were an original signature.

[NEXT PAGE IS SIGNATURE PAGE]

IN WITNESS WHEREOF the Parties have duly executed this Agreement as of the date first written above.

[FINANCING ENTITY], by its Manager,
ONTARIO POWER GENERATION INC., as Secured Party

By: _____
Name:
Title:

By: _____
Name:
Title:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR
as Grantor

By: _____
Name:
Title:

By: _____
Name:
Title:

ACKNOWLEDGED AND ACCEPTED:

[INDENTURE TRUSTEE]
as Indenture Trustee

By: _____
Name:
Title:

By: _____
Name:
Title:

SCHEDULE A

GRANTOR INFORMATION

1. **Grantor's exact legal name: Independent Electricity System Operator**

   ■ [French]

2. **Grantor's jurisdiction of incorporation: Ontario**

3. **Grantor's registered office address: ■**

4. **Location of Grantor's business operations and records: ■**

From: William Tan
To: Anthony Martinello
Cc: Lisa Stein; "Victor Buza"; Sarah Harris
Subject: Signatures for FHP and Amending Agreement No. 10
Date: Monday, November 06, 2017 10:33:18 AM

Good morning Anthony,

Just checking-in on approximately when we can expect the documents to be executed so I may prepare my signatory.

Thanks,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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From: Sarah Harris
To: Gavin He
Subject: Tentative: IESO / OEFC - $120MM and $160MM Credit Facility Discussion

From:	Victor Buza
To:	William Tan
Cc:	Olga Whiteley; Anthony Martinello; Sarah Harris
Subject:	Updated Incumbency Certificate
Date:	Tuesday, September 11, 2018 10:12:12 AM
Attachments:	Incumbency Certificate - re OFA FHP and 2005 Facilities - revised Sept 2018 Clean Sept 10.doc

Hi Will. In Olga's absence this week, I wanted to get the ball rolling on updating IESO's Incumbency Certificate re the OFA financings.

At the August meeting of our Board, Barb Anderson's position as VP and CFO was changed so that it is no longer "Interim". The change was made retroactive to July 9.

I have prepared a draft updated certificate based on the current certificate (see attached) and just wanted to confirm its form is acceptable to OFA prior to arranging for it to be executed.

Thanks,
Victor

Victor Buza | Senior Counsel
Independent Electricity System Operator (IESO) | T: 416-969-6079

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INCUMBENCY CERTIFICATE

To: Ontario Financing Authority ("**OFA**")

I, the undersigned, Secretary to the Independent Electricity System Operator (the "**IESO**"), in my capacity as an officer of the IESO, and not in my personal capacity, do hereby certify that:

1. Barbara Anderson has been duly appointed as Chief Financial Officer and Vice-President, Corporate Services of the IESO, and, as of July 9, 2018, holds such offices.

2. Pursuant to a resolution of the board of directors of IESO dated June 14, 2017, the Chief Financial Officer has the authority from time to time to draw upon (i) the Credit Agreement between OFA and IESO (as successor by amalgamation to Ontario Power Authority) made as of January 1, 2005, as amended, and (ii) the Revolving Credit Facility Agreement between IESO and the Ontario Financing Authority made as of the 6th day of November, 2017 in relation to the Fair Hydro Plan.

3. The following is the genuine signature of the following individual:

Barbara Anderson _____

DATED this ____ day of _____, 2018.

_____

Michael Lyle
Vice-President – Legal Resources and
Corporate Governance,
Secretary and General Counsel

From:	Victor Buza
To:	William Tan
Cc:	Olga Whiteley; Anthony Martinello; Sarah Harris
Subject:	Updated Incumbency Certificate
Date:	Tuesday, September 11, 2018 10:12:12 AM
Attachments:	Incumbency Certificate - re OFA FHP and 2005 Facilities - revised Sept 2018 Clean Sept 10.doc

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Victor Buza | Senior Counsel

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3. The following is the genuine signature of the following individual:

Barbara Anderson _____

DATED this ____ day of _____, 2018.

_____

Michael Lyle
Vice-President – Legal Resources and
Corporate Governance,
Secretary and General Counsel

From:	William Tan
To:	Sarah Neville
Cc:	Sarah Harris
Subject:	Waiver - FHP Agreement, 5-day minimum period exception
Date:	Wednesday, March 07, 2018 3:58:25 PM
Attachments:	FHP Revolving Credit Facility Agreement 2017-2022 Execution Version.docx

Hello Sarah N,

As an exception, IESO has requested OFA to waive the 5 day minimum repayment period for a 1 day repayment period. Carlos has indicated that this would occur infrequently. I am currently awaiting confirmation from Settlements and Cash Management if they have any concerns from an operational standpoint. IESO will have specific amounts/details this Friday. In the interim I will draft a waiver.

I will require assistance to review the waiver.Please advise who will be available to work with me on this waiver. Additional details are below.

Thanks,

Will

From: Carlos Yep
Sent: Wednesday, March 07, 2018 3:43 PM
To: William Tan
Cc: Sarah Harris
Subject: RE: FHP Agreement, 5-day minimum period exception

Hi Will

The waiver for the 5 day minimum is expected to occur on an infrequent but periodic basis.

Regards

Carlos

From: William Tan
Sent: Wednesday, March 07, 2018 3:33 PM
To: Carlos Yep <Carlos.Yep@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>; CASHP <CASHP@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FHP Agreement, 5-day minimum period exception

Hello all,

IESO has asked OFA for a one-time exception to waive the minimum period for advances of 5 days (FHP Credit Facility Agreement). IESO has asked for an advance period of 1 day, so it may use money expected from OPG to repay its advance on the same day it matures.

IESO's current outstanding advance of $322M, matures on March 21, 2018. IESO will require an additional advance of $208M (to pay power generators) for a total of $530M, but will only require this for 1 day because IESO expects to receive funds from OPG to repay its advances on March 22. Rather than incurring additional interest costs of borrowing until March 26, 2018 (5 day minimum), IESO would prefer to match the maturity of its advances and expected cash inflow from OPG.

Please let me know if your respective areas have any concerns or issues from an operational standpoint.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority

1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca
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INDEPENDENT ELECTRICITY SYSTEM OPERATOR

as Borrower

and

ONTARIO FINANCING AUTHORITY

as Lender

REVOLVING CREDIT FACILITY AGREEMENT

Date: November ___, 2017

REVOLVING CREDIT FACILITY AGREEMENT

THIS AGREEMENT is made as of the ____ day of November 2017,

BETWEEN:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, a statutory corporation without share capital existing under Part II of the *Electricity Act, 1998* (the "**IESO**") (as Borrower)

AND

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* (the "**OFA**" and together with the IESO, the "**Parties**") (as Lender)

RECITALS:

WHEREAS the IESO has requested a revolving credit facility for up to a maximum principal amount of $2 billion from the OFA for the purpose of supporting the IESO's role in the implementation and administration of the *Ontario Fair Hydro Plan Act, 2017*.

THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the Parties agree as follows:

ARTICLE 1

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"Advances" means advances made by the OFA to the IESO under Article 3 and "Advance" means any one of such advances, and in the case of an election by the IESO under Section 3.3, includes a "Continued Advance", as defined in Section 3.3(1), as applicable.

"Advances Outstanding" means, at any time, an amount equal to the aggregate principal amount of all Advances outstanding at such time.

"Agreement", "herein", "hereby", "hereor', "hereunder" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression "Article" or "Section" followed by a number means the specified Article or Section of this Agreement.

"Borrowing Notice" has the meaning specified in Section 3.2(1).

"Business Day" means any day that is not a day on which banks are generally authorized or required by law or executive order to be closed in the City of Toronto.

"**Clean Energy Adjustment"** has the same meaning as that term is defined in the OFHP.

"Commitment" means, at any time, an amount equal to $2 billion.

"Consolidated Assets" means, at any time, the book value of the assets of the IESO and the Subsidiaries, determined as of such time on a consolidated basis in accordance with GAAP.

"**Continued Advance"** has the meaning specified in Section 3.3(1).

"Credit Facility" means the revolving credit facility to be made available to the IESO by the OFA under this Agreement for the purposes specified in Section 2.2.

"**Current Repayment Date**" has the meaning specified in Section 3.3(2).

"Default" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"Dollars" or **"$**" means lawful currency of Canada.

"Election Notice" has the meaning specified in Section 3.3(2).

"Event of Default" has the meaning specified in Section 5.1.

"**First Advance**" has the meaning specified in Section 3.2(3).

"GAAP" means accounting policies and standards as established by the Chartered Professional Accountants of Canada, at the relevant time and applied on a consistent basis.

"Grid Note" has the meaning specified in Section 3.2(2).

"Indebtedness" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) every obligation of such Person for borrowed money;

(b) every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments;

(c) every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) every capital lease obligation of such Person;

(f) the Swap Termination Value of each Swap Contract of such Person; and

(g) every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"Lien" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"Material Subsidiary" means, at any time, a Subsidiary which has consolidated assets with a book value of more than $25 million determined in accordance with GAAP.

"**New Repayment Date**" has the meaning specified in Section 3.3(2).

"**OFHP**" means the *Ontario Fair Hydro Plan Act, 2017*,S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

"Permitted Liens" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) any obligations or duties, affecting the property of the IESO to any municipality or governmental, statutory or public authority, with respect to any franchise, grant, license

or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by the IESO or such Material Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by the IESO or such Material Subsidiary;

(d) any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) the right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) any undetermined or inchoate Liens and charges incidental to the current operations of the IESO or a Material Subsidiary that have not at the time been filed against the IESO or such Material Subsidiary; provided, however, that if any such Lien or charge shall have been filed, the IESO or such Material Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) any Lien the validity of which is being contested at the time by the IESO or a Material Subsidiary in good faith and the enforcement of which has been stayed;

(h) any easements, rights-of-way and servitudes that in the opinion of the IESO will not in the aggregate materially and adversely impair the use or value of the land for the purpose for which it is held or occupied by the IESO or a Material Subsidiary;

(i) any Liens and privileges arising out of judgments or awards with respect to which the IESO or a Material Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall have secured a stay of execution pending such appeal or proceedings for review;

(j) any other Liens of a nature similar to the foregoing which do not in the opinion of the IESO, acting reasonably, materially impair the use of the property subject thereto or the operation of the business of the IESO or any Material Subsidiary or the value of such property for the purpose of any such business; and

(k) any Lien arising from the IESO’s role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other

lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

"Person" means any individual, corporation, partnership joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"Purchase Money Mortgage" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or part of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"Repayment Date" means, in respect of the repayment of Advances, the repayment date contained in the most recent Borrowing Notice or Election Notice.

"Stated Maturity" when used with respect to any Indebtedness or any installment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such installment of interest is due and payable.

"Subsidiary" means:

(a) a corporation more than 50% of the voting power or the outstanding Voting Shares of which is owned, directly or indirectly, by the IESO or by one or more other Subsidiaries or by the IESO and one or more other Subsidiaries; or

(b) any Person (other than a corporation) in which the IESO, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

"Swap Contract" means any agreement whether or not in writing, relating to any transaction or derivative transaction including a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction currency swap, cross-currency rate swap, swaption, currency option or other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.

“Swap Termination Value” means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap contracts:

(a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and

(b) for any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.

“Voting Shares” of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings.

The division of this Agreement into Articles and Sections and the insertion of headings are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and vice versa and words importing gender may include any gender. In this Agreement, (a) the words "including" and "includes" mean "including (or includes) without limitation", and (b) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" each mean “to but excluding".

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with GAAP.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the next succeeding Business Day.

ARTICLE 2
REVOLVING CREDIT FACILITY

Section 2.1 Availability.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO. The OFA shall make each Advance in Dollars.

Section 2.2 Use of Proceeds.

The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the *Electricity Act, 1998*, as such regulation may be amended or replaced from time to time, subject to the condition that proceeds of Advances may be used only for IESO's financing needs and requirements of any kind arising in connection with the IESO's role with respect to and obligations under the OFHP.

Section 2.3 Credit Facility Limit.

The Advances Outstanding shall not at any time exceed the Commitment. The Credit Facility shall revolve and no payment under the Credit Facility shall reduce the Commitment.

Section 2.4 Mandatory Repayment.

Subject to Sections 2.5 and 5.2, the IESO shall repay each Advance together with the interest accrued thereon on the applicable Repayment Date, and, in any event, shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder on September 30, 2022.

Section 2.5 Prepayments.

The IESO is not entitled to prepay any part of the Advances Outstanding or the interest accrued thereon without the prior written consent of the OFA.

Section 2.6 Payments under this Agreement.

(1) The OFA shall make Advances to the IESO under this Agreement to or to the order of the IESO by wire transfer of immediately available funds in accordance with wire transfer instructions given by the IESO to the OFA from time to time, or in such other manner as the IESO may specify to the OFA from time to time.

(2) The IESO shall make any payment required hereunder to be made by it to the OFA, to or to the order of the OFA, by wire transfer of immediately available funds in accordance with wire transfer instruction given by the OFA to the IESO from time to time, or in such other manner as the OFA may specify to the IESO from time to time. The IESO shall make each such payment in Canadian Dollars.

Section 2.7 Computations of Interest.

(1) All computations of interest shall be made by the OFA taking into account the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest is payable on the basis of a year of 365 days or 366 days, as the case may be.

(2) For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Agreement for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

Section 2.8 Limit on Rate of Interest.

(1) Notwithstanding any provision contained in this Agreement, the IESO shall not be obliged to make any payments of interest or other amounts payable to the OFA hereunder in excess of the amount or rate which would be prohibited by applicable law or would result in the receipt by the OFA of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada)).

(2) In the event that any such payments are limited or prohibited as provided in Section 2.8(1), the OFA shall have no further obligation to make any Advances available hereunder and the Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, shall become immediately due and payable.

Section 2.9 Application of Payments.

All payments made by the IESO under this Agreement shall be applied firstly to the payment of interest payable to the OFA on late payments of principal or interest hereunder, secondly, to the payment of accrued and unpaid interest payable to the OFA hereunder and thirdly, to the payment of the outstanding principal amount of any Advances payable to the OFA.

ARTICLE 3
ADVANCES

Section 3.1 Advances.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO under the Credit Facility from time to time on any Business Day prior to September 23, 2022.

Section 3.2 Procedure for Advances.

(1) Subject to Section 3.3(5), each Advance shall be made subject to two Business Days' prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each notice of an Advance (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1, other than a Borrowing Notice that is included in an Election Notice as permitted by Section 3.3(3). Each Borrowing Notice shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance; (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall not be earlier than 5 days and not later than 95 days after the date of the requested Advance. Each Borrowing Notice shall also certify the use of proceeds of the Advance which shall in any case be in accordance with Section 2.2. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, the IESO shall execute and deliver to the OFA a grid promissory note in respect of Advances substantially in the form of Schedule 3 (the "**Grid Note**"). The IESO authorizes the OFA to record on the Grid Note (a) the date and amount of each Advance or Continued Advance; (b) the applicable rate of interest for each Advance or Continued Advance; (c) the Repayment Date of each Advance or Continued Advance; (d) the date and amount of each payment of interest and each payment of principal or portion thereof in respect of each Advance or Continued Advance; and (e) Advances Outstanding. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such Advances and repayments; provided that the failure of the OFA to record any amount, rate or date shall not affect the obligation of the IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement.

(3) Respecting the first Advance to be made under this Agreement (the "**First Advance**"), a specified portion thereof (the "**Repayment Amount**") shall be used to repay a portion of the IESO's outstanding indebtedness to the OFA under the credit agreement between the Parties dated January 1, 2005, as amended (the "**Existing Credit Facility**"). The amount of the Repayment Amount shall be detailed in the Borrowing Notice issued in respect of the First Advance. Concurrently with the First Advance, OFA shall provide to IESO an updated grid in respect of the grid note issued under the Existing Credit Facility evidencing the repayment of the Repayment Amount thereunder.

Section 3.3 Elections Regarding Advances.

(1) The IESO may elect to continue all or a portion of the principal amount of any Advance and any amount of interest on such Advance (together, the "**Continued Advance**") for a further period of at least 5 days and up to a maximum of 95 days beginning on the then current Repayment Date in accordance with Section 3.3(2).

(2) Each notice to continue an Advance for a further period (an "**Election Notice**") shall be provided by the IESO to the OFA at least two Business Days prior to the Repayment Date of the Advance (the "**Current Repayment Date**"), and in each case, not later than

10:00 a.m. (Toronto time). Each such Election Notice shall be given substantially in the form of Schedule 2 and shall be irrevocable and binding upon the IESO and shall specify: (a) the Current Repayment Date; (b) the new aggregate total amount of the proposed Continued Advance; (c) the amount of interest or principal, if any, to be paid or re-paid by the IESO with respect to such Advance on the Current Repayment Date; and (d) the new Repayment Date of the proposed Continued Advance, which shall be no earlier than 5 days and not later than 95 days after the current Repayment Date (the "**New Repayment Date"**). If the IESO fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date.

(3) An Election Notice with respect to a proposed Continued Advance may include a Borrowing Notice for a further Advance proposed to be made on the Current Repayment Date. The Repayment Date of such further Advance shall be the New Repayment Date of the Continued Advance that is specified in the Election Notice. Such Borrowing Notice shall be given substantially in the form of Schedule 2.

(4) The calculation of interest on a Continued Advance shall be determined in the same manner as an Advance under Section 3.4 and shall be recorded on the Grid Note in accordance with Section 3.2(2).

(5) Any portion of an Advance not continued for a further period in accordance with Section 3.3(2) shall be repayable on the applicable Repayment Date.

(6) The Credit Facility shall at all times rank *pari passu* with all other unsubordinated and unsecured Indebtedness of the IESO, subject to the existence of any Liens that secure Indebtedness, as permitted by subections 4.6 (a) through (e) hereof.

(7) All amounts owing in respect of the Advances shall be paid without exercising any right of set off or counterclaim by the IESO.

Section 3.4 Interest on Advances.

(1) The IESO shall pay interest on the unpaid principal amount of each Advance in accordance with this Section 3.4 from and including the date of such Advance until the principal amount of such Advance is repaid in full.

(2) Interest shall accrue on the principal amount of each Advance from and including the date of the Advance to but excluding the Repayment Date of such Advance, at an annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum, before as well as after the date such principal amount or interest thereon becomes due hereunder and both before and after Default and shall be payable on the Repayment Date for such Advance. Any amount of interest arising hereunder which is not paid when due shall bear interest at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment. The amount of interest payable on an Advance will be calculated by the

OFA by dividing the interest rate applicable to the Advance by 365 or 366, as the case may be, and multiplying the result by the principal amount of the Advance and further multiplying the result by the number of days in the period from the date of the Advance to the Repayment Date of the Advance.

(3) If the IESO elects to continue an Advance in accordance with Section 3.3(2), the OFA shall determine the interest rate applicable after the original Repayment Date of the Advance and endorse the said rate on the grid forming part of the Grid Note in respect of Advances held by it.

Section 3.5 Conditions Precedent

The obligation of the OFA to make the Advances to the IESO pursuant to Section 2.1 is subject to the following conditions being satisfied to the OFA's satisfaction at the time of making each Advance:

(a) that the representations and warranties of the IESO contained in this Agreement are true and correct as at the date of making the Advance;

(b) that no Event of Default has occurred and is continuing;

(c) that there shall, in the reasonable opinion of the OFA, have been no material adverse change in the financial condition of the IESO or a Material Subsidiary; and

(d) that the OFA has received such other documentation which it has reasonably requested to ensure that the IESO is in compliance with the terms and conditions of this Agreement, including certified true copies of any necessary resolutions, a written legal opinion from counsel to the IESO confirming that the borrowing is within the legal powers of the IESO and that the Agreement is a direct, unsecured obligation of the IESO enforceable against the IESO in form satisfactory to the OFA.

ARTICLE 4
COVENANTS OF THE IESO

Section 4.1 Repayment of Advances.

The IESO will duly and punctually pay all amounts owing under this Agreement in accordance with the terms and subject to the conditions of this Agreement.

Section 4.2 IESO will Maintain its Corporate Existence.

The IESO will at all times maintain its corporate existence.

Section 4.3 Maintenance of Properties.

The IESO will cause all property owned by the IESO or any Material Subsidiary to be maintained and kept in good condition, repair and working order, all as in the judgment of the IESO or any Material Subsidiary may be necessary for the proper operation of such property, except as and to the extent that the IESO or any Material Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 4.3 shall prevent the IESO or any Material Subsidiary from discontinuing the maintenance of any such property or decommissioning any such property if such discontinuance or decommissioning is, in the judgment of the IESO or any such Material Subsidiary, desirable in the conduct of its business or the business of any such Material Subsidiary, or has been directly or indirectly requested or required by the Province of Ontario.

Section 4.4 Insurance.

The IESO will cause all property owned by the IESO or any Material Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the mature and to the extent that such property is usually insured by companies operating similar businesses.

Section 4.5 Conduct of Business.

The IESO will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in accordance with good business practice.

Section 4.6 Negative Pledge.

The IESO will not, and will not permit any Material Subsidiary to, create, incur or assume any Lien, charging the interest of the IESO or any Material Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, all amounts owing under this Agreement are secured equally and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) the creation, incurrence or assumption of any Purchase Money Mortgage;

(b) the grant of any Lien in the normal course of business to any banks or financial institutions for present or future Indebtedness of the IESO or any Material Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) any extension, renewal or replacement of any of the Liens referred to in Sections 4.6(a), (b) or (c), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased; and

(e) any Lien charging the interest of the IESO or any Material Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 4.6(a), (b) or (c), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 4.6(e) which is outstanding at such time does not exceed 10% of Consolidated Assets at such time.

Section 4.7 Payment of OFA Expenses

In addition to any liability of the IESO to the OFA under any other provision of this Agreement, the IESO will, on demand, reimburse and indemnify OFA for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OFA in connection with the Agreement (including those services incurred in the preservation of rights under or enforcement of this Agreement at any time during the continuance of a Default or Event of Default and for any reasonable loss or expense incurred by OFA as a result of any failure by the IESO to fulfill any of its obligations under this Agreement). All such costs, charges and expenses shall bear interest at the Province of Ontario's cost of funds plus 0.25 percent per annum (as determined by the OFA) calculated and payable monthly not in advance from in each case from the date on which the OFA incurs the cost, charge or expense until the date on which the IESO reimbursement the OFA therefor. The OFA agrees, acting reasonably, to invoice the IESO for any such costs, charges and expense as they are incurred, together with interest at the aforesaid rate (with interest on overdue interest).

Section 4.8 Reporting.

The IESO will promptly provide to the OFA any reports or supporting documents that the OFA may request from time to time.

Section 4.9 Late Repayment of Advance.

In the event that the IESO fails to repay the principal amount of any Advance and all interest accrued thereon when due, the IESO shall pay interest on the unpaid amount of such Advance at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment.

ARTICLE 5
EVENTS OF DEFAULT AND REMEDIES

Section 5.1 Event of Default.

Wherever used in this Agreement, the term "Event of Default" means any of the following:

(a) the IESO's failure to pay any interest upon any Advance when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) failure to pay the principal amount of any Advance on the applicable Repayment Date or the Advances Outstanding, all interest accrued thereon and all other amounts owing under this Agreement on September 30, 2022;

(c) failure on the part of the IESO to observe or perform its obligations set forth in Section 4.1;

(d) failure on the part of the IESO to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 20 days after the date on which written notice of such failure shall have been given to the IESO by the OFA;

(e) any representation or warranty made by the IESO in this Agreement or in any certificate or other document at any time delivered hereunder to the OFA was incorrect or misleading in any material respect;

(f) one or more breaches by the IESO of its covenants under one or more evidences of Indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $5 million, which breaches:

(i) constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist, or

(ii) have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived or rescinded);

(g) the IESO or any Material Subsidiary:

(i) becomes unable to meet its obligations as they generally become due or has ceased paying its current obligations in the ordinary course of business as they generally become due;

(ii) admits in writing its inability to pay its debts generally or makes a general assignment for the benefit its creditors or files a proposal or other scheme

of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) institutes or has instituted against it any proceeding seeking:

(A) to adjudicate it as bankrupt or insolvent,

(B) liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors, or

(C) the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets,

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismissed or unstayed for a period of 30 days, or any remedy sought in any such proceeding (including the entry of order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

(iv) takes any corporate action to authorize any of the actions in Sections 5.l (g)(i) to (iii); or

(h) if there shall be rendered against the IESO or any Material Subsidiary a final judgment or judgments for the payment of money in an aggregate amount in excess of $5 million by a court or courts of competent jurisdiction, and the IESO or any Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 5.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case the OFA may at its option, in addition to any other remedy available to the OFA at law, by written notice to the IESO, take any or all of the following actions:

(a) suspend the right of the IESO to request any further Advance until the Event of Default has been cured to the OFA's satisfaction or, if the Event of Default is not

cured within three (3) Business Days after the date on which written notice of such Event of Default shall have been given to the IESO by the OFA, declare all amounts owing hereunder including all interest accrued to be due and payable immediately, by a notice in writing to the IESO, and upon any such declaration all such amounts shall become immediately due and payable.

(b) invoke the Intercept pursuant to section 5.7 of this Agreement to require payment of any amount due and payable under this Agreement.

Section 5.3 Suits for Enforcement by the OFA.

If an Event of Default occurs and is continuing, the OFA may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in the OFA by this Agreement or by law.

Section 5.4 OFA May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of the IESO under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property of the IESO, or if any other judicial proceedings relative to the IESO, its creditors or its property are pending, the OFA shall be entitled and empowered, by intention in such proceeding or otherwise:

(a) to file and prove a claim for all amounts owing under this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of the OFA (including any claim for fees and disbursements of the OFA, its agents and counsel) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claim.

Section 5.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to the OFA is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.6 Delay or Omission not Waiver.

No delay or omission of the OFA to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right or remedy given by this Article 5 or by law to OFA may be exercised from time to time, and as often as may be deemed expedient, by the OFA.

Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of even date herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the *Capital Investment Plan Act, 1993* (the "**Intercept Letter**"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("**Appropriated Funds**"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("**Intercept**").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

(e) The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or

inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail.

ARTICLE 6
REPRESENTATIONS AND WARRANTIES OF IESO

Section 6.1 Representations and Warranties of IESO

The IESO represents and warrants to the OFA that:

(a) the borrowing of money (including principal and accrued interest) by the IESO and the execution, delivery and performance of this Agreement are within the powers and capacities of the IESO and have been duly authorized by all necessary legal action and proper proceedings;

(b) the execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the compliance with the terms and conditions of this Agreement will not conflict with or result in a breach of any of the terms or provisions of the constituting documents or by-laws of the IESO, laws of Ontario, including laws of Canada applicable therein, applicable to the IESO or any contractual or other obligation binding on the IESO;

(c) this Agreement will, when executed and delivered, constitute the legal, valid and binding obligation of the IESO enforceable against it in accordance with its terms; and

(d) the monies advanced under this Agreement shall be used only by the IESO for the purposes set out in Section 2.2.

Section 6.2 Continuation of Representation and Warranties

The representations and warranties set out in Section 6.1 herein shall survive the execution and delivery of this Agreement, the making of each Advance by the OFA, notwithstanding any investigations or examinations which may be made by counsel for the OFA.

ARTICLE 7
GENERAL

Section 7.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy or other means of electronic communication addressed:

If to the IESO, to it at:

Independent Electricity System Operator
120 Adelaide Street West, Suite 1600
Toronto, ON M5H 1T1

Attention: Chief Financial Officer
Telephone: (416)969-6232
Facsimile: (905)403-6913

If to the OFA, to it at:

Ontario Financing Authority 1 Dundas Street West
Suite 1400 Toronto, Ontario M7A 1Y7

Attention: Executive Director & Chief Investment Officer – Capital Markets Division
Telephone: (416)325-8930
Facsimile: (416)860-8346

provided that any Borrowing Notice or Election Notice shall be addressed as indicated on Schedule 1 or Schedule 2 respectively.

Any communication hereunder shall be deemed to have been validly and effectively given if (a) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p.m. (Toronto time), otherwise on the next Business Day, (b) transmitted by facsimile or other means of electronic communication, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice give in accordance with this Section 7.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 7.1.

Section 7.2 Successors and Assigns.

This Agreement shall be binding on and enure to the benefit of the OFA and the IESO and their respective successors and permitted assigns, except that the IESO shall not, without the

prior written consent of the OFA assign, pledge or hypothecate any rights or obligations with respect to this Agreement.

Section 7.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of the Parties.

Section 7.4 Waiver.

(1) No waiver of any provisions of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) of this Agreement nor shall such waiver be binding unless executed in writing by the party to be bound by the waiver.

(2) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude another or further exercise of such right or the exercise of any other right.

Section 7.5 Further Assurances.

Each of the IESO and the OFA shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement

Section 7.6 Severability.

In case any provision in this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement shall not in any way be affected or impaired thereby.

Section 7.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 7.8 Entire Agreement.

This Agreement, including the schedules hereto and any other agreements expressly referred to herein, constitutes the whole agreement between the Parties with respect to the matters dealt with in it, and it supersedes any prior agreement, undertakings, discussions and the like respecting the matters dealt with in this Agreement and entered into by the Parties before the date the OFA signs this Agreement.

Section 7.9 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Agreement.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first written above.

ONTARIO FINANCING AUTHORITY

Per: _____

Name: Gadi Mayman
Title: Chief Executive Officer

I have authority to bind the corporation.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; Treasurer

I have authority to bind the corporation.

SCHEDULE 1

FORM OF BORROWING NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The principal amount of the Proposed Advance is $_____;
(c) The Repayment Date of the Proposed Advance is _____. [Not earlier than 5 days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:

Authorized Signatory

SCHEDULE 2

FORM OF ELECTION NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is _____.

(b) The aggregate amount of the proposed Continued Advance is $_____, which is comprised of:

i. principal amount (or portion thereof) of Advance which is to be continued $_____; and
ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date $_____;

(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): $ _____

(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _____. [Insert date not earlier than 5 days and not later than 95 days after the current Repayment Date for the Advance.]

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: $_____
The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Name:

Authorized Signatory

SCHEDULE 3 – FORM OF GRID NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $2,000,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR (the "**IESO**"), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY** ("**OFA**") at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement (as defined below).

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the Revolving Credit Facility Agreement dated **[INSERT DATE]** as amended, supplemented or restated from time to time, between the Borrower and the OFA (the "Agreement"). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:
Authorized Signatory

Revolving Credit Facility Grid Note

Ontario Financing Authority
Line of Credit Grid Note

Entity : **Independent Electricity System Operator**
Loan Limit:

Project:
Schedule of loan transactions to:
Loan Advanced to:

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days

From:	William Tan
To:	Sarah Neville
Cc:	Sarah Harris
Subject:	Waiver - FHP Agreement, 5-day minimum period exception
Date:	Wednesday, March 07, 2018 3:58:25 PM
Attachments:	FHP Revolving Credit Facility Agreement 2017-2022 Execution Version.docx

Hello Sarah N,

As an exception, IESO has requested OFA to waive the 5 day minimum repayment period for a 1 day repayment period. Carlos has indicated that this would occur infrequently. I am currently awaiting confirmation from Settlements and Cash Management if they have any concerns from an operational standpoint. IESO will have specific amounts/details this Friday. In the interim I will draft a waiver.

I will require assistance to review the waiver.Please advise who will be available to work with me on this waiver. Additional details are below.

Thanks,

Will

From: Carlos Yep
Sent: Wednesday, March 07, 2018 3:43 PM
To: William Tan
Cc: Sarah Harris
Subject: RE: FHP Agreement, 5-day minimum period exception

Hi Will

The waiver for the 5 day minimum is expected to occur on an infrequent but periodic basis.

Regards

Carlos

From: William Tan
Sent: Wednesday, March 07, 2018 3:33 PM
To: Carlos Yep <Carlos.Yep@ofina.on.ca>; SETTLEMENT <SETTLEMENT@ofina.on.ca>; CASHP <CASHP@ofina.on.ca>
Cc: Sarah Harris <Sarah.Harris@ofina.on.ca>
Subject: FHP Agreement, 5-day minimum period exception

Hello all,

IESO has asked OFA for a one-time exception to waive the minimum period for advances of 5 days (FHP Credit Facility Agreement). IESO has asked for an advance period of 1 day, so it may use money expected from OPG to repay its advance on the same day it matures.

IESO's current outstanding advance of $322M, matures on March 21, 2018. IESO will require an additional advance of $208M (to pay power generators) for a total of $530M, but will only require this for 1 day because IESO expects to receive funds from OPG to repay its advances on March 22. Rather than incurring additional interest costs of borrowing until March 26, 2018 (5 day minimum), IESO would prefer to match the maturity of its advances and expected cash inflow from OPG.

Please let me know if your respective areas have any concerns or issues from an operational standpoint.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority

1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca
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INDEPENDENT ELECTRICITY SYSTEM OPERATOR

as Borrower

and

ONTARIO FINANCING AUTHORITY

as Lender

REVOLVING CREDIT FACILITY AGREEMENT

Date: November ___, 2017

REVOLVING CREDIT FACILITY AGREEMENT

THIS AGREEMENT is made as of the ____ day of November 2017,

BETWEEN:

INDEPENDENT ELECTRICITY SYSTEM OPERATOR, a statutory corporation without share capital existing under Part II of the *Electricity Act, 1998* (the "**IESO**") (as Borrower)

AND

ONTARIO FINANCING AUTHORITY, a Crown agency established under the *Capital Investment Plan Act, 1993* (the "**OFA**" and together with the IESO, the "**Parties**") (as Lender)

RECITALS:

WHEREAS the IESO has requested a revolving credit facility for up to a maximum principal amount of $2 billion from the OFA for the purpose of supporting the IESO's role in the implementation and administration of the *Ontario Fair Hydro Plan Act, 2017*.

THEREFORE in consideration of the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the Parties agree as follows:

ARTICLE 1

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Definitions.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them below:

"Advances" means advances made by the OFA to the IESO under Article 3 and "Advance" means any one of such advances, and in the case of an election by the IESO under Section 3.3, includes a "Continued Advance", as defined in Section 3.3(1), as applicable.

"Advances Outstanding" means, at any time, an amount equal to the aggregate principal amount of all Advances outstanding at such time.

"Agreement", "herein", "hereby", "hereor', "hereunder" and similar expressions mean and refer to this agreement and all schedules hereto and all instruments in amendment or confirmation of this agreement and such schedules and not to any particular article or section; and the expression "Article" or "Section" followed by a number means the specified Article or Section of this Agreement.

"Borrowing Notice" has the meaning specified in Section 3.2(1).

"Business Day" means any day that is not a day on which banks are generally authorized or required by law or executive order to be closed in the City of Toronto.

"**Clean Energy Adjustment"** has the same meaning as that term is defined in the OFHP.

"Commitment" means, at any time, an amount equal to $2 billion.

"Consolidated Assets" means, at any time, the book value of the assets of the IESO and the Subsidiaries, determined as of such time on a consolidated basis in accordance with GAAP.

"**Continued Advance"** has the meaning specified in Section 3.3(1).

"Credit Facility" means the revolving credit facility to be made available to the IESO by the OFA under this Agreement for the purposes specified in Section 2.2.

"**Current Repayment Date**" has the meaning specified in Section 3.3(2).

"Default" means any event which, after the giving of notice, or passage of time, or both, would be an Event of Default.

"Dollars" or **"$**" means lawful currency of Canada.

"Election Notice" has the meaning specified in Section 3.3(2).

"Event of Default" has the meaning specified in Section 5.1.

"**First Advance**" has the meaning specified in Section 3.2(3).

"GAAP" means accounting policies and standards as established by the Chartered Professional Accountants of Canada, at the relevant time and applied on a consistent basis.

"Grid Note" has the meaning specified in Section 3.2(2).

"Indebtedness" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) every obligation of such Person for borrowed money;

(b) every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments;

(c) every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar instruments;

(d) every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or expenses accrued in the ordinary course of business which are not overdue or which are being contested in good faith);

(e) every capital lease obligation of such Person;

(f) the Swap Termination Value of each Swap Contract of such Person; and

(g) every obligation of the type referred to in paragraphs (a) through (f) of another Person and all dividends of another Person the payment of which, in each case, such Person has guaranteed or is responsible or liable for, directly or indirectly, as obligor, guarantor or otherwise.

"Lien" means any assignment, hypothec, mortgage, lien, pledge, security interest, encumbrance, title retention agreement or other agreement or arrangement to secure the performance of any obligation (including the payment of Indebtedness).

"Material Subsidiary" means, at any time, a Subsidiary which has consolidated assets with a book value of more than $25 million determined in accordance with GAAP.

"**New Repayment Date**" has the meaning specified in Section 3.3(2).

"**OFHP**" means the *Ontario Fair Hydro Plan Act, 2017*,S.O. 2017, c. 16, Schedule 1, including any regulations made thereunder, and all as amended from time to time.

"Permitted Liens" means:

(a) Liens for taxes and assessments not at the time overdue or any Liens securing workmen's compensation assessments, unemployment insurance or other social security obligations not at the time overdue;

(b) any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(c) any obligations or duties, affecting the property of the IESO to any municipality or governmental, statutory or public authority, with respect to any franchise, grant, license

or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by the IESO or such Material Subsidiary under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by the IESO or such Material Subsidiary;

(d) any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders', mechanics', labourers', materialmen's, warehousemen's, carriers' and other similar Liens;

(e) the right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license, franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

(f) any undetermined or inchoate Liens and charges incidental to the current operations of the IESO or a Material Subsidiary that have not at the time been filed against the IESO or such Material Subsidiary; provided, however, that if any such Lien or charge shall have been filed, the IESO or such Material Subsidiary shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;

(g) any Lien the validity of which is being contested at the time by the IESO or a Material Subsidiary in good faith and the enforcement of which has been stayed;

(h) any easements, rights-of-way and servitudes that in the opinion of the IESO will not in the aggregate materially and adversely impair the use or value of the land for the purpose for which it is held or occupied by the IESO or a Material Subsidiary;

(i) any Liens and privileges arising out of judgments or awards with respect to which the IESO or a Material Subsidiary shall be prosecuting an appeal or proceedings for review and with respect to which it shall have secured a stay of execution pending such appeal or proceedings for review;

(j) any other Liens of a nature similar to the foregoing which do not in the opinion of the IESO, acting reasonably, materially impair the use of the property subject thereto or the operation of the business of the IESO or any Material Subsidiary or the value of such property for the purpose of any such business; and

(k) any Lien arising from the IESO’s role and obligations under the OFHP, including with respect to any amount received or receivable by the IESO (such as, without limitation, amounts received or receivable in respect of the Clean Energy Adjustment), or any other

lien, whether arising from the action or inaction of IESO, that is created in connection with the OFHP.

"Person" means any individual, corporation, partnership joint venture, association, trust or unincorporated organization or any government or agency or political subdivision thereof.

"Purchase Money Mortgage" means any Lien on property, granted in connection with financing, assumed or given back in payment of, or created or arising by operation of law to secure, the whole or part of the purchase price of such property, or granted in connection with financing the cost in whole or in part of construction or installation of or improvements to any property, provided that such Lien is incurred or assumed at the time or within 12 months after the purchase of such property or the completion of such construction, installation or improvements, as the case may be, and includes any extension, renewal or replacement thereof on the same property if the principal amount of the Indebtedness secured thereby at the time of such extension, renewal or replacement is not increased and if such Lien is not extended to any other property.

"Repayment Date" means, in respect of the repayment of Advances, the repayment date contained in the most recent Borrowing Notice or Election Notice.

"Stated Maturity" when used with respect to any Indebtedness or any installment of interest thereon, means the date specified in or on the agreement or instrument evidencing such Indebtedness as the fixed date on which any principal amount of such Indebtedness or such installment of interest is due and payable.

"Subsidiary" means:

(a) a corporation more than 50% of the voting power or the outstanding Voting Shares of which is owned, directly or indirectly, by the IESO or by one or more other Subsidiaries or by the IESO and one or more other Subsidiaries; or

(b) any Person (other than a corporation) in which the IESO, or one or more other Subsidiaries, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof.

"Swap Contract" means any agreement whether or not in writing, relating to any transaction or derivative transaction including a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, commodity future, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction currency swap, cross-currency rate swap, swaption, currency option or other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing.

“Swap Termination Value” means, in respect of any one or more Swap Contracts entered into by a Person, after taking into account the effect of any legally enforceable netting agreement relating to such Swap contracts:

(a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) for such Person have been determined in accordance therewith, such termination value(s); and

(b) for any date prior to the date referred to in paragraph (a), the net amount determined pursuant to the terms of such Swap Contracts that would be payable by such Person if such Swap Contracts were terminated as of such date.

“Voting Shares” of any Person means securities of such Person which ordinarily carry a right to vote for the election of directors (or Persons performing similar functions) of such Person.

Section 1.2 Effect of Headings.

The division of this Agreement into Articles and Sections and the insertion of headings are for convenient reference only and shall not affect the construction or interpretation hereof.

Section 1.3 Singular, Plural, Gender, Certain Phrases, etc.

Where the context permits and unless such interpretation would be inappropriate, words importing the singular only shall include the plural and vice versa and words importing gender may include any gender. In this Agreement, (a) the words "including" and "includes" mean "including (or includes) without limitation", and (b) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" each mean “to but excluding".

Section 1.4 Accounting.

Except as otherwise specifically provided herein, all accounting terms shall be applied and construed in accordance with GAAP.

Section 1.5 Non-Business Days.

Whenever any payment to be made hereunder shall be due, any period of time would end, any calculation is to be made or any other action is to be taken on or as of, a day other than a Business Day, such payment shall be made, such period of time shall end, such calculation shall be made and such other actions shall be taken, as the case may be, unless otherwise specifically provided for herein, on or as of the next succeeding Business Day.

ARTICLE 2
REVOLVING CREDIT FACILITY

Section 2.1 Availability.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO. The OFA shall make each Advance in Dollars.

Section 2.2 Use of Proceeds.

The IESO shall use the proceeds of Advances for the purposes for which it is authorized to borrow funds pursuant to Regulation 280/14 made under the *Electricity Act, 1998*, as such regulation may be amended or replaced from time to time, subject to the condition that proceeds of Advances may be used only for IESO's financing needs and requirements of any kind arising in connection with the IESO's role with respect to and obligations under the OFHP.

Section 2.3 Credit Facility Limit.

The Advances Outstanding shall not at any time exceed the Commitment. The Credit Facility shall revolve and no payment under the Credit Facility shall reduce the Commitment.

Section 2.4 Mandatory Repayment.

Subject to Sections 2.5 and 5.2, the IESO shall repay each Advance together with the interest accrued thereon on the applicable Repayment Date, and, in any event, shall repay all Advances Outstanding, together with all accrued interest and all other amounts owing hereunder on September 30, 2022.

Section 2.5 Prepayments.

The IESO is not entitled to prepay any part of the Advances Outstanding or the interest accrued thereon without the prior written consent of the OFA.

Section 2.6 Payments under this Agreement.

(1) The OFA shall make Advances to the IESO under this Agreement to or to the order of the IESO by wire transfer of immediately available funds in accordance with wire transfer instructions given by the IESO to the OFA from time to time, or in such other manner as the IESO may specify to the OFA from time to time.

(2) The IESO shall make any payment required hereunder to be made by it to the OFA, to or to the order of the OFA, by wire transfer of immediately available funds in accordance with wire transfer instruction given by the OFA to the IESO from time to time, or in such other manner as the OFA may specify to the IESO from time to time. The IESO shall make each such payment in Canadian Dollars.

Section 2.7 Computations of Interest.

(1) All computations of interest shall be made by the OFA taking into account the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest is payable on the basis of a year of 365 days or 366 days, as the case may be.

(2) For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest which is equivalent to a rate of interest payable under this Agreement for any period of less than a year may be determined by multiplying the rate of interest for such period by a fraction, the numerator of which is the actual number of days in a year commencing on and including the first day in such period and ending on but excluding the corresponding day in the next calendar year and the denominator of which is the actual number of days in such period.

Section 2.8 Limit on Rate of Interest.

(1) Notwithstanding any provision contained in this Agreement, the IESO shall not be obliged to make any payments of interest or other amounts payable to the OFA hereunder in excess of the amount or rate which would be prohibited by applicable law or would result in the receipt by the OFA of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada)).

(2) In the event that any such payments are limited or prohibited as provided in Section 2.8(1), the OFA shall have no further obligation to make any Advances available hereunder and the Advances Outstanding, together with all accrued interest and all other amounts owing hereunder, shall become immediately due and payable.

Section 2.9 Application of Payments.

All payments made by the IESO under this Agreement shall be applied firstly to the payment of interest payable to the OFA on late payments of principal or interest hereunder, secondly, to the payment of accrued and unpaid interest payable to the OFA hereunder and thirdly, to the payment of the outstanding principal amount of any Advances payable to the OFA.

ARTICLE 3
ADVANCES

Section 3.1 Advances.

The OFA agrees, on the terms and conditions of this Agreement, to make Advances to the IESO under the Credit Facility from time to time on any Business Day prior to September 23, 2022.

Section 3.2 Procedure for Advances.

(1) Subject to Section 3.3(5), each Advance shall be made subject to two Business Days' prior notice given not later than 10:00 a.m. (Toronto time) by the IESO to the OFA. Each notice of an Advance (a "**Borrowing Notice**") shall be substantially in the form of Schedule 1, other than a Borrowing Notice that is included in an Election Notice as permitted by Section 3.3(3). Each Borrowing Notice shall be irrevocable and binding on the IESO and shall specify (a) the requested date of the Advance; (b) the principal amount of the Advance, and (c) the Repayment Date of the Advance which shall not be earlier than 5 days and not later than 95 days after the date of the requested Advance. Each Borrowing Notice shall also certify the use of proceeds of the Advance which shall in any case be in accordance with Section 2.2. The OFA will make the principal amount of each Advance available to the IESO in accordance with Article 2.

(2) On or before the date of the first Advance hereunder, the IESO shall execute and deliver to the OFA a grid promissory note in respect of Advances substantially in the form of Schedule 3 (the "**Grid Note**"). The IESO authorizes the OFA to record on the Grid Note (a) the date and amount of each Advance or Continued Advance; (b) the applicable rate of interest for each Advance or Continued Advance; (c) the Repayment Date of each Advance or Continued Advance; (d) the date and amount of each payment of interest and each payment of principal or portion thereof in respect of each Advance or Continued Advance; and (e) Advances Outstanding. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such Advances and repayments; provided that the failure of the OFA to record any amount, rate or date shall not affect the obligation of the IESO to pay the Advances Outstanding and all interest accrued thereon and any other amounts due under this Agreement.

(3) Respecting the first Advance to be made under this Agreement (the "**First Advance**"), a specified portion thereof (the "**Repayment Amount**") shall be used to repay a portion of the IESO's outstanding indebtedness to the OFA under the credit agreement between the Parties dated January 1, 2005, as amended (the "**Existing Credit Facility**"). The amount of the Repayment Amount shall be detailed in the Borrowing Notice issued in respect of the First Advance. Concurrently with the First Advance, OFA shall provide to IESO an updated grid in respect of the grid note issued under the Existing Credit Facility evidencing the repayment of the Repayment Amount thereunder.

Section 3.3 Elections Regarding Advances.

(1) The IESO may elect to continue all or a portion of the principal amount of any Advance and any amount of interest on such Advance (together, the "**Continued Advance**") for a further period of at least 5 days and up to a maximum of 95 days beginning on the then current Repayment Date in accordance with Section 3.3(2).

(2) Each notice to continue an Advance for a further period (an "**Election Notice**") shall be provided by the IESO to the OFA at least two Business Days prior to the Repayment Date of the Advance (the "**Current Repayment Date**"), and in each case, not later than

10:00 a.m. (Toronto time). Each such Election Notice shall be given substantially in the form of Schedule 2 and shall be irrevocable and binding upon the IESO and shall specify: (a) the Current Repayment Date; (b) the new aggregate total amount of the proposed Continued Advance; (c) the amount of interest or principal, if any, to be paid or re-paid by the IESO with respect to such Advance on the Current Repayment Date; and (d) the new Repayment Date of the proposed Continued Advance, which shall be no earlier than 5 days and not later than 95 days after the current Repayment Date (the "**New Repayment Date"**). If the IESO fails to deliver an Election Notice to the OFA for any Advance as provided herein, such Advance shall be repayable on the applicable Repayment Date.

(3) An Election Notice with respect to a proposed Continued Advance may include a Borrowing Notice for a further Advance proposed to be made on the Current Repayment Date. The Repayment Date of such further Advance shall be the New Repayment Date of the Continued Advance that is specified in the Election Notice. Such Borrowing Notice shall be given substantially in the form of Schedule 2.

(4) The calculation of interest on a Continued Advance shall be determined in the same manner as an Advance under Section 3.4 and shall be recorded on the Grid Note in accordance with Section 3.2(2).

(5) Any portion of an Advance not continued for a further period in accordance with Section 3.3(2) shall be repayable on the applicable Repayment Date.

(6) The Credit Facility shall at all times rank *pari passu* with all other unsubordinated and unsecured Indebtedness of the IESO, subject to the existence of any Liens that secure Indebtedness, as permitted by subections 4.6 (a) through (e) hereof.

(7) All amounts owing in respect of the Advances shall be paid without exercising any right of set off or counterclaim by the IESO.

Section 3.4 Interest on Advances.

(1) The IESO shall pay interest on the unpaid principal amount of each Advance in accordance with this Section 3.4 from and including the date of such Advance until the principal amount of such Advance is repaid in full.

(2) Interest shall accrue on the principal amount of each Advance from and including the date of the Advance to but excluding the Repayment Date of such Advance, at an annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum, before as well as after the date such principal amount or interest thereon becomes due hereunder and both before and after Default and shall be payable on the Repayment Date for such Advance. Any amount of interest arising hereunder which is not paid when due shall bear interest at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment. The amount of interest payable on an Advance will be calculated by the

OFA by dividing the interest rate applicable to the Advance by 365 or 366, as the case may be, and multiplying the result by the principal amount of the Advance and further multiplying the result by the number of days in the period from the date of the Advance to the Repayment Date of the Advance.

(3) If the IESO elects to continue an Advance in accordance with Section 3.3(2), the OFA shall determine the interest rate applicable after the original Repayment Date of the Advance and endorse the said rate on the grid forming part of the Grid Note in respect of Advances held by it.

Section 3.5 Conditions Precedent

The obligation of the OFA to make the Advances to the IESO pursuant to Section 2.1 is subject to the following conditions being satisfied to the OFA's satisfaction at the time of making each Advance:

(a) that the representations and warranties of the IESO contained in this Agreement are true and correct as at the date of making the Advance;

(b) that no Event of Default has occurred and is continuing;

(c) that there shall, in the reasonable opinion of the OFA, have been no material adverse change in the financial condition of the IESO or a Material Subsidiary; and

(d) that the OFA has received such other documentation which it has reasonably requested to ensure that the IESO is in compliance with the terms and conditions of this Agreement, including certified true copies of any necessary resolutions, a written legal opinion from counsel to the IESO confirming that the borrowing is within the legal powers of the IESO and that the Agreement is a direct, unsecured obligation of the IESO enforceable against the IESO in form satisfactory to the OFA.

ARTICLE 4
COVENANTS OF THE IESO

Section 4.1 Repayment of Advances.

The IESO will duly and punctually pay all amounts owing under this Agreement in accordance with the terms and subject to the conditions of this Agreement.

Section 4.2 IESO will Maintain its Corporate Existence.

The IESO will at all times maintain its corporate existence.

Section 4.3 Maintenance of Properties.

The IESO will cause all property owned by the IESO or any Material Subsidiary to be maintained and kept in good condition, repair and working order, all as in the judgment of the IESO or any Material Subsidiary may be necessary for the proper operation of such property, except as and to the extent that the IESO or any Material Subsidiary may be prevented from doing so by fire, strikes, lockouts, walkouts, labour unrest, acts of God, inability to obtain labour or materials, enemy action, governmental restrictions, civil commotion, or unavoidable casualty or similar causes; provided, however, that nothing in this Section 4.3 shall prevent the IESO or any Material Subsidiary from discontinuing the maintenance of any such property or decommissioning any such property if such discontinuance or decommissioning is, in the judgment of the IESO or any such Material Subsidiary, desirable in the conduct of its business or the business of any such Material Subsidiary, or has been directly or indirectly requested or required by the Province of Ontario.

Section 4.4 Insurance.

The IESO will cause all property owned by the IESO or any Material Subsidiary which is of a character usually insured by companies operating similar businesses to be insured and kept insured with reputable insurers (which may include associations or other organizations for mutual or reciprocal insurance) against loss or damage by fire or other hazards or risks of the mature and to the extent that such property is usually insured by companies operating similar businesses.

Section 4.5 Conduct of Business.

The IESO will, and will cause the Subsidiaries to, carry on and conduct their respective businesses in accordance with good business practice.

Section 4.6 Negative Pledge.

The IESO will not, and will not permit any Material Subsidiary to, create, incur or assume any Lien, charging the interest of the IESO or any Material Subsidiary in any property, to secure any obligations (including any Indebtedness) unless, at or prior to the time such Lien is created, incurred or assumed, all amounts owing under this Agreement are secured equally and rateably with any and all such obligations secured or to be secured by such Lien, for so long as such obligations shall be secured, provided, however, that the foregoing covenant shall not prevent, restrict or apply to any of the following:

(a) the creation, incurrence or assumption of any Purchase Money Mortgage;

(b) the grant of any Lien in the normal course of business to any banks or financial institutions for present or future Indebtedness of the IESO or any Material Subsidiary to such banks or financial institutions payable on demand or having an original term to maturity less than 18 months;

(c) Permitted Liens;

(d) any extension, renewal or replacement of any of the Liens referred to in Sections 4.6(a), (b) or (c), provided that the principal amount secured by any such Lien outstanding immediately before such extension, renewal or replacement or refunding is not thereby increased; and

(e) any Lien charging the interest of the IESO or any Material Subsidiary in any property to secure any Indebtedness, other than any Lien referred to in Sections 4.6(a), (b) or (c), provided that, at the time such Lien is created, incurred or assumed, the principal amount of such Indebtedness, together with the aggregate principal amount of all other Indebtedness secured by Liens permitted pursuant to this Section 4.6(e) which is outstanding at such time does not exceed 10% of Consolidated Assets at such time.

Section 4.7 Payment of OFA Expenses

In addition to any liability of the IESO to the OFA under any other provision of this Agreement, the IESO will, on demand, reimburse and indemnify OFA for all reasonable costs, charges and expenses, including reasonable fees and disbursements of its agents and counsel, incurred by OFA in connection with the Agreement (including those services incurred in the preservation of rights under or enforcement of this Agreement at any time during the continuance of a Default or Event of Default and for any reasonable loss or expense incurred by OFA as a result of any failure by the IESO to fulfill any of its obligations under this Agreement). All such costs, charges and expenses shall bear interest at the Province of Ontario's cost of funds plus 0.25 percent per annum (as determined by the OFA) calculated and payable monthly not in advance from in each case from the date on which the OFA incurs the cost, charge or expense until the date on which the IESO reimbursement the OFA therefor. The OFA agrees, acting reasonably, to invoice the IESO for any such costs, charges and expense as they are incurred, together with interest at the aforesaid rate (with interest on overdue interest).

Section 4.8 Reporting.

The IESO will promptly provide to the OFA any reports or supporting documents that the OFA may request from time to time.

Section 4.9 Late Repayment of Advance.

In the event that the IESO fails to repay the principal amount of any Advance and all interest accrued thereon when due, the IESO shall pay interest on the unpaid amount of such Advance at the same rate compounded monthly at which it accrued from the due date for payment until the date of actual payment.

ARTICLE 5
EVENTS OF DEFAULT AND REMEDIES

Section 5.1 Event of Default.

Wherever used in this Agreement, the term "Event of Default" means any of the following:

(a) the IESO's failure to pay any interest upon any Advance when it becomes due and payable, if such failure continues for a period of 3 Business Days;

(b) failure to pay the principal amount of any Advance on the applicable Repayment Date or the Advances Outstanding, all interest accrued thereon and all other amounts owing under this Agreement on September 30, 2022;

(c) failure on the part of the IESO to observe or perform its obligations set forth in Section 4.1;

(d) failure on the part of the IESO to observe or perform any of the other covenants or agreements on its part contained in this Agreement for a period of 20 days after the date on which written notice of such failure shall have been given to the IESO by the OFA;

(e) any representation or warranty made by the IESO in this Agreement or in any certificate or other document at any time delivered hereunder to the OFA was incorrect or misleading in any material respect;

(f) one or more breaches by the IESO of its covenants under one or more evidences of Indebtedness or instruments governing or securing the same with a principal amount then outstanding, individually or in the aggregate, of at least $5 million, which breaches:

(i) constitute a failure to pay such Indebtedness when due and payable at its final Stated Maturity, continue after any applicable grace period and have not been cured or waived or ceased to exist, or

(ii) have resulted in such Indebtedness becoming or being declared due and payable prior to its final Stated Maturity (and which acceleration or declaration has not been waived or rescinded);

(g) the IESO or any Material Subsidiary:

(i) becomes unable to meet its obligations as they generally become due or has ceased paying its current obligations in the ordinary course of business as they generally become due;

(ii) admits in writing its inability to pay its debts generally or makes a general assignment for the benefit its creditors or files a proposal or other scheme

of arrangement involving the rescheduling or composition of its Indebtedness;

(iii) institutes or has instituted against it any proceeding seeking:

(A) to adjudicate it as bankrupt or insolvent,

(B) liquidation, winding-up or reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors, or

(C) the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its assets,

and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismissed or unstayed for a period of 30 days, or any remedy sought in any such proceeding (including the entry of order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or

(iv) takes any corporate action to authorize any of the actions in Sections 5.l (g)(i) to (iii); or

(h) if there shall be rendered against the IESO or any Material Subsidiary a final judgment or judgments for the payment of money in an aggregate amount in excess of $5 million by a court or courts of competent jurisdiction, and the IESO or any Material Subsidiary shall have failed to satisfy such judgments or to appeal therefrom (or from the order, decree or process pursuant to which such judgments were granted, passed, entered or affirmed) and to obtain a stay of execution thereof within the period prescribed by law for appeals, and to have such judgments discharged within 30 days after the expiration of such period or the period of any such stay, whichever shall later expire.

Section 5.2 Acceleration of Maturity; Rescission and Annulment.

If an Event of Default occurs and is continuing, then and in every such case the OFA may at its option, in addition to any other remedy available to the OFA at law, by written notice to the IESO, take any or all of the following actions:

(a) suspend the right of the IESO to request any further Advance until the Event of Default has been cured to the OFA's satisfaction or, if the Event of Default is not

cured within three (3) Business Days after the date on which written notice of such Event of Default shall have been given to the IESO by the OFA, declare all amounts owing hereunder including all interest accrued to be due and payable immediately, by a notice in writing to the IESO, and upon any such declaration all such amounts shall become immediately due and payable.

(b) invoke the Intercept pursuant to section 5.7 of this Agreement to require payment of any amount due and payable under this Agreement.

Section 5.3 Suits for Enforcement by the OFA.

If an Event of Default occurs and is continuing, the OFA may proceed to protect and enforce the rights vested in it by this Agreement either by suit in equity or by action at law or by proceedings in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Agreement or in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in the OFA by this Agreement or by law.

Section 5.4 OFA May File Proof of Claim.

If proceedings for the receivership, insolvency, liquidation, bankruptcy, winding-up, reorganization, arrangement or composition of the IESO under any applicable law are pending, or if a receiver, trustee, custodian or other similar official shall have been appointed for the property of the IESO, or if any other judicial proceedings relative to the IESO, its creditors or its property are pending, the OFA shall be entitled and empowered, by intention in such proceeding or otherwise:

(a) to file and prove a claim for all amounts owing under this Agreement and to file such other papers or documents as may be necessary or advisable in order to have the claims of the OFA (including any claim for fees and disbursements of the OFA, its agents and counsel) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claim.

Section 5.5 Rights and Remedies Cumulative.

No right or remedy herein conferred upon or reserved to the OFA is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.6 Delay or Omission not Waiver.

No delay or omission of the OFA to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right or remedy given by this Article 5 or by law to OFA may be exercised from time to time, and as often as may be deemed expedient, by the OFA.

Section 5.7 Intercept

(a) The IESO hereby acknowledges that, in accordance with the terms of the letter agreement of even date herewith entered between the Ministry of Energy, the IESO and the OFA made pursuant to Section 23 of the *Capital Investment Plan Act, 1993* (the "**Intercept Letter**"), the Minister of Finance is entitled to deduct only from those monies appropriated by the Legislature for payment through the Ministry of Energy to the IESO ("**Appropriated Funds**"), amounts equal to any amounts that the IESO fails to pay to the OFA on account of indebtedness under this Agreement. On the occurrence of an Event of Default relating to a failure by IESO to pay when due any amounts owing hereunder, subject to the OFA's compliance with any relevant provisions hereof and as set out in the Intercept Letter, the Minister of Finance is irrevocably authorized to deduct from the Appropriated Funds amounts equal to any amounts that the IESO has failed to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA ("**Intercept**").

(b) If, after following the process specified in the Intercept Letter (including, without limitation, allowing for a reasonable cure period on the terms specified therein), the OFA determines that it is necessary to request the Minister of Finance to exercise the Intercept, the OFA will give written notice to the Minister of Finance, with a copy to the Ministry of Energy, detailing the IESO's failure to pay when due any amounts owing hereunder and requesting the deduction from the Appropriated Funds of amounts equal to the amounts that the IESO has failed to pay to the OFA under this Agreement.

(c) The IESO agrees that any notice from the OFA to the Minister of Finance in relation to this section 5.7 (Intercept) may be relied upon by the Minister of Finance without further inquiry or verification by the Minister of Finance and, upon receipt of such notice, an amount equal to the amount that the IESO has failed to pay when due to the OFA on account of indebtedness under this Agreement shall be deducted from the Appropriated Funds and paid to the OFA.

(d) For further certainty, the OFA acknowledges and agrees that the Intercept as provided for herein and in the Intercept Letter shall not apply with respect to any funds appropriated by the Legislature for payment to the IESO through ministries other than the Ministry of Energy or through Ontario Climate Change Solutions Deployment Corporation.

(e) The parties agree that, with respect to the exercise of the Intercept generally, the terms of this section 5.7 shall be applied consistently with the terms set out in the Intercept Letter which shall apply in full. Notwithstanding the foregoing, in the event of a conflict or

inconsistency between the terms and conditions of the Intercept Letter and the terms and conditions contained in this Agreement, the terms and conditions contained in this Agreement shall prevail.

ARTICLE 6
REPRESENTATIONS AND WARRANTIES OF IESO

Section 6.1 Representations and Warranties of IESO

The IESO represents and warrants to the OFA that:

(a) the borrowing of money (including principal and accrued interest) by the IESO and the execution, delivery and performance of this Agreement are within the powers and capacities of the IESO and have been duly authorized by all necessary legal action and proper proceedings;

(b) the execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the compliance with the terms and conditions of this Agreement will not conflict with or result in a breach of any of the terms or provisions of the constituting documents or by-laws of the IESO, laws of Ontario, including laws of Canada applicable therein, applicable to the IESO or any contractual or other obligation binding on the IESO;

(c) this Agreement will, when executed and delivered, constitute the legal, valid and binding obligation of the IESO enforceable against it in accordance with its terms; and

(d) the monies advanced under this Agreement shall be used only by the IESO for the purposes set out in Section 2.2.

Section 6.2 Continuation of Representation and Warranties

The representations and warranties set out in Section 6.1 herein shall survive the execution and delivery of this Agreement, the making of each Advance by the OFA, notwithstanding any investigations or examinations which may be made by counsel for the OFA.

ARTICLE 7
GENERAL

Section 7.1 Notices.

Any notice, direction or other communication to be given under this Agreement shall be in writing and given by personally delivering it or sending it by telecopy or other means of electronic communication addressed:

If to the IESO, to it at:

Independent Electricity System Operator
120 Adelaide Street West, Suite 1600
Toronto, ON M5H 1T1

Attention: Chief Financial Officer
Telephone: (416)969-6232
Facsimile: (905)403-6913

If to the OFA, to it at:

Ontario Financing Authority 1 Dundas Street West
Suite 1400 Toronto, Ontario M7A 1Y7

Attention: Executive Director & Chief Investment Officer – Capital Markets Division
Telephone: (416)325-8930
Facsimile: (416)860-8346

provided that any Borrowing Notice or Election Notice shall be addressed as indicated on Schedule 1 or Schedule 2 respectively.

Any communication hereunder shall be deemed to have been validly and effectively given if (a) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p.m. (Toronto time), otherwise on the next Business Day, (b) transmitted by facsimile or other means of electronic communication, on the Business Day following the date of transmission provided that, on the date of transmission, the addressee of such communication was notified by telephone of such transmission. Any party may from time to time change its address for communications hereunder by notice give in accordance with this Section 7.1 and until changed by like notice, such changed address shall be such party's address for purposes of this Section 7.1.

Section 7.2 Successors and Assigns.

This Agreement shall be binding on and enure to the benefit of the OFA and the IESO and their respective successors and permitted assigns, except that the IESO shall not, without the

prior written consent of the OFA assign, pledge or hypothecate any rights or obligations with respect to this Agreement.

Section 7.3 Amendments.

This Agreement may only be amended or otherwise modified by written agreement executed by each of the Parties.

Section 7.4 Waiver.

(1) No waiver of any provisions of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar) of this Agreement nor shall such waiver be binding unless executed in writing by the party to be bound by the waiver.

(2) No failure on the part of a party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right and any single or partial exercise of such right shall not preclude another or further exercise of such right or the exercise of any other right.

Section 7.5 Further Assurances.

Each of the IESO and the OFA shall, from time to time, do all such acts and things and execute and deliver all such instruments as may be reasonably required to give effect to, and carry out the terms of, this Agreement

Section 7.6 Severability.

In case any provision in this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions in this Agreement shall not in any way be affected or impaired thereby.

Section 7.7 Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 7.8 Entire Agreement.

This Agreement, including the schedules hereto and any other agreements expressly referred to herein, constitutes the whole agreement between the Parties with respect to the matters dealt with in it, and it supersedes any prior agreement, undertakings, discussions and the like respecting the matters dealt with in this Agreement and entered into by the Parties before the date the OFA signs this Agreement.

Section 7.9 Counterparts.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Agreement.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first written above.

ONTARIO FINANCING AUTHORITY

Per: _____

Name: Gadi Mayman
Title: Chief Executive Officer

I have authority to bind the corporation.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name: Kimberly Marshall
Title: Vice President, Corporate Services; Chief Financial Officer; Treasurer

I have authority to bind the corporation.

SCHEDULE 1

FORM OF BORROWING NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.2 of the Agreement that the IESO requests an Advance under the Agreement, and, in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"), as required by Section 3.2(1) of the Agreement:

(a) The date of the Proposed Advance, being a Business Day is _____;
(b) The principal amount of the Proposed Advance is $_____;
(c) The Repayment Date of the Proposed Advance is _____. [Not earlier than 5 days and not later than 95 days after the date of the Proposed Advance.]

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement will be expended or held solely for the purpose for which they are authorized to be used under the Agreement; no part of the funds to be received pursuant to this Notice shall be used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:

Authorized Signatory

SCHEDULE 2

FORM OF ELECTION NOTICE

Delivered Via Email: CASHP@ofina.on.ca

Ontario Financing Authority ("OFA")
1 Dundas Street West, Suite 1400
Toronto, Ontario
M7A 1Y7

Date: [insert date]

Attention: Cash Management

Dear Sirs:

I. ELECTION NOTICE

The undersigned, the Independent Electricity System Operator ("IESO"), refers to the Revolving Credit Facility Agreement between the IESO and the OFA dated October (·), 2017 (as amended, supplemented or restated from time to time, the "Agreement", the terms defined therein being used herein as therein defined), and gives you notice pursuant to Section 3.3 of the Agreement that the IESO elects to continue for an additional term all or a portion of an Advance or a Continued Advance, as the case may be, and in connection with such election sets forth below the information relating to such election as required by Section 3.3(2) of the Agreement:

(a) The date of the proposed election, being a Business Day (being the Current Repayment Date) is _____.

(b) The aggregate amount of the proposed Continued Advance is $_____, which is comprised of:

i. principal amount (or portion thereof) of Advance which is to be continued $_____; and
ii. accrued interest on Advance which will not be paid on or before the Current Repayment Date $_____;

(c) The IESO will pay on the Current Repayment Date the following amount with respect to the Advance (if any): $ _____

(d) The New Repayment Date, being a Business Day, applicable to such proposed Continued Advance is _____. [Insert date not earlier than 5 days and not later than 95 days after the current Repayment Date for the Advance.]

Such election shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

II. BORROWING NOTICE [to be included if applicable]

The IESO gives you notice pursuant to Section 3.3(3) of the Agreement that the IESO requests a further Advance under the Agreement on the Current Repayment Date, with a Repayment Date of the New Repayment Date as specified above, and in connection with such request, sets forth below the information relating to such Advance (the "Proposed Advance"):

Amount of the Proposed Advance: $_____
The total aggregate amount of the proposed Continued Advance and Proposed Advance pursuant to this Notice is: $_____

Such request of the Proposed Advance shall be confirmed by the IESO by a telephone call to OFA Cash Management at 416-325-8108.

Use of Funds

The IESO hereby certifies that the funds comprising the Proposed Advance requested pursuant to this Notice, if any, will be used for the following purpose(s): [specify purpose(s) and any sub-categories of borrowing purposes, as applicable]

The IESO hereby certifies that:

The representations and warranties of the IESO contained in the Agreement are true and correct as at the date hereof.

No Event of Default has occurred or is continuing and no event or condition has occurred, which, with the lapse of time or the giving of notice or both would constitute an Event of Default.

The IESO has complied or is complying with all terms, covenants and conditions contained in the Agreement.

Any and all funds received under the Agreement are being used solely as authorized under the Agreement and are not being used for any other purpose.

Yours truly,

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____
Name:

Authorized Signatory

SCHEDULE 3 – FORM OF GRID NOTE

INDEPENDENT ELECTRICITY SYSTEM OPERATOR GRID NOTE

Principal Amount: Up to $2,000,000,000 Date:

FOR VALUE RECEIVED, INDEPENDENT ELECTRICITY SYSTEM OPERATOR (the "**IESO**"), incorporated under the laws of the Province of Ontario and having its principal office and place of business at Toronto, Ontario, **PROMISES TO PAY** to or to the order of **ONTARIO FINANCING AUTHORITY** ("**OFA**") at its offices at Toronto, Ontario or at such other place as the OFA may designate, the principal amount of each and all Advances made by the OFA to the IESO, all as recorded by the OFA on the grid attached to and forming part of this Grid Note, in lawful money of Canada, with interest on each Advance at the rate, calculated in the manner and payable at the times specified in the Revolving Credit Facility Agreement (as defined below).

OFA shall and is unconditionally and absolutely authorized and directed by the IESO to record on the Grid Note (i) the date and amount of each Advance, including any Advance all or a portion of which is continued by election under Section 3.3; (ii) the applicable rate of interest for each Advance; (iii) the repayment date of each Advance; (iv) the date and amount of each payment of interest and each payment of principal in respect of each Advance; and (v) the outstanding principal amount of the Grid Note. Such notations, in the absence of manifest error, shall be *prima facie* evidence of such advances and repayments; provided that the failure of the OFA to record the same shall not affect the obligations of the Borrower to pay such amounts to the OFA.

The outstanding principal amount of each Advance under this Grid Note together with all interest accrued thereon shall become due and payable as specified in the Revolving Credit Facility Agreement dated **[INSERT DATE]** as amended, supplemented or restated from time to time, between the Borrower and the OFA (the "Agreement"). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This Grid Note is issued pursuant to, and is subject to and payable in accordance with the provisions of, the Agreement.

This Grid Note is not transferable or negotiable without the prior written consent of the IESO.

The IESO waives presentment for payment and notice of non-payment.

This Grid Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF the IESO has executed this Grid Note.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Per: _____

Name:
Authorized Signatory

Revolving Credit Facility Grid Note

Ontario Financing Authority
Line of Credit Grid Note

Entity : **Independent Electricity System Operator**
Loan Limit:

Project:
Schedule of loan transactions to:
Loan Advanced to:

New Loan and/or Rollover						Actual Repayment				
New Loan or Rollover Date	Principal Advanced or Rollover Amount	Interest Rate	Repayment Date	Total No. Of Days	Interest Amount	Actual Repayment	Principal	Interest	Actual Repayment Date	Actual No. Of Days

From:	Andrea Dalgarno
To:	"anthea.yao@opg.com"
Cc:	Sarah Harris; Ryan Blackbyrne; Linda Smith; Carlos Yep; James Devine; Ricky Lai
Subject:	Waiver Applicable to March 22, 2018 Proposed Advance $400 Million
Date:	Tuesday, March 13, 2018 8:39:02 AM
Attachments:	Waiver $400M OEFC B.Notice March 5, 2018 P.Advance March 22, 2018.pdf

---

Good Morning,

Attached to this email is a copy of an executed waiver as it pertains to the March 22, 2018 Proposed Advance of $400 million as requested in OPG's Borrowing Notice dated March 5, 2018.

Please confirm whether OPG requires the original to be sent to the attention of Ken Hartwick as follows:

Ontario Power Generation
700 University Avenue, H18
Toronto, Ontario
M5G 1X6

Regards,

Andrea Dalgarno
Documentation & Analysis Specialist
Ontario Financing Authority
Tel 416-212-7451

This message, including any attachments, is intended only for the use of the individual(s) to which it is addressed and may contain information that is privileged and confidential. Any other distribution, copying or disclosure is strictly prohibited. If you are not the intended recipient or have received this message in error, please notify us immediately by reply e-mail and permanently delete this message including any attachments, without reading it or making a copy. Thank you

Ontario Electricity Financial Corporation
1 Dundas Street West
Suite 1400
Toronto ON M7A 1Y7
(416) 325-8000

Société financière de l'industrie de l'électricité de l'Ontario
1 rue Dundas ouest
Bureau 1400
Toronto ON M7A 1Y7

Ontario

March 13, 2018

Ken Hartwick
Ontario Power Generation Inc.
700 University Avenue, H18
Toronto, M5G 1X6

Re: $400,000,000 Proposed Advance under Borrowing Notice Dated March 5, 2018

Dear Ken,

The Ontario Electricity Financial Corporation ("OEFC") is in receipt of the Borrowing Notice provided by Ontario Power Generation ("OPG") to the OFA dated March 5, 2018 for the Proposed Advance of $400,000,000 (the "March 5, 2018 Borrowing Notice") under the General Corporate Requirements Credit Facility Agreement between OPG and OEFC dated June 17, 2016, as amended (the "Credit Agreement"), the terms defined therein being used herein as therein defined.

For the sole purpose of the March 5, 2018 Borrowing Notice, OEFC hereby agrees to modify the requirement set out in section 3.1 of the Credit Agreement that no more than 50% of the Proposed Advances for 2018 shall have a Repayment Date of no more than 30 years. As such, notwithstanding the total amount of Proposed Advances under the Credit Agreement for 2018, OEFC consents to a Repayment Date of 30 years from the date of the Proposed Advance under the March 5, 2018 Borrowing Notice, for the full principal amount of the Proposed Advance.

Accordingly, OEFC waives the requirement as set out in Section 3.2 and Schedule 1 of the Credit Agreement for OPG to provide the following certification in the March 5, 2018 Borrowing Notice:

> "The Repayment Date of any of the Proposed Advance(s) for 2018 is (a) no more than 30 years after the date of such Proposed Advance for no more than 50% of the total of all Proposed Advances for 2018 and (b) no more than 10 years after the date of the Proposed Advance for the remaining amount of the Proposed Advances for 2018."

Subject to the foregoing, section 3.1 of the Credit Agreement applies to all future Proposed Advances.

Best Regards,

ONTARIO ELECTRICITY FINANCIAL CORPORATION

By: _____
Name: Michael D. Manning
Title: Chief Operating Officer

From: Sarah Harris
To: William Tan
Subject: compare fhp.docx
Date: Tuesday, November 14, 2017 3:22:52 PM
Attachments: compare fhp.docx

Dear all,

We have executed the following credit facilities.

1) $2B OFA-IESO Credit Facility in relation to the Ontario Fair Hydro Plan (FHP).

The FHP Credit Facility has the following key provisions:

- Revolving Credit Facility with a maximum limit at any time of C$2 billion;
- Term: 5 year term which expires September 30, 2022, with last draw possible on September 22, 2022;
- Draws: to be based on minimum of 5 days to a maximum of 95 days;
- ~~Flexibility to~~IESO may roll-over the entire/portion of the principal and interest;
- Notice Period: For an advance or a rollover, IESO is required to provide two business day prior notice given not later than 10:00 a.m.;
- Business day convention: Following;
- Use of Proceeds: ~~IESO will use funds in the implementation and administration~~ Proceeds of ~~the Fair Hydro Plan Act, 2017. The revolving credit facility is~~Advances may be used only for ~~the purposes of providing short to medium term~~IESO's financing ~~related to~~needs and requirements of any kind arising in connection with the IESO's role with respect to and obligations under the OFHP~~, and~~.
- Interest Rate on Advances: Annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum.

2) **Amending Agreement to reduce limit on Existing IESO-OFA $975M Revolving Credit Facility to $475M (with an Effective Date of November 21, end of day)**

The existing Credit Facility has the following key provisions:

- Revolving Credit Facility with a maximum limit at any time of $475M;
- Term: Agreement expires December 30, 2019, with last draw possible on November 30, 2019;
- Draws: to be based on minimum of 28 days to a maximum of 95 days;
- ~~Flexibility to~~IESO may roll-over the entire/portion of the principal and interest;
- Notice Period : For an advance or a rollover, IESO is required to provide two business day prior notice given not later than 10:00 a.m.;
- Business day convention: Following; and
- Use of Proceeds: IESO shall use the proceeds of Advances for liquidity purposes.
- Interest Rate on Advances: Annual rate equal to the Province of Ontario's cost of funds for borrowings with a similar term as determined by the OFA plus 0.25 percent per annum.

~~3) For your reference, I have summarized forthcoming transactions~~

NEXT DRAW FROM IESO

In relation to the next IESO draw on November 21st~~. (* denotes approximate numbers). Borrowing and Election Notices are expected to be received on~~, the following transactions will occur.

November 17, 2017~~.~~ -Three Notices to be received from IESO:

~~**November 21, 2017 (intraday)**~~

Commented [WT1]: I found the trade ticket confirming this and confirmed it with Carlos.

SH: You only needed to look to the agreement. Which section is it covered in?

Commented [WT2]: Okay, Section 1.5 Non-Business Day. "….actions shall be taken the next succeeding Business day"

Commented [SH3]: You need to provide more context like – Interest Rate on Advances. Also specify if this is the rate for overdue payments

Commented [SH4]: General Note: Mirror the structure, content and phrasing of the sections below to those above, making adjustments where it makes sense.

Commented [WT5]: I found the trade ticket for this and confirmed it with Carlos. SH: You only needed to look to the agreement. Which section is it covered in?

~~(xi) $12,649,081.37($10,649,081.37 + $2 million* (new advance)~~**Existing $975M Credit Facility for** ~~November 21, advance);~~

3) ~~Effectively,~~**$2B FHP Facility:** IESO ~~is rolling over the $10,649,081.37~~to send new borrowing notice under for first advance of approximately $1.05B

NOTE: In the Borrowing Notice for the ~~existing credit~~$2B FHP Facility, IESO will specify that instead of repaying (by funds transfer) the maturing $825,639,102.00 under the Existing $975M Facility, it will instead use the $825,639,102.00 to fund a portion of the 'new' $1.05B advance under the $2B FHP Facility. As a result, for the Advance under $2B facility~~,~~, the OFA will only transferring net amount of approximately $225 million (that is the difference between $1.05B and $825,639,102.00)

November 21, 2017 – The following transfers are to occur:

1) OFA to transfer to IESO total funds for the following

(i) Existing $975M Credit Facility for RRRP Program: amount of new advance of approximately $2 million

(ii) **$**2B FHP Facility: amount of new advance of approximately $225 million

2) IESO to transfer to OFA total funds for the following

(i) Existing $975M Credit Facility for RRRP Program: accrued interest totalling X for (being y for RRRP and z for RPP)

November 21, 2017, anticipated end of day balances

- $12,649,081.37* advanced under the existing credit facility (with a new facility limit of $475M effective end of day; and
- Approximately $1.05 billion~~*~~ advanced under the FHP Credit Facility.

~~Cash netting of $825,639,102 is observed in **Section 3.2(3) Procedure for Advances of the $2B FHP Credit Facility.**~~

Best regards,

From: Sarah Harris
To: William Tan
Subject: compare fhp.docx
Date: Tuesday, November 14, 2017 3:22:52 PM
Attachments: compare fhp.docx

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Best regards,

From: William Tan
To: Sarah Harris
Subject: draft: OFHP email to OFA stakeholders
Date: Tuesday, November 07, 2017 6:46:29 PM

Hello Sarah,

Below is the draft email to OFA stakeholders.

Dear all,

Below is the structure for the OFA IESO's existing Credit Facility for $475 million and new $2B OFHP Credit Facility as follows:

OFA:IESO Facility	New FHP facility
Current credit facilities $975 million	$ -
Reduction due to FHP ($500 million)	$ -
Increase due to FHP	$ - $2,000 million
Totals Credit Facilities $475 million	$2,000 million

The FHP Credit Facility has the following key provisions:

- Revolving Credit Facility;
- 5 year term which expires September 30, 2022;
- Draws – to be based on minimum of 5 days to a maximum of 95 days;
- Flexibility to roll-over the entire/portion of the principle or interest;
- Option to create additional subcategories strictly for OFHP purposes by identifying the subcategory on the Borrowing Notice form (advancement form).

Key dates (*approximate numbers):

- November 6, 2017

i. $2 billion OFHP Credit Facility Agreement signed;
ii. Existing Credit Facility changes effective November 21;

- November 17, 2017

i. to receive OFHP Borrowing Notice from IESO to advance $825 million* + $225 million* (new advancement) for November 21, advancement (approximate numbers);
ii. to receive existing Credit Facility Election Notice from IESO to extend $10 million* + $2 million* (new advancement) for November 21, advancement;

- November 21, 2017, anticipated end of day balances

i. OFHP Credit Facility outstanding balance $1.05 billion*
ii. Existing credit Facility $12 million*.

Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, Ontario M5G 1Z3, CANADA
Tel. (416) 325-8090 | Fax: (416) 860-8346
william.tan@ofina.on.ca

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Best regards,

Will Tan| *Documentation & Analysis Specialist*
Capital Markets Division | Ontario Financing Authority
1 Dundas Street West, Suite 1400
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From: Sarah Harris
To: Opal Kandelas
Subject: last directive 1360M
Date: Tuesday, November 21, 2017 3:39:34 PM
Attachments: 04b - IESO-OEFC - 160M Revolving Line of Credit 2017 - Ministers Directive v6_clean_SIGNED.pdf

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Sarah Harris
Manager, Operations
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M7A 1Y7
416-325-8193
sarah.harris@ofina.on.ca

DIRECTIVE
MINISTER OF FINANCE
INDEPENDENT ELECTRICITY SYSTEM OPERATOR LINE OF CREDIT

To: Ontario Electricity Financial Corporation

Whereas:

Under a directive dated April 20, 2010 issued by the Minister of Finance pursuant to sub-section 74(1) of the *Electricity Act, 1998*, Ontario Electricity Financial Corporation ("OEFC") was directed to lend a principal amount of up to $60 million to the Independent Electricity System Operator ("IESO") under a revolving credit facility (the "Line of Credit").

The terms of the Line of Credit were set out in a Revolving Credit Facility Agreement between OEFC and IESO dated April 23, 2010, as amended by amending agreement 1 dated July 21, 2010, amending agreement 2 dated October 14, 2011, amending agreement 3 dated April 30, 2013, and amending agreement number 4 dated April 30, 2014 (as amended the "Credit Agreement").

Under a further directive dated August 30, 2011 issued by the Minister of Finance pursuant to sub-section 74(1) of the *Electricity Act, 1998*, OEFC was directed increase the Line of Credit to a principal amount of up to $110 million to provide temporary funding for IESO corporate requirements.

Under a further directive dated April 19, 2013 issued by the Minister of Finance pursuant to sub-section 74(1) of the *Electricity Act, 1998*, OEFC was directed to extend the mandatory repayment date established in the Credit Agreement for a period of one year from April 30, 2013 to April 30, 2014.

Under a further directive dated April 8, 2014 issued by the Minister of Finance pursuant to sub-section 74(1) of the *Electricity Act, 1998*, OEFC was directed to decrease the Line of Credit to a principal amount of up to C$95 million and to extend the mandatory repayment date established in the Credit Agreement for a period of three years from April 30, 2014 to April 30, 2017.

It is now desirable to increase the Line of Credit to a principal amount of up to C$160 million to provide temporary funding for IESO corporate requirements and costs related to the market renewals program, and to extend the mandatory repayment date established in the Credit Agreement for the period from May 1, 2017 to June 30, 2020.

Therefore:

Pursuant to sub-section 74(1) of the Electricity Act, 1998, OEFC is directed to increase the Line of Credit to a principal amount of up to C$160 million and to extend the mandatory repayment date established in the Credit Agreement from April 30, 2017 to June 30, 2020.

The Line of Credit shall be subject to the following terms:

- The aggregate principal amount outstanding under the Line of Credit at any time shall not exceed C$160 million.
- All amounts outstanding under the Line of Credit shall be repaid in full on or before June 30, 2020.
- Effective as of May 1, 2017, interest shall be payable on outstanding principal under the Line of Credit, based on the Province of Ontario's cost of borrowing for a 30 day term, as determined by the Chief Executive Officer of OEFC or the Chief Operating Office of OEFC, or by a person designed by either of them, plus fifty basis points (0.50%).
- The Line of Credit shall be subject to such other terms as OEFC deems appropriate from time to time.

The terms of the Line of Credit shall be set out in an amendment to the Credit Agreement to be entered into by OEFC and the IESO.

Dated APR 0 1, 2017

Charles Sousa
Minister of Finance

From: Sarah Harris
To: Opal Kandelas
Subject: last directive 2120M loan
Date: Tuesday, November 21, 2017 3:38:57 PM
Attachments: 04a - IESO-OEFC - 120M Refinance Loan 2017 - Ministers Directive_v3_clean_SIGNED.pdf

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Sarah Harris
Manager, Operations
Capital Markets Division
Ontario Financing Authority
1 Dundas Street West, Suite 1400
Toronto, ON M7A 1Y7
416-325-8193
sarah.harris@ofina.on.ca

DIRECTIVE
MINISTER OF FINANCE
REFINANCING AND INCREASING LOAN TO INDEPENDENT ELECTRICITY SYSTEM OPERATOR

To: Ontario Electricity Financial Corporation

Whereas:

Under a directive dated April 8, 2014 issued by the Minister of Finance pursuant to sub-section 74(1) of the *Electricity Act, 1998,* Ontario Electricity Financial Corporation ("OEFC") was directed to lend to the Independent System Operator ("IESO") a principal amount of C$90 million (the "2014 Loan") for the purpose of refinancing debt in the principal amount of C$78.2 million owing from IESO to OEFC that matured on April 30, 2014 and to refinance $11.8 million owing under a revolving credit facility agreement between OEFC and IESO.

The terms of the 2014 Loan are set out in an agreement for the issuance of a note between IESO and OEFC dated April 1, 1999, as amended by amending agreement 1 dated March 23, 2000, amending agreement 2 dated April 23, 2009, amending agreement 3 dated May 1, 2011, amending agreement 4 dated May 1, 2013, and amending agreement 5 dated April 30, 2014 (as so amended, the "Loan Agreement").

It is now desirable to increase the 2014 Loan to a principal amount of up to C$120 million, and to extend the maturity date of the 2014 Loan to June 30, 2020.

Therefore:

Pursuant to sub-section 74(1) of the Electricity Act, 1998, OEFC is directed to lend to the IESO a principal amount of up to C$120 million (the "2017 Loan") during the period from May 1, 2017, to June 30, 2020 for the purpose of refinancing the 2014 Loan and to fund new IESO capital expenditures.

The 2017 Loan shall be subject to the following terms:

- The term of the 2017 Loan shall be for the period from May 1, 2017 to June 30, 2020.
- Interest shall be payable on the 2017 Loan at a rate established as of May 1, 2017, based on the Province of Ontario's cost of borrowing for the period from May 1, 2017 to June 30, 2020, determined by the Chief Executive Officer of OEFC or the Chief Operating Officer of OEFC, or by a person designated by either of them, plus fifty basis points (0.50%).
- The Loan shall be subject to such other terms as OEFC deems appropriate.

The terms of the 2017 Loan shall be set out in an amendment to the Loan Agreement between OEFC and the IESO.

Dated APR 01 2017

Charles Sousa
Minister of Finance

From: Ryan Blackbyrne
To: Sarah Harris
Subject: status update
Date: Tuesday, September 18, 2018 9:14:43 AM

Hi Sarah,

- Linda is meeting with OPG this week to discuss their plans looking forward. She did not expect any further OPG borrowing under the existing facility in 2018. She said she expects OPG to request a new 3-year $700M credit facility that would become active when the existing credit-facility expires December 31, 2018. I will follow up with her after her meeting with OPG
- Waiting to hear back from Patrick on draft LRC approval form and DM/CO memos. He is also in process of preparing draft OIC
- Working with Andrea on briefing notes requested by Tara McGrath related to Loan Act and Refinancing Act OIC's
- Working on training manual materials

Thanks,
Ryan